

# DEPARTMENT OF COMMUNITY CORRECTION

## Enabling Laws

Act 263 of 2016  
Act 531 and 548 of 1993  
A.C.A. §12-27-124 and A.C.A. §12-27-125

## History and Organization

The state agency now known as the Department of Community Correction (DCC) was established as the Department of Community Punishment by Act 549 of the 1993 General Assembly. Acts 531 and 548 of 1993 promoted alternatives to traditional prisons by requiring a well-rounded approach to community corrections through the use of supervision, facilities and programs for offenders. The Act also combined the Board of Correction and the Adult Probation Commission to form the Board of Correction and Community Punishment to oversee DCC, the Arkansas Department of Correction, and their facilities and programs. Since then, the board's name has changed to the Board of Corrections.

The board has seven voting members, which include the chairman of the Parole Board, one criminal justice faculty member of a four-year Arkansas university and five citizen members. The members are appointed by the governor to seven-year, staggered terms. The board has both constitutional and statutory authority and control over the DCC.

The DCC Director reports directly to the Board of Corrections as the agency's chief executive, administrative and fiscal officer. The director is responsible for the agency's operations, mission, and philosophy. The agency's attorney, grievance coordinator, and Internal Affairs and Special Response Team Administrator report to the Director.

In addition, DCC has a Chief Deputy Director whose oversight includes research and planning, grants, accreditation, information technology, volunteer services and reentry services.

The agency has four Deputy Directors that supervise four divisions.

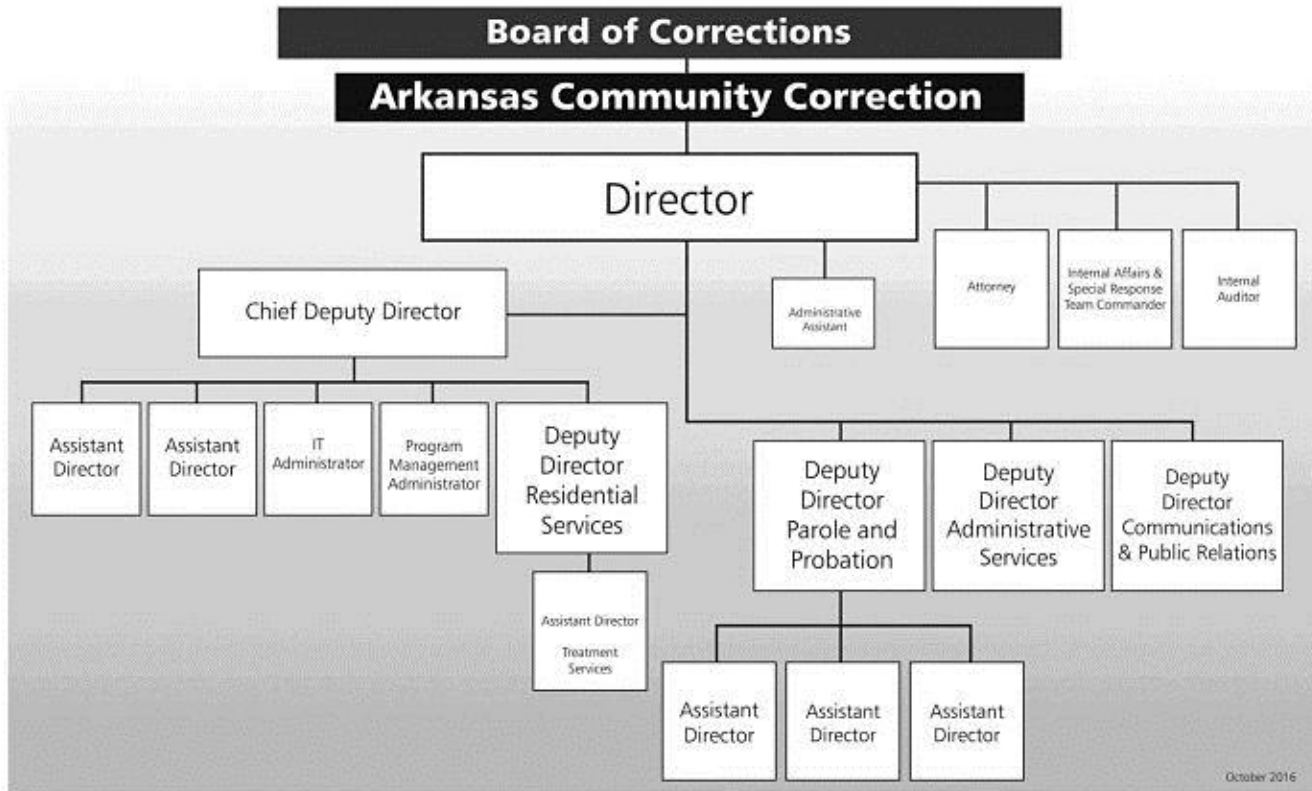
**Administrative Services** is responsible for human resources, agency training, accounting, budget, inventory, procurement, fee collection and banking. The division must ensure the agency remains in full compliance with state and federal laws and procedures for all financial matters.

**Communications and Public Affairs** oversees agency policy, publications, media relations, Freedom of Information Act requests and legislative affairs.

**Parole/Probation Services** supervises the agency's 13 Area Parole and Probation Offices, institutional parole services, offender work programs, day reporting centers, GPS monitoring, the Sex Offender Aftercare Program, treatment services and all specialty courts, which include Drug Courts, Veterans Courts, SWIFT Courts, Mental Health Courts, HOPE Courts, and Pre-Adjudication Courts.

**Residential Services** is responsible for five community-based centers that house lower security offenders and one medium security facility for male technical parole violators that includes a community work program. The division also coordinates the substance abuse and other treatment programs for all the facilities.

Through adult probation, adult parole and six community correction centers, DCC supervises approximately 55,000 offenders, which is the largest population of felony offenders in the state.



## Agency Commentary

The Arkansas Department of Community Correction (ACC) is responsible for the administration of all community correction residential treatment facilities, reentry services and community supervision of adult probation and parole. ACC's mission is to enhance public safety by enforcing state laws and court mandates through community partnerships and evidence-based programs that hold offenders accountable while engaging them in opportunities to become law-abiding, productive citizens.

ACC focuses efforts and resources on reducing recidivism, which is a major performance objective of the department's Strategic Plan. The Strategic Plan is the agency's guide for its operations, efforts, decisions, and budget requests. All Biennial Budget Requests submitted conform to ACC's Agency Goals, which are:

- Goal 1:** Use appropriate and effective supervision of adult offenders and evidence-based sanctions and incentives which promote public safety and reduce recidivism.
- Goal 2:** A continuum of community-based sanctions and services which holds offenders accountable, reduces barriers to success, improves offenders' ability to become productive and lawful members of the community, reduces recidivism, and enhances public safety.
- Goal 3:** Agency oversight is facilitated through project management and quality assurance that promote accountability and effective decision making.
- Goal 4:** Provide alternatives to traditional prison through residential programs and community-based sanctions.
- Goal 5:** Provide cost-effective programs and services.
- Goal 6:** Attract and retain quality staff.

### **Community Supervision:**

At the close of FY2016, ACC was responsible for supervision of approximately 54,000 adult felony offenders living in Arkansas. These offenders are either probationers who were placed on community supervision by the courts or parolees who were granted early release from state prison by the Parole Board. The agency's approach to supervision emphasizes assessment, intervention, and accountability. Offenders are classified according to a risk assessment as requiring maximum, medium, or minimum supervision and referred to treatment and programming according to identified needs. For as long as they remain under supervision, the offenders must abide by certain conditions of release or probation. An offender's failure to do so can result in progressive sanctions, which are outlined in the ACC's Offender Violation Guide and include incarceration. Parole/Probation Officers are certified law enforcement officers who provide supervision, case management, guidance, offender intake, assessments and evaluations, drug testing, and additional support services.

