

State of Alaska
FY2007 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
 Eagle River Garment Shop
 Seward Wood Furniture Plant
 Juneau Staph Guard Hospital Laundry (a private cooperative venture).

FY2007 Resources Allocated to Achieve Results

FY2007 Component Budget: \$3,230,000

Personnel:

Full time	10
Part time	0
Total	10

Key Component Challenges

Continue to work toward developing industries that will support Alaska Correctional Industries administrative operations and product cost to include becoming financially self-sufficient and creating viable free venture partnerships at Wildwood and Palmer Correctional Centers.

Re-evaluate and analyze current markets, pricing and production scheduling of existing product lines to allow for expansion into new markets.

High turnover of inmate employees requires continual on-the-job training to maintain quality of finished products and timely delivery to customers.

Continue development of a web page catalog with additional improvements such as online purchases that will increase the capability of Alaska Correctional Industries to provide marketing and delivery information to customers.

Significant Changes in Results to be Delivered in FY2007

An evaluation of the viability of free venture industries will result in new industry programs.

Major Component Accomplishments in 2005

Approximately 180,000 annual hours of inmate employment were provided through on-the-job vocational training.

Continuation of existing private cooperative venture contract, which employs inmates at the Lemon Creek Correctional Center. Increased private sector customers at Combined Hiland Mountain Correctional Center to market sewn products assisting growth in the Alaskan economy and benefit to the private sector.

Alaska Correctional Industries Sewing and Garment Factory expanded its operation. The expansion doubled the size of the factory with a combined total 5,252 square feet. The expansion gives the potential to hire up to 60 inmate employees and will allow for future product line expansion and partnerships with the private sector.

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

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	637.7	762.1	810.2
72000 Travel	21.0	47.7	47.7
73000 Services	495.6	973.3	973.4
74000 Commodities	793.7	1,350.2	1,350.2
75000 Capital Outlay	200.4	48.5	48.5
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,148.4	3,181.8	3,230.0
Funding Sources:			
1007 Inter-Agency Receipts	37.2	0.0	0.0
1059 Correctional Industries Fund	2,111.2	3,181.8	3,230.0
Funding Totals	2,148.4	3,181.8	3,230.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Unrestricted Revenues				
Correctional Industries Fund	51190	2,111.2	3,181.8	3,230.0
Unrestricted Total		2,111.2	3,181.8	3,230.0
Restricted Revenues				
Interagency Receipts	51015	37.2	0.0	0.0
Restricted Total		37.2	0.0	0.0
Total Estimated Revenues		2,148.4	3,181.8	3,230.0

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	0.0	0.0	3,181.8	3,181.8
Adjustments which will continue current level of service:				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	14.0	14.0
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	1.8	1.8
-FY 07 Retirement Systems Cost Increase	0.0	0.0	25.5	25.5
Proposed budget increases:				
-Risk Management Self-Insurance Funding Increase	0.0	0.0	6.9	6.9
FY2007 Governor	0.0	0.0	3,230.0	3,230.0

**Correctional Industries Product Cost
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2006</u> <u>Management</u> <u>Plan</u>	<u>FY2007</u> <u>Governor</u>		
Full-time	10	10	Annual Salaries	494,734
Part-time	0	0	COLA	14,024
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	310,162
			<i>Less 1.06% Vacancy Factor</i>	<i>(8,720)</i>
			Lump Sum Premium Pay	0
Totals	10	10	Total Personal Services	810,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Corr Ind Marketing Rep	1	0	0	0	1
Corr Indus Prod Mgr I	2	0	1	1	4
Corr Indus Prod Mgr II	1	0	1	1	3
Correctional Indus Mgr I	1	0	0	0	1
Totals	6	0	2	2	10