

**State of Alaska
FY2006 Governor's Operating Budget**

**Department of Corrections
Correctional Industries Product Cost
Component Budget Summary**

Component: Correctional Industries Product Cost

Contribution to Department's Mission

Assist in the habilitation of offenders.

Core Services

Provide offenders with marketable work skills through operating the following Correctional Industries Product service enterprises:

- Juneau Commercial Laundry
- Kenai Office Furniture Systems Plant
- Eagle River Garment Shop
- Kenai Metals Plant
- Seward Wood Furniture Plant
- Juneau Staph Guard Hospital Laundry (a private cooperative venture).

FY2006 Resources Allocated to Achieve Results

FY2006 Component Budget: \$3,154,500	Personnel:	
	Full time	10
	Part time	0
	Total	10

Key Component Challenges

- Continue to work toward becoming financially self-sufficient.
- Re-evaluate and analyze current markets, pricing and production scheduling of existing product lines to allow for expansion into new markets.
- Turnover of inmate employees require additional on-the-job training to maintain quality of finished products and timely delivery to customers.
- Continued development of a web page catalog with additional improvements will increase the capability of Alaska Correctional Industries to provide marketing and delivery information to customers.

Significant Changes in Results to be Delivered in FY2006

An evaluation of the viability of each industry will determine if some programs will be discontinued.

Major Component Accomplishments in 2004

- Approximately 190,000 annual hours of inmate employment were provided through on-the-job vocational training.
- Successfully completed the transfer of the Mt. McKinley Meat Plant to the Department of Natural Resources.
- Continuation of an existing private sector contract for a private cooperative venture to employ inmates at the Lemon Creek Correctional Center. Additional private sector companies were identified as free venture partners to market correctional industries products assisting growth in the Alaskan economy.

Statutory and Regulatory Authority

- 1) Probation, Prisons and Prisoners (AS 33)

- 2) Welfare, Social Services and Institutions (AS 47)
- 3) Health and Safety (AS 18)
- 4) Criminal Law (AS 11)
- 5) Public Finance (AS 37)
- 6) State Government (AS 44)
- 7) Create Corrections (EX.OR.55)
- 8) Corrections (22 AAC)

Contact Information
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**Correctional Industries Product Cost
Component Financial Summary**

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	754.4	794.6
72000 Travel	23.8	47.7	47.7
73000 Services	545.3	913.5	913.5
74000 Commodities	1,584.3	1,350.2	1,350.2
75000 Capital Outlay	46.3	48.5	48.5
77000 Grants, Benefits	214.6	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,414.3	3,114.3	3,154.5
Funding Sources:			
1007 Inter-Agency Receipts	19.1	0.0	0.0
1059 Correctional Industries Fund	2,395.2	3,114.3	3,154.5
Funding Totals	2,414.3	3,114.3	3,154.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
Correctional Industries Fund	51190	2,395.2	3,114.3	3,154.5
Unrestricted Total		2,395.2	3,114.3	3,154.5
Restricted Revenues				
Interagency Receipts	51015	19.1	0.0	0.0
Restricted Total		19.1	0.0	0.0
Total Estimated Revenues		2,414.3	3,114.3	3,154.5

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	0.0	0.0	3,114.3	3,114.3
Adjustments which will continue current level of service:				
-FY 05 Bargaining Unit Contract Terms: GGU	0.0	0.0	6.3	6.3
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	20.2	20.2
-Adjustments for Personal Services Working Reserve Rates and SBS	0.0	0.0	13.7	13.7
FY2006 Governor	0.0	0.0	3,154.5	3,154.5

**Correctional Industries Product Cost
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2005</u> <u>Management</u> <u>Plan</u>	<u>FY2006</u> <u>Governor</u>		
Full-time	10	10	Annual Salaries	528,536
Part-time	0	0	COLA	9,452
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	285,921
			<i>Less 0.24% Vacancy Factor</i>	<i>(2,009)</i>
			Lump Sum Premium Pay	0
Totals	10	10	Total Personal Services	821,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Corr Ind Marketing Rep	1	0	0	0	1
Corr Indus Prod Mgr I	1	0	1	2	4
Corr Indus Prod Mgr II	1	0	1	2	4
Correctional Indus Mgr I	1	0	0	0	1
Totals	4	0	2	4	10