**Specialty Courts:** ACC provides support services and staffing for specialty courts located throughout the state. Specialty courts currently operating include mental health, veterans, Smarter Sentencing, SWIFT/HOPE courts and drug courts, which are the most prevalent specialty courts. ACC currently staffs sixty-six (66) specialty courts that have a combined average monthly case load of 3,000 adult offenders.

**Sex Offender Supervision:** ACC is responsible for the supervision of nearly 2,800 sex offenders currently on probation or parole in Arkansas. Because supervision of sex offenders must be more intense, it is managed by an ACC team of professionals who devote 100% of their efforts to managing the state's sex offender population. The goal is to maximize community safety through focused supervision, comprehensive treatment, and behavioral monitoring. The team includes forty-two (42) supervision officers, six (6) aftercare coordinators,

six (6) polygraph examiners or voice stress analysts, an Assistant Area Manager, and an Area Manager.

**Special Response Team (SRT):** The Special Response Team was formed in FY2013 to concentrate efforts on locating offenders who have absconded community supervision. SRT is comprised of specially-trained, certified law enforcement officers from each Area Parole/Probation Office. The team works under the direction of the ACC Internal Affairs Administrator.

**Community Service:** ACC's community service programs help restore communities, prevent crime, and hold offenders accountable for the crimes committed in their communities. With the implementation of community service activities, offenders are given opportunities to fulfill court-ordered community service obligations in a way that benefit Arkansas communities. The ACC collaborates with a host of partners, including state, city, and local governments and non-profit organizations for reentry purposes and to provide community programs that beautify and improve.

**Reentry Services:** ACC Reentry Services coordinates opportunities for offenders to prepare for successful reentry into society through community engagement and stakeholder partnerships aimed at increasing public safety and reducing recidivism while slowing prison growth. Reentry Centers serve as a transitional period for an inmate between prison and release to the community. A designated reentry team oversees Reentry Centers and development of reentry resources and educational and employment opportunities throughout the state.

**Institutional Release Services (IRS):** IRS is responsible for identifying when an inmate is eligible for parole consideration, scheduling the inmate for a parole hearing when eligible, and assisting in releasing those inmates approved by the Arkansas Parole Board. IRS staff is primarily housed in ACC residential facilities and ADC institutions.

**Interstate Compact:** Through the Interstate Compact Agreement, the ACC is able to participate in the transfer of supervision of eligible parolees and probationers between participating states. Responsibilities include community supervision, processing investigation requests, providing progress reports, issuing warrants, and facilitating the re-taking process. In most years, the state has a nearly even division of Arkansas offenders supervised out-of-state and out-of-state offenders being supervised in Arkansas.

**ACC Parole/Probation Office Locations include:**

Area 1 - Washington, Benton & Madison Counties

Area 2 - Carroll, Boone, Marion, Baxter, Fulton, IZard, Searcy, Stone & Van Buren Counties

Area 3 - Independence, Randolph, Lawrence, Sharp, Jackson, Cleburne, White & Prairie Counties

Area 4 - Craighead, Clay, Greene, Poinsett & Mississippi Counties

Area 5 - Sebastian, Scott, Polk, Montgomery, Logan, Franklin, Crawford & Johnson Counties

Area 6 - Faulkner, Pope, Yell, Conway & Perry Counties

Area 7 - Pulaski County Probation and Saline County Probation/Parole

Area 8 - Pulaski County Parole & Lonoke County Parole and Probation

Area 9 - Phillips, Woodruff, Cross, Crittenden, St. Francis, Lee & Monroe Counties

Area 10 - Garland, Hot Spring, Grant & Clark Counties

Area 11 - Jefferson, Arkansas, Lincoln, Desha, Drew, Bradley, Ashley, Chicot & Cleveland Counties

Area 12 - Miller, Little River, Sevier, Howard, Pike, Hempstead, Lafayette & Nevada

Area 13 - Union, Columbia, Calhoun, Ouachita & Dallas Counties

### **ACC Residential Treatment Centers**

The agency uses a modified therapeutic community approach in all its residential centers. Treatment is a group-based, intensive method of treating substance abuse and criminal behavior. The concept, which promotes pro-social values, attitudes, and behaviors through the use of a positive peer culture, has been tailored to the offender population. To re-socialize offenders, the program uses behavior modification, cognitive restructuring, staff role modeling, and education. The offenders are trained to handle specific functions, including food service, maintenance, laundry, and gardening at each facility. Offenders who have been dually diagnosed as having a history of substance abuse coupled with a mental health and/or medical issue are assigned to an appropriate Special Needs Unit and receive specialized individual and group therapy. The Centers include:

- **Central Arkansas Community Correction Center (Little Rock)** - Capacity of 150 males including 50 drug court treatment beds.
- **Northeast Arkansas Community Correction Center (Osceola)** - Capacity of 240 males.
- **Northwest Arkansas Community Correction Center (Fayetteville)** - Capacity of 100 females.
- **East Central Arkansas Community Correction Center (West Memphis)** - Capacity of 350 females including 35 drug court treatment beds, 100 Special Needs Unit beds, and 50 Technical Violator Program beds.
- **Southwest Arkansas Community Correction Center (Texarkana)** - Capacity of 475 males including 60 Special Needs Unit beds.

**Technical Parole Violator Program (TVP):** ACC operates a 288 bed Technical Violator Program for male offenders at the Omega Technical Violator Center in Malvern and a 50 bed program for females at the East Central Arkansas Community Correction Center in West Memphis. As a sanction, parolees who violate the conditions of their release may be sent to the program by a Parole Board Hearing Judge as an intervention. Offenders are sent for either a 90 or 120 day stay, depending on whether it is their first or second sanction to the program. The TVP includes work assignments, treatment, and education.

**Reentry Centers:** Created during FY16, Reentry Centers provide a smoother transition for state inmates returning to the community on parole. Prior to their release from prison, inmates are transferred to the centers where programming focuses on employment skills, substance abuse, and life skills. Offenders stay at the center for at least six months and are expected to have a job in the community within 45 days. The average cost of housing a resident at a reentry facility is less than half the amount it costs per day to house an inmate in state prison; the beds will turn over three times per year; and offenders can be sent to reentry up to 18 months prior to their parole eligibility date. ACC's goal is to have 500 reentry beds throughout the state.

### **Criminal Justice Oversight Task Force**

Created by the Criminal Justice Reform Act of 2015, the Criminal Justice Task Force is responsible for studying the performance and outcome measures related to the act. As part of its work, the Council of State Governments (CSG) was engaged to evaluate Arkansas' criminal justice system and prepare recommendations for appropriate investment of resources in criminal justice in Arkansas. CSG's Justice Reinvestment Initiative relies on a data-driven approach to reduce overall corrections spending and reinvest savings in strategies that can decrease recidivism and increase public safety. Most recently, CSG presented an evaluation of community correction operations to the Criminal Justice Task Force. CSG suggested the Task Force adopt 3 recommendations:

- Task Force supports funding ACC caseworker (officer/treatment) staffing levels based on case load standards relating to the different risk levels of the probation and parole population to ensure appropriate supervision focus is provided to individuals based on their risk of recidivism.
- Task Force requests specific recommendations on policies, investments, and practices aimed at optimizing Arkansas' programming, treatment, and sanctioning resources for the supervision of individuals on probation or parole, with the specific objective of reducing recidivism in the most cost-effective manner.
- Task Force supports funding and policy enhancements designed to improve ACC's incorporation of and adherence to evidence-based practices, including programming and treatment resources, training for staff, and regular measurement of key indicators of success.

ACC's Biennial Budget request is in compliance with CSG recommendations in that the top priority is for sufficient officer/treatment staffing, which has never been funded to the level suggested by national best practices. The request also includes expansion of ACC residential beds,

including technical violator beds that while the cost per day is relatively similar to that of ADC, the treatment programs have a lower recidivism rate compared to prison and shorter lengths of stay.

### **Agency Base Level Funding Justification**

ACC has taken steps over the recent fiscal years to use current base-level funding as efficient as possible. We are constantly looking for ways to reduce spending in order to compensate for the approximately \$2 million shortage in our operating budget. Some examples of how we are accomplishing this are as follows:

- Arkansas Works Program

ACC makes the effort to enroll all qualified offenders in the Arkansas Works Insurance Program which has been beneficial in expanding the opportunity to refer offenders to substance abuse and mental health treatment programs. Providing treatment in lieu of incarceration will save the state thousands of dollars.

- Transitional Reentry Beds

This program was approved during the last biennium and continued in the recent special session. Having placed just over 300 (68 have graduated) residents to date and have commitments for operation of 200 beds with a goal of 500 by the end of the fiscal year. The average cost of housing a resident at a reentry facility is less than half the amount it costs per day to house an inmate in a state prison, the beds will turn over three times per year, and offenders can be sent to reentry up to 18 months prior to their parole eligibility date. The 68 graduates saved the state \$1.8 million in prison housing costs.

- Operationalizing the Good Grid

Good Grid is a comprehensive web-based reentry portal for offenders in need of various services. It includes a statewide directory of employers, volunteers and service providers who will assist in the successful reentry of offenders. It also includes a resume builder and job listings from businesses willing to hire offenders. The donation of programming/development services has been valued as a benefit to the state of more than \$20 million. An educational program component is in the development process as well as an offender employment service - also at no cost to the state.

- Telecommunications

ACC has eliminated the majority of land line phones statewide in lieu of cell phones where employees had both. This has produced



approximately \$440,000 annually.

- Training

The Agency has enforced using GoTo meetings for online training, saving costs associated with traveling to central training. We have also implemented regional training with staff taking training opportunities to the Field rather than requiring all staff to come to central office reducing travel expenses. We also continue to develop web-based training that employees can access via an internal website.

- Centralized Banking

Automated offender banking and implemented online deposits to address a Legislative Audit Finding, but will also save staff time in entering money orders and preparing monthly reconciliations.

- eOMIS Enhancements

ACC has collaborated in the automation of Arkansas Parole Board's processes and an automated commissioner voting system. This allows commissioners to have the most recent data available when making parole release decisions. This eliminated ACC Release Officers having to print "boxes" of information weekly, resulting in savings of staff time and paper, copier and transportation expenses. We have also been working on ways to automate additional processes as time/money allows to save officers time on administrative tasks to allow more time for better supervision of offenders. For example, we have automated the referral process for offenders for assessments for counseling, drug treatment and developed one screen for officers to make all entries where they previously had to switch to at least 13 screens.

- Equipment

We have acquired and distributed signature pads to our field offices to capture staff and/or offender signatures on various documents eliminating printing costs and staff time to "scan" printed documents back into the system. In addition, we have phased out personal printers and fax machines in lieu of a multi-print station and high reliance on scanning to email rather than hard copies.

- Purchasing

In FY16, we revamped purchasing procedures to better manage spending statewide. By centralizing all AASIS entries and approvals, the Administrative Services Division has been able to better manage and oversee the procurement operations of this Agency

ACC requests the continuation of current base-level funding for the upcoming biennium. We are utilizing our current base level funds by:

- a. Supporting our budgeted positions including salaries and personal services matching, vehicle maintenance and insurance, fuel, bullet-proof vests, office supplies, ammunition, training, certification and re-certification for treatment staff
- b. Funding agency parole and probation offices around the state including utilities, copier leases, IT equipment needs, some building and grounds maintenance, lease expenses for central office
- c. Providing center operational needs including building and grounds maintenance, food, equipment maintenance, resident clothing, kitchen and janitorial supplies, office supplies, fuel, and utilities
- d. Funding medical insurance for center residents

ACC requests the continuation of current base-level funding based on the justification included for the 2017-2019 Biennium including continuation of the one-time general improvement funds given to the agency in the Governor's Discretionary Release in FY2016. We will continue to be persistent in using these general revenues to the best interest of the state.

### **Change Level priorities for the 2017-2019 Biennium**

- Continuation of the Public Safety Plan Programs - We are requesting the continuation of funding for the additional positions and transitional Reentry Centers funded by General Improvement funds for FY2016 and 2017. The funding for this continuation has been included in our base.
- Medical contract inflationary increases for existing facilities totaling \$172,162 in FY2018 and \$335,091 in FY2019. These incremental increases are based on the FY2018 contractual monthly rate of \$352.45 (2.61% increase) and FY2019 of \$360.92 (2.40% increase). The annual inflationary increases were pre-determined as a result of the RFP process.
- Field Services Staffing - First and foremost, ACC is requesting an increase in the number of supervision officers and treatment staff to reduce the excessively high case load averages to a more manageable level. Currently, Arkansas Parole/Probation officers each supervise an average of 129 offenders. There simply is no way an officer can handle the overall workload that comes with supervising such a high number of offenders, which forces them to prioritize what can physically be done in a 40-hour work week. In addition to supervising offenders, conducting office, home and employment visits, and drug testing offenders, officers also have required administrative tasks that include conducting intakes, risk and needs assessments, developing supervision plans, writing reports, arresting and transporting offenders in and out-of-state, appearing in court and at parole revocation hearings, monitoring offenders on electronic GPS, investigating violations, and attending mandatory annual trainings. Offenders have varying levels of criminogenic needs, which at medium and maximum levels require closer supervision, treatment, and enforcement of conditions that evidence shows can lead to changes in behavior. Implementation of critical Reentry Services to lower recidivism will also place a greater burden on officers to make referrals to agencies and to document compliance and progress. Based on the national average of officer-to-offender case load ratios, along with

- CSG's recommendation, ACC is requesting additional positions in accordance with nationally suggested case load levels. Based on this justification, we are requesting \$7,928,872 in FY2018 and \$5,989,597 in FY2019.
- Transportation Teams - ACC is requesting \$584,228 in FY2018 and \$504,231 in FY2019 for new positions and operational support to allow for agency transportation teams. This would be most helpful in certain areas that border the state (i.e. Fayetteville, Texarkana, and West Memphis). We currently outsource the majority of our extradition expenditures.
- Ozark Drug Court - ACC is requesting \$182,586 in FY2018 and \$145,621 in FY2019 for a proposed Drug Court in Franklin County. This would allow for the personal services and operating needs for a PPO, Advisor, and Administrative Assistant to staff the new Drug Court should it be approved by the Arkansas Supreme Court.
- Continuation of the Osceola Drug and Benton HOPE Courts - Currently, the Osceola Drug and Benton HOPE Courts are funded by a Department of Justice grant, but both will expire September 30, 2016. In order to continue the two courts, we are requesting \$260,042 in both years of the biennium to support the personal services and operating expenses of them.
- Operating Expense Increases - Over time, ACC's staff has grown and the operating expense funding needed to support those positions has not. The agency depends on its yearly salary savings to cover the shortage in maintenance and operations. This includes critical maintenance and repairs of the residential centers, uniforms for our staff, rising food costs for our residents, rotating replacement of bulletproof vests, IT updates and equipment needs, etc. This request totals \$2,000,000 in each year of the biennium.
- Vehicle Fleet Replacements - The agency is requesting \$2,484,724 to replace high mileage or unusable vehicles that are costing the agency more money to insure and maintain than they are worth. In addition to administrative and operational needs, access to vehicles by our field Parole/Probation Officers is essential to providing appropriate supervision of offenders through approving home plans for inmates released from prison, regular and routine home visits of offenders to ensure they are in compliance with release conditions, and transportation of offenders to jail. Center vehicles are necessary to transport offenders to medical appointments and for non-emergency hospital runs, to an ADC facility should the need arise, and for routine administrative and operational needs of the institutions.
- General Agency Operations - Increases in staff and Information Technology expenditures are needed to accommodate the anticipated increases in staff and to enhance operations in parole and probation offices and the treatment facilities. We are requesting \$1,641,658 in FY2018 and \$1,528,258 in FY2019 to provide for positions and support of training, IT, and our Research/Planning Section. This includes three Training Instructors, five Network Support Specialists and two Information System Coordination Specialists.
- Community Correction Center Operations/Expansion - Currently, ACC has six (6) residential centers located throughout Arkansas. To provide an appropriate standard of living for our offender population, meet the accreditation standards of the American Correctional Association, and maintain its treatment facility licensure many functions within our Centers are in constant need of maintenance or replacement. In the last few years, it has seemed that our centers are struggling to keep up with these constant needs. Examples of

appliances. The amount of use each individual piece of equipment requires in turn causes the need for consistent maintenance and eventual replacement. The request for existing center operations totals \$2,041,793 in FY2018 and 1,225,000 in FY2019. In addition, ACC is requesting 24 additional positions in FY2019 for a proposed 200-bed expansion at the Omega Technical Violator Center. A request for construction of the 200 beds is included in the ACC General Improvement Projects request for the next biennium. We also are proposing cost effective expansions to our Northwest, East Central, and Southwest treatment facilities. The total operational costs for the expansions total \$743,228 in FY2018 and \$5,755,774 in FY2019.

- Overtime Appropriation - This request is for the agency to have the ability to pay overtime in order to comply with possible changes to the federal overtime regulations. ACC is very likely to pay out a large amount of overtime over the next biennium unless we are able to reclassify certain positions and get them to a higher salary in order to avoid that possibility. This request totals \$308,500 in appropriation only in each year of the biennium.
- Special Revenue Appropriation - ACC is requesting an increase of \$1,000,000 in appropriation only to provide for any needs that may arise for our supervision staff and area field offices. Some of these needs include, but are not limited to vehicles, uniforms, information technology needs, training, bullet proof vests and eOMIS enhancements. We are currently at our fleet vehicle cap of 422 vehicles, and after researching the current state of our fleet, we are in need of implementing a strategy to start replacing this deteriorating fleet. We also utilize this fund to make upgrades to our electronic offender management system (eOMIS). This is a constant expense and a priority for the agency. Over the last fiscal year, ACC has seen an increase in offender fee collections. It's a goal of the agency to retain this fund because it is critical to our operation in that it allows us to cover shortfalls that cannot be absorbed through our general revenue fund.
- Residential Services Appropriation - The Agency is requesting \$500,000 in appropriation to allow for capital appropriation to address any equipment needs our centers could face over the next biennium. This request will allow ACC to better utilize its resources and provide better overall services to its offender population.
- Pay for Success - ACC is requesting \$20 million in appropriation to provide for the services and programs associated with Pay for Success. The funding for this would be provided through contract agreements with one (1) or more private entities. Examples of these programs are:
  - Supportive Transitional Housing
  - Mentoring
  - Addiction Treatment for Juvenile and Young Adults
  - Oxford House

## Audit Findings

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
ARKANSAS COMMUNITY CORRECTION  
FOR THE YEAR ENDED JUNE 30, 2015

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### Findings

Arkansas Community Correction (ACC) failed to segregate duties relating to initiating, disbursing, and recording transactions among appropriate employees, increasing the risk of fraud. During fiscal years 2002 through 2006, employee DaWanna Walls diverted \$164,402 from the Agency to her personal bank account. Walls devised a scheme where she submitted invoices for a fictitious vendor and flagged those warrants for pick up from the Auditor of State's Office. The fictitious company was in the name of Walls' spouse, allowing for deposit of the warrants into Walls' bank account.

Further review revealed that Walls, who was first employed with the State on April 7, 1997, perpetrated a similar scheme at another state agency where she was previously employed. Between fiscal years 2009 and 2014, Walls misappropriated \$67,893 at the Arkansas Department of Higher Education. The total misappropriated by Walls from the two agencies, during fiscal years 2002 through 2014, was \$232,295.

Subsequent to an Arkansas State Police investigation, Walls was charged with two felony counts of theft of property.

Our review of general computer controls for Sage and Electronic Offender Management Information System (EOMIS) financial applications revealed the following deficiencies:

- Backups were not stored at a suitable off-site facility. Failing to maintain backups at a secure, off-site facility could result in loss of data and the inability to continue operations in the event of a disaster. [Sage]
- Documented application recovery plans were not tested to verify their effectiveness. A plan that is not periodically tested and updated with current conditions could prove unreliable in a disaster situation. [Sage, EOMIS]

Financial Management Guide regulation R4-19-4-501 requires an agency to establish strict controls over cash receipts to ensure they are accounted for properly. Deposit activity was not accurately recorded in EOMIS and in AASIS:

- Transaction information received from the Information Network of Arkansas (INA) for deposits was inaccurate and did not agree to amounts posted to offender accounts

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### Recommendations

We recommend the financial accounting duties related to initiating, disbursing, and recording transactions within the Agency be segregated to the fullest extent possible.

**Agency Response:**

The fraud **was** committed during the earlier days of AASIS, prior to inclusion of system segregation of duties controls. ACC agrees with the need for segregation of duties related to recording of financial transactions and utilizes the system accordingly.

We recommend storing the backup media at a secure, off-site location that is geographically apart from the primary facility and not a personal residence. In addition, we recommend the Agency conduct formal testing of the disaster recovery plan on a regular basis.

**Agency Response:**

In October 2015, ACC staff conducted eOMIS disaster recovery testing with the Department of Information Systems at Data Center West. During the test, all eOMIS functionality remained operable and passed testing requirements. The need for Sage software will soon be eliminated upon conversion of the financial section of eOMIS.

We recommend the Agency develop procedures to ensure all deposit activity is properly recorded in EOMIS and AASIS.

**Agency Response:**

ACC is in the process of updating the financial section of eOMIS. The changes required expensive programming changes to eOMIS to include a bank reconciliation module, which will ensure funds received and receipted are properly posted to offenders' accounts and

DIVISION OF LEGISLATIVE AUDIT  
 AUDIT OF :  
 ARKANSAS COMMUNITY CORRECTION  
 FOR THE YEAR ENDED JUNE 30, 2015

Findings

in EOMIS. Errors in the deposit amounts resulted in revenues being recorded to the wrong Treasury funds in AASIS.

- Deposits totaling \$5,375 received from July 2002 to June 2015 were not posted to offender accounts.

Recommendations

reconciled with the bank and AASIS.

**Employment Summary**

	Male	Female	Total	%
White Employees	335	410	745	59 %
Black Employees	147	345	492	39 %
Other Racial Minorities	4	14	18	2 %
Total Minorities			510	41 %
Total Employees			1,255	100 %

## Publications

### A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Administrative Regulations	ACA §25-15-204	N	Y	178	To comply with the Administrative Procedures Act; Provide guidance to staff and offenders under Agency jurisdiction; and to accommodate any public request.	0	0.00
DCC Annual Report	ACA §12-27-125 ACA § 12-27-126 ACA §13-2-212	N	N	178	To provide report of progress toward the agency mission; also to comply with statute governing State & Local Government Publications Clearinghouse to the State Library.	0	0.00

**ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM**  
**STATE CONTRACTS OVER \$50,000 AWARDED TO MINORITY OWNED BUSINESSES**  
**Fiscal Year 2016**  
**Required by A.C.A. 25-36-104**

**AGENCY: 0485 DEPARTMENT OF COMMUNITY CORRECTION**

Minority Business	Total Contract Awarded	Minority Type per A.C.A. 15-4-303 (2)					
		African American	Hispanic American	American Indian	Asian American	Pacific Islander American	Disabled Veteran
Better Community Developers (Drug Court)	\$400,000	X					
Better Community Developers (Parole/Probation)	\$50,000	X					
Gyst House	\$69,000	X					
Sober Living	\$102,000	X					

<b>TOTAL NUMBER OF MINORITY CONTRACTS AWARDED</b>	<u>4</u>
<b>TOTAL EXPENDITURES FOR CONTRACTS AWARDED</b>	<u>\$10,342,608</u>
<b>% OF MINORITY CONTRACTS AWARDED</b>	<u>0.61 %</u>



# Department Appropriation Summary

## Historical Data

## Agency Request and Executive Recommendation

Appropriation	2015-2016		2016-2017		2016-2017		2017-2018					2018-2019						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1BA Community Correction - Federal	418,229	6	399,409	6	438,493	7	400,352	6	1,900,352	6	1,900,352	6	400,352	6	1,900,352	6	1,900,352	6
1BR Residents Cash Treasury	1,942,828	0	2,659,646	0	2,722,516	0	2,659,646	0	3,159,646	0	3,159,646	0	2,659,646	0	3,159,646	0	3,159,646	0
2GH Community Correction-Special	5,334,524	49	8,812,885	65	8,740,233	65	8,832,760	65	9,832,760	65	8,832,760	65	8,836,215	65	9,836,215	65	8,836,215	65
2GK County Jail Reimbursement	1,306,828	0	3,000,000	0	3,109,636	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0
510 Community Correction - State	82,099,304	1,391	88,426,204	1,382	98,787,483	1,452	88,518,793	1,382	106,866,586	1,541	88,690,955	1,382	88,566,909	1,382	106,619,023	1,599	88,902,000	1,382
86Y Best Practices	3,449,267	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
N57 Court Accountability Grants	1,100,681	0	1,699,319	0	2,800,000	0	1,699,319	0	0	0	1,400,000	0	1,699,319	0	0	0	1,400,000	0
N58 Pay for Success Program	100,000	0	0	0	3,000,000	0	0	0	20,000,000	0	3,000,000	0	0	0	20,000,000	0	3,000,000	0
<b>Total</b>	<b>95,751,661</b>	<b>1,446</b>	<b>108,997,463</b>	<b>1,453</b>	<b>123,598,361</b>	<b>1,524</b>	<b>109,110,870</b>	<b>1,453</b>	<b>148,759,344</b>	<b>1,612</b>	<b>113,983,713</b>	<b>1,453</b>	<b>109,162,441</b>	<b>1,453</b>	<b>148,515,236</b>	<b>1,670</b>	<b>114,198,213</b>	<b>1,453</b>

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	7,588,883	6.9	14,729,942	12.9			5,261,587	4.8	5,261,587	4.1	5,261,587	4.8	3,811,444	3.5	2,811,444	2.2	3,811,444	3.5
General Revenue	4000010	79,917,457	72.3	81,610,629	71.4			91,468,793	83.1	109,508,086	85.5	91,640,955	83.2	91,516,909	84.2	109,260,523	87.1	91,852,000	84.3
Federal Revenue	4000020	446,417	0.4	399,409	0.3			400,352	0.4	400,352	0.3	400,352	0.4	400,352	0.4	400,352	0.3	400,352	0.4
Special Revenue	4000030	10,565,567	9.6	9,900,000	8.7			11,400,000	10.4	11,400,000	8.9	11,400,000	10.3	11,400,000	10.5	11,400,000	9.1	11,400,000	10.5
Cash Fund	4000045	1,735,629	1.6	1,503,877	1.3			1,503,877	1.4	1,503,877	1.2	1,503,877	1.4	1,503,877	1.4	1,503,877	1.2	1,503,877	1.4
Merit Adjustment Fund	4000055	0	0.0	131,789	0.1			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DFA Motor Vehicle Acquisition	4000184	408,465	0.4	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General Improvement Fund	4000265	9,816,596	8.9	5,983,404	5.2			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Intra-agency Fund Transfer	4000317	0	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	2,589	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		110,481,603	100.0	114,259,050	100.0			110,034,609	100.0	128,073,902	100.0	110,206,771	100.0	108,632,582	100.0	125,376,196	100.0	108,967,673	100.0
Excess Appropriation/(Funding)		(14,729,942)		(5,261,587)				(923,739)		20,685,442		3,776,942		529,859		23,139,040		5,230,540	
Grand Total		95,751,661		108,997,463				109,110,870		148,759,344		113,983,713		109,162,441		148,515,236		114,198,213	

Budget exceeds Authorized Appropriation in FY17 (2GH) due to salary and matching rate adjustments during the 2015-2017 Biennium.  
 Variance in fund balance due to unfunded appropriations in (N57) Court Accountability Grants and (N58) Pay for Success Program

## Agency Position Usage Report

FY2014 - 2015						FY2015 - 2016						FY2016 - 2017					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
1,450	1265	49	1314	136	12.76 %	1,494	1297	47	1344	150	13.19 %	1,651	1271	114	1385	266	23.02 %

## **Analysis of Budget Request**

**Appropriation:** 1BA - Community Correction - Federal

**Funding Sources:** FPF - Federal Fund

This appropriation is funded by federal funds and provides support for several federal grant programs. The programs are for offender substance abuse rehabilitation treatment, drug court, serious and violent offenders, transitional housing and preparation for release from incarceration with follow up. The Agency anticipates the grants to continue during the next biennium.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Base Level appropriation totals \$400,352 in each year of the biennium.

The Agency's Change Level request provides for Operating Expenses increase of \$1,200,000 and an increase in Professional Fees of \$300,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 1BA - Community Correction - Federal

**Funding Sources:** FPF - Federal Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			2017-2018			2018-2019		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	206,783	211,140	253,518	211,028	211,028	211,028	211,028	211,028	211,028
<b>#Positions</b>		<b>6</b>	<b>6</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
Personal Services Matching	5010003	81,653	80,271	76,977	81,326	81,326	81,326	81,326	81,326	81,326
Operating Expenses	5020002	129,268	70,246	70,246	70,246	1,270,246	1,270,246	70,246	1,270,246	1,270,246
Conference & Travel Expenses	5050009	0	28,313	28,313	28,313	28,313	28,313	28,313	28,313	28,313
Professional Fees	5060010	525	9,439	9,439	9,439	309,439	309,439	9,439	309,439	309,439
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>418,229</b>	<b>399,409</b>	<b>438,493</b>	<b>400,352</b>	<b>1,900,352</b>	<b>1,900,352</b>	<b>400,352</b>	<b>1,900,352</b>	<b>1,900,352</b>
<b>Funding Sources</b>										
Federal Revenue	4000020	418,229	399,409		400,352	400,352	400,352	400,352	400,352	400,352
Total Funding		418,229	399,409		400,352	400,352	400,352	400,352	400,352	400,352
Excess Appropriation/(Funding)		0	0		0	1,500,000	1,500,000	0	1,500,000	1,500,000
<b>Grand Total</b>		<b>418,229</b>	<b>399,409</b>		<b>400,352</b>	<b>1,900,352</b>	<b>1,900,352</b>	<b>400,352</b>	<b>1,900,352</b>	<b>1,900,352</b>

FY17 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2015-2017 Biennium.

## Change Level by Appropriation

**Appropriation:** 1BA - Community Correction - Federal  
**Funding Sources:** FPF - Federal Fund

### Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>400,352</b>	<b>6</b>	<b>400,352</b>	<b>100.0</b>	<b>400,352</b>	<b>6</b>	<b>400,352</b>	<b>100.0</b>
C05	Unfunded Appropriation	1,500,000	0	1,900,352	474.7	1,500,000	0	1,900,352	474.7

### Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>400,352</b>	<b>6</b>	<b>400,352</b>	<b>100.0</b>	<b>400,352</b>	<b>6</b>	<b>400,352</b>	<b>100.0</b>
C05	Unfunded Appropriation	1,500,000	0	1,900,352	474.7	1,500,000	0	1,900,352	474.7

### Justification

C05	The Agency is requesting \$1,500,000 in appropriation in anticipation of future grant awards.
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## **Analysis of Budget Request**

**Appropriation:** 1BR - Residents Cash Treasury

**Funding Sources:** NCC - Cash in Treasury

The Residential Services appropriation provides for the operation of the Community Correction Facilities commissary. These are self-supporting operations in which residents can purchase various commissary supplies, primarily snack foods, in the Department's various centers. This appropriation also utilizes the proceeds from the coin-less telephone program in which the Agency receives partial reimbursement from the telephone company for phone calls made by the residents. The proceeds are used to purchase items of mutual benefit to all residents. The appropriation is also used for inmate assistance projects, security equipment and general operations.

The Agency's Base Level appropriation totals \$2,659,646 in each year of the biennium.

The Agency's Change Level Request is for appropriation of \$500,000 for Capital Outlay in each year of the biennium for equipment purchases that may be necessary for residential centers.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 1BR - Residents Cash Treasury

**Funding Sources:** NCC - Cash in Treasury

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	1,844,467	2,557,846	2,557,846	2,557,846	2,557,846	2,557,846	2,557,846	2,557,846	2,557,846
Conference & Travel Expenses	5050009	0	0	62,870	0	0	0	0	0	0
Professional Fees	5060010	98,361	101,800	101,800	101,800	101,800	101,800	101,800	101,800	101,800
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	500,000	500,000	0	500,000	500,000
<b>Total</b>		<b>1,942,828</b>	<b>2,659,646</b>	<b>2,722,516</b>	<b>2,659,646</b>	<b>3,159,646</b>	<b>3,159,646</b>	<b>2,659,646</b>	<b>3,159,646</b>	<b>3,159,646</b>
<b>Funding Sources</b>										
Fund Balance	4000005	1,550,223	1,223,152		17,383	17,383	17,383	0	0	0
Cash Fund	4000045	1,615,757	1,453,877		1,453,877	1,453,877	1,453,877	1,453,877	1,453,877	1,453,877
<b>Total Funding</b>		<b>3,165,980</b>	<b>2,677,029</b>		<b>1,471,260</b>	<b>1,471,260</b>	<b>1,471,260</b>	<b>1,453,877</b>	<b>1,453,877</b>	<b>1,453,877</b>
Excess Appropriation/(Funding)		(1,223,152)	(17,383)		1,188,386	1,688,386	1,688,386	1,205,769	1,705,769	1,705,769
<b>Grand Total</b>		<b>1,942,828</b>	<b>2,659,646</b>		<b>2,659,646</b>	<b>3,159,646</b>	<b>3,159,646</b>	<b>2,659,646</b>	<b>3,159,646</b>	<b>3,159,646</b>

## Change Level by Appropriation

**Appropriation:** 1BR - Residents Cash Treasury  
**Funding Sources:** NCC - Cash in Treasury

### Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>2,659,646</b>	<b>0</b>	<b>2,659,646</b>	<b>100.0</b>	<b>2,659,646</b>	<b>0</b>	<b>2,659,646</b>	<b>100.0</b>
C01	Existing Program	500,000	0	3,159,646	118.8	500,000	0	3,159,646	118.8

### Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>2,659,646</b>	<b>0</b>	<b>2,659,646</b>	<b>100.0</b>	<b>2,659,646</b>	<b>0</b>	<b>2,659,646</b>	<b>100.0</b>
C01	Existing Program	500,000	0	3,159,646	118.8	500,000	0	3,159,646	118.8

### Justification

C01	The Agency is requesting \$500,000 in capital outlay appropriation to allow for equipment purchases that may be necessary for our residential centers.
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## **Analysis of Budget Request**

**Appropriation:** 2GH - Community Correction-Special

**Funding Sources:** SPF - Community Correction Revolving Fund

The Department of Community Correction is responsible for adult probation and parole services. This appropriation is utilized to support these services as well as special programs primarily for alcohol and drug and mental health treatment. The special revenue supporting this appropriation includes fees and sanctions levied by the courts or authorized by the Board of Corrections and paid by offenders. The probation/parole fee is \$25 each month and provide for safety equipment, vehicles, and drug testing supplies.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency's Base Level appropriation totals \$8,832,760 for FY18 and \$8,836,215 for FY19 with sixty five (65) budgeted positions.

The Agency's Change Level Request totals \$1,000,000 of appropriation in each year to support needs such as new vehicles and other support that may be needed for supervision staff and area offices.

The Executive Recommendation provides for Base Level appropriation.

## Appropriation Summary

**Appropriation:** 2GH - Community Correction-Special  
**Funding Sources:** SPF - Community Correction Revolving Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			2017-2018			2018-2019		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,883,769	2,495,289	2,435,183	2,501,289	2,501,289	2,501,289	2,504,089	2,504,089	2,504,089
<b>#Positions</b>		<b>49</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>
Personal Services Matching	5010003	754,983	899,020	886,474	912,895	912,895	912,895	913,550	913,550	913,550
Operating Expenses	5020002	0	0	0	0	0	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
WMSC Parking Srvs from Fees	5900046	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Community Correction Programs	5900047	2,685,772	5,408,576	5,408,576	5,408,576	6,408,576	5,408,576	5,408,576	6,408,576	5,408,576
<b>Total</b>		<b>5,334,524</b>	<b>8,812,885</b>	<b>8,740,233</b>	<b>8,832,760</b>	<b>9,832,760</b>	<b>8,832,760</b>	<b>8,836,215</b>	<b>9,836,215</b>	<b>8,836,215</b>

Funding Sources										
Fund Balance	4000005	2,527,550	5,470,958		3,958,073	3,958,073	3,958,073	2,525,313	1,525,313	2,525,313
Federal Revenue	4000020	28,188	0		0	0	0	0	0	0
Special Revenue	4000030	7,841,279	7,300,000		7,400,000	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000
DFA Motor Vehicle Acquisition	4000184	408,465	0		0	0	0	0	0	0
<b>Total Funding</b>		<b>10,805,482</b>	<b>12,770,958</b>		<b>11,358,073</b>	<b>11,358,073</b>	<b>11,358,073</b>	<b>9,925,313</b>	<b>8,925,313</b>	<b>9,925,313</b>
Excess Appropriation/(Funding)		(5,470,958)	(3,958,073)		(2,525,313)	(1,525,313)	(2,525,313)	(1,089,098)	910,902	(1,089,098)
<b>Grand Total</b>		<b>5,334,524</b>	<b>8,812,885</b>		<b>8,832,760</b>	<b>9,832,760</b>	<b>8,832,760</b>	<b>8,836,215</b>	<b>9,836,215</b>	<b>8,836,215</b>

FY17 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2015-2017 Biennium.

## Change Level by Appropriation

**Appropriation:** 2GH - Community Correction-Special  
**Funding Sources:** SPF - Community Correction Revolving Fund

### Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>8,832,760</b>	<b>65</b>	<b>8,832,760</b>	<b>100.0</b>	<b>8,836,215</b>	<b>65</b>	<b>8,836,215</b>	<b>100.0</b>
C01	Existing Program	1,000,000	0	9,832,760	111.3	1,000,000	0	9,836,215	111.3

### Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>8,832,760</b>	<b>65</b>	<b>8,832,760</b>	<b>100.0</b>	<b>8,836,215</b>	<b>65</b>	<b>8,836,215</b>	<b>100.0</b>
C01	Existing Program	0	0	8,832,760	100.0	0	0	8,836,215	100.0

### Justification

C01	The Agency is requesting \$1,000,000 in special revenue appropriation to support any needs that may arise including new vehicles and any other support that may be needed for our supervision staff and area offices.
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## **Analysis of Budget Request**

**Appropriation:** 2GK - County Jail Reimbursement

**Funding Sources:** MCJ - County Jail Reimbursement Fund

Arkansas Code §19-5-1045 provides Jail Reimbursement to Counties by the Department of Community Correction. Prior to this legislation, only Department of Correction could provide Jail Reimbursements to the Counties. In the event that the Department of Correction or Department of Community Correction could not accept inmates from county jails due to insufficient bed space, each agency would have to reimburse the counties for housing the inmates. Funding for this appropriation comes from general revenue.

The Agency's Request is for Base Level of \$3,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 2GK - County Jail Reimbursement

**Funding Sources:** MCJ - County Jail Reimbursement Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	1,306,828	3,000,000	3,109,636	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
<b>Total</b>	<b>1,306,828</b>	<b>3,000,000</b>	<b>3,109,636</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>
<b>Funding Sources</b>									
General Revenue 4000010	1,306,828	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
<b>Total Funding</b>	<b>1,306,828</b>	<b>3,000,000</b>		<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>1,306,828</b>	<b>3,000,000</b>		<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>

## **Analysis of Budget Request**

**Appropriation:** 510 - Community Correction - State

**Funding Sources:** HCP - Department of Community Correction Fund

The Department of Community Correction uses this appropriation for daily operations. Funding for this appropriation comes from general revenue and cash funds received from the rental of buildings at the Texarkana unit to other state agencies.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY17 line item maximum plus the previously authorized 2016 1% Cost of Living Adjustment authorized by Act 1007 (3 (B)) of 2015.

Base Level appropriation totals \$88,518,793 in FY18 and \$88,566,909 for FY19 with one thousand three hundred eighty-two (1,382) budgeted positions.

The Agency's Change Level Request is for \$18,347,793 for FY18 and \$18,052,114 in FY19 with new general revenue funding of \$18,039,293 in FY18 and \$17,743,614 in FY19 and unfunded appropriation of \$308,500 in each year of the biennium, and includes the following:

- Regular Salaries and Personal Services Matching of \$7,170,221 for FY18 and \$9,520,104 in FY19 to include one hundred fifty-nine (159) new positions in FY18 and two hundred seventeen (217) new positions in FY19.
- Overtime and Personal Services Matching unfunded appropriation of \$308,500 in each year of the biennium.
- Operating Expenses of \$4,982,602 in FY18 and \$5,827,002 in FY19 for new position operating expenses, maintenance and repairs of the residential centers, cost effective expansions to existing facilities, and training of new staff.
- Professional Fees of \$269,438 in FY18 and \$2,093,493 in FY19 for increased medical contract expenses.
- Capital Outlay of \$5,617,032 for FY18 and \$303,015 in FY19 for information technology (IT) equipment and vehicle purchases. This request is in compliance with the Agency's IT plan.

The Executive Recommendation provides for Base Level in addition to Professional Fees increase of \$172,162 for FY18 and \$335,091 for FY19 in appropriation and general revenue funding.

# Appropriation Summary

**Appropriation:** 510 - Community Correction - State  
**Funding Sources:** HCP - Department of Community Correction Fund

## Historical Data

## Agency Request and Executive Recommendation

Commitment Item		Historical Data			2017-2018			2018-2019		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	45,487,084	48,278,396	49,413,778	48,322,586	53,483,737	48,322,586	48,361,586	55,190,130	48,361,586
<b>#Positions</b>		<b>1,391</b>	<b>1,382</b>	<b>1,452</b>	<b>1,382</b>	<b>1,541</b>	<b>1,382</b>	<b>1,382</b>	<b>1,599</b>	<b>1,382</b>
Extra Help	5010001	7,782	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
<b>#Extra Help</b>		<b>2</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
Personal Services Matching	5010003	17,234,720	18,030,064	18,531,095	18,281,863	20,349,433	18,281,863	18,290,979	21,041,039	18,290,979
Overtime	5010006	16,930	10,000	10,000	10,000	260,000	10,000	10,000	260,000	10,000
Operating Expenses	5020002	12,604,889	15,752,479	22,170,874	15,752,479	20,735,081	15,752,479	15,752,479	21,579,481	15,752,479
Conference & Travel Expenses	5050009	2,330	2,000	47,109	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees	5060010	6,077,267	6,049,865	7,543,170	6,049,865	6,319,303	6,222,027	6,049,865	8,143,358	6,384,956
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	668,302	203,400	971,457	0	5,617,032	0	0	303,015	0
<b>Total</b>		<b>82,099,304</b>	<b>88,426,204</b>	<b>98,787,483</b>	<b>88,518,793</b>	<b>106,866,586</b>	<b>88,690,955</b>	<b>88,566,909</b>	<b>106,619,023</b>	<b>88,902,000</b>

Funding Sources										
Fund Balance	4000005	0	5,349,701		0	0	0	0	0	0
General Revenue	4000010	78,610,629	78,610,629		88,468,793	106,508,086	88,640,955	88,516,909	106,260,523	88,852,000
Cash Fund	4000045	119,872	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Merit Adjustment Fund	4000055	0	131,789		0	0	0	0	0	0
General Improvement Fund	4000265	8,715,915	4,284,085		0	0	0	0	0	0
M & R Sales	4000340	2,589	0		0	0	0	0	0	0
<b>Total Funding</b>		<b>87,449,005</b>	<b>88,426,204</b>		<b>88,518,793</b>	<b>106,558,086</b>	<b>88,690,955</b>	<b>88,566,909</b>	<b>106,310,523</b>	<b>88,902,000</b>
Excess Appropriation/(Funding)		(5,349,701)	0		0	308,500	0	0	308,500	0
<b>Grand Total</b>		<b>82,099,304</b>	<b>88,426,204</b>		<b>88,518,793</b>	<b>106,866,586</b>	<b>88,690,955</b>	<b>88,566,909</b>	<b>106,619,023</b>	<b>88,902,000</b>

## Change Level by Appropriation

**Appropriation:** 510 - Community Correction - State  
**Funding Sources:** HCP - Department of Community Correction Fund

### Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	88,518,793	1,382	88,518,793	100.0	88,566,909	1,382	88,566,909	100.0
C01	Existing Program	16,301,879	144	104,820,672	118.4	16,206,562	202	104,773,471	118.3
C02	New Program	766,814	15	105,587,486	119.3	649,852	15	105,423,323	119.0
C05	Unfunded Appropriation	308,500	0	105,895,986	119.6	308,500	0	105,731,823	119.4
C08	Technology	970,600	0	106,866,586	120.7	887,200	0	106,619,023	120.4

### Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	88,518,793	1,382	88,518,793	100.0	88,566,909	1,382	88,566,909	100.0
C01	Existing Program	172,162	0	88,690,955	100.2	335,091	0	88,902,000	100.4
C02	New Program	0	0	88,690,955	100.2	0	0	88,902,000	100.4
C05	Unfunded Appropriation	0	0	88,690,955	100.2	0	0	88,902,000	100.4
C08	Technology	0	0	88,690,955	100.2	0	0	88,902,000	100.4
C12	Not Requested	0	0	88,690,955	100.2	0	0	88,902,000	100.4

### Justification

C01	The Agency is requesting \$16,301,879 in FY2018 and \$16,206,562 in FY2019 in additional general revenue funding and appropriation. This request includes salary, personal services matching and operating funds to support 119 field supervision and treatment positions in FY2018 and 131 in FY2019. The request for Field Supervision and Treatment totals \$8,458,872 in FY2018 and \$6,519,597 in FY2019. The Agency is also requesting \$2,484,724 in FY18 to replace its aging vehicle fleet. The cost of maintaining the fleet is high and expected, but there are many vehicles that need to be replaced due to high mileage or due to the cost of repairs that outweigh the overall value of the vehicle. A portion of this request also provides for the continuation of two specialty courts, the Benton HOPE Court and the Osceola Drug Court. This includes the salary, personal services matching and the operational support needed for each court to continue and totals \$260,042 in each year of the biennium. The Agency is requesting \$3,041,793 in FY2018 and \$2,225,000 in FY2019 for center building and grounds maintenance, food increases and center equipment. There is also a request for incremental medical costs increases totaling \$172,162 in FY2018 and \$335,091 in FY2019. DCC center expansion request totaling \$743,228 in FY2018 and \$5,755,774 in FY2019 to expand the centers in Northwest Arkansas (46 beds), East Central Arkansas (100 beds), Southwest Arkansas (60 beds) and Omega Technical Violator Center (200 beds). The total request for expansions includes the positions needed to add the additional beds to the centers and the operational expenses needed. The request for expanding the physical expansion will be included in the Agency's capital project request. Lastly, the Agency has general agency needs that total \$1,141,058 in FY2018 and \$1,111,058 in FY2019. This request focuses primarily on the Agency's need for Information Technology staff for the IT and Research sections and includes five Network Support Specialists and two Information System Coordination Specialists.
C02	The Agency is requesting twelve (12) positions in each year of the biennium to provide for transportation teams around the state. This would be most beneficial in the areas that border the state including Fayetteville, Texarkana and West Memphis. This request includes salaries and personal services matching for the positions including the operational funds to support them and one transportation van and totals \$584,228 in FY2018 and \$504,231 in FY2019. A portion of this request also provides for a new drug court in Franklin County and totals \$182,586 in FY2018 and \$145,621 in FY2019. This includes three (3) positions, a Parole/Probation Officer, an Advisor and an Administrative Assistant and the operational support needed for the court.
C05	The Agency is requesting \$308,500 in appropriation only to address any overtime payments that may be needed throughout each year of the biennium. The Agency will rely on salary savings to provide funding for the overtime payouts.
C08	The Agency is requesting appropriation and funding to address information technology needs including increased bandwidth, additional servers, IT equipment, networking switches, printer updates and software licenses. This request is addressed in detail in the Agency's IT Plan and totals \$970,600 in FY2018 and \$887,200 in FY2019.



## **Analysis of Budget Request**

**Appropriation:** 86Y - Best Practices

**Funding Sources:** TBP - Best Practices Trust

This appropriation was established by the Public Safety Improvement Act of 2011 also known as Act 570. The special revenue supporting this appropriation includes fees and sanctions levied by the courts or authorized by the Board of Corrections and paid by offenders. The probation/parole fee is \$10 each month. These fees go to support programs and services that implement practices that are proven to reduce the risk of having repeat offenders or recidivism, including programs that address treatment needs of offenders.

The Agency is requesting Base Level of \$4,000,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 86Y - Best Practices

**Funding Sources:** TBP - Best Practices Trust

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Community Correction Prgm	5900046	3,449,267	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total		3,449,267	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funding Sources										
Fund Balance	4000005	3,511,110	2,686,131		1,286,131	1,286,131	1,286,131	1,286,131	1,286,131	1,286,131
Special Revenue	4000030	2,724,288	2,600,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Intra-agency Fund Transfer	4000317	(100,000)	0		0	0	0	0	0	0
Total Funding		6,135,398	5,286,131		5,286,131	5,286,131	5,286,131	5,286,131	5,286,131	5,286,131
Excess Appropriation/(Funding)		(2,686,131)	(1,286,131)		(1,286,131)	(1,286,131)	(1,286,131)	(1,286,131)	(1,286,131)	(1,286,131)
Grand Total		3,449,267	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000

## **Analysis of Budget Request**

**Appropriation:** N57 - Court Accountability Grants

**Funding Sources:** TAC - Accountability Court Fund

The Court Accountability Grants appropriation provides for the distribution of grant funds to adult and juvenile specialty court programs as defined under Arkansas Code § 16-10-139. This appropriation is payable from the Accountability Court Fund established by Act 895 of 2015 Section 43. Funding for this appropriation comes from grants funds and any other funds authorized or provided by law.

Base Level appropriation totals \$1,699,319 for both years of the biennium.

The Agency Request that appropriation not be continued for the 2017-2019 Biennium.

The Executive Recommendation provides for \$1,400,000 in appropriation.

## Appropriation Summary

**Appropriation:** N57 - Court Accountability Grants

**Funding Sources:** TAC - Accountability Court Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	1,100,681	1,699,319	2,800,000	1,699,319	0	1,400,000	1,699,319	0	1,400,000
<b>Total</b>	<b>1,100,681</b>	<b>1,699,319</b>	<b>2,800,000</b>	<b>1,699,319</b>	<b>0</b>	<b>1,400,000</b>	<b>1,699,319</b>	<b>0</b>	<b>1,400,000</b>
<b>Funding Sources</b>									
General Improvement Fund 4000265	1,100,681	1,699,319		0	0	0	0	0	0
<b>Total Funding</b>	<b>1,100,681</b>	<b>1,699,319</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Excess Appropriation/(Funding)	0	0		1,699,319	0	1,400,000	1,699,319	0	1,400,000
<b>Grand Total</b>	<b>1,100,681</b>	<b>1,699,319</b>		<b>1,699,319</b>	<b>0</b>	<b>1,400,000</b>	<b>1,699,319</b>	<b>0</b>	<b>1,400,000</b>

## Change Level by Appropriation

**Appropriation:** N57 - Court Accountability Grants  
**Funding Sources:** TAC - Accountability Court Fund

### Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>1,699,319</b>	<b>0</b>	<b>1,699,319</b>	<b>100.0</b>	<b>1,699,319</b>	<b>0</b>	<b>1,699,319</b>	<b>100.0</b>
C03	Discontinue Program	(1,699,319)	0	0	0.0	(1,699,319)	0	0	0.0

### Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>1,699,319</b>	<b>0</b>	<b>1,699,319</b>	<b>100.0</b>	<b>1,699,319</b>	<b>0</b>	<b>1,699,319</b>	<b>100.0</b>
C03	Discontinue Program	(299,319)	0	1,400,000	82.4	(299,319)	0	1,400,000	82.4

### Justification

C03	The agency is not requesting appropriation for biennium.
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## **Analysis of Budget Request**

**Appropriation:** N58 - Pay for Success Program

**Funding Sources:** TBQ - Social Innovation Fund

The Pay-for-Success Program appropriation provides for the Department of Community Correction to enter into agreements with entities such as community-based behavioral health providers or public universities to create a pay-for-success program for incarcerated or supervised individuals. The Pay-For-Success Program is payable from the Social Innovation Fund established by Act 895 of 2015 section 42. Funding for this appropriation includes grant funds, loans, investments and any other funds authorized by law.

Agency is requesting \$20,000,000 in unfunded appropriation to provide for services and programs associated with Pay for Success. Expenditure of appropriation is contingent upon available funding.

The Executive Recommendation provides for \$3,000,000 in unfunded appropriation.

## Appropriation Summary

**Appropriation:** N58 - Pay for Success Program

**Funding Sources:** TBQ - Social Innovation Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2015-2016	2016-2017	2016-2017	2017-2018			2018-2019		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Pay for Success 5900046	100,000	0	3,000,000	0	20,000,000	3,000,000	0	20,000,000	3,000,000
Total	100,000	0	3,000,000	0	20,000,000	3,000,000	0	20,000,000	3,000,000
<b>Funding Sources</b>									
Intra-agency Fund Transfer 4000317	100,000	0		0	0	0	0	0	0
Total Funding	100,000	0		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	20,000,000	3,000,000	0	20,000,000	3,000,000
Grand Total	100,000	0		0	20,000,000	3,000,000	0	20,000,000	3,000,000

## Change Level by Appropriation

**Appropriation:** N58 - Pay for Success Program  
**Funding Sources:** TBQ - Social Innovation Fund

### Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
C05	Unfunded Appropriation	20,000,000	0	20,000,000	100.0	20,000,000	0	20,000,000	100.0

### Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
C05	Unfunded Appropriation	3,000,000	0	3,000,000	100.0	3,000,000	0	3,000,000	100.0

### Justification

C05	The Agency is requesting \$20 million in appropriation to provide for services and programs associated with Pay for Success. The funding would be provided through contract agreements with one or more private entities. Pay for Success is an innovative contracting model that drives government resources toward high-performing social programs. PFS contracts track the effectiveness of programs over time to ensure that funding is directed toward programs that succeed in measurably improving the lives of people most in need.								
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