

MINUTES OF THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON
INSTITUTIONS
February 21, 1983

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Side 81 The meeting was called to order at 7:20 a.m. in Room 108 of the Capitol Building.

Members present were Sen. Mark Etchart, Sen. Bill Thomas, Rep. Bob Thoft, Sen. Donald Ochsner, Rep. Steve Waldron, and Rep. Glenn Roush.

Also present were Norm Rostocki of the Legislative Fiscal Analyst's Office (LFA), Bill Gosnell of the Governor's Office of Budget and Program Planning (OBPP), Carroll South, director of the Department of Institutions, and Jim Michaelson, Prison Industries Program manager.

PRISON INDUSTRIES

(019) Mr. South introduced Jim Michaelson and gave an overview, history, and purpose of the program.

This program has only been in operation for a short time so it is difficult to establish a base. Mr. Michaelson addressed the major differences between the LFA budget and the OBPP budget. Many of these differences are due to an expansion of the logging operation.

(118) Mr. Rostocki responded to the Department's presentation. The LFA did not provide for the expansion of programs.

(160) Mr. Michaelson stated that the expanded program would allow 25-30 more inmates to be employed in the program for a total of 70 inmate workers. He further stated that the Industries Program has seen results from the training program in that the private sector has a waiting list for employing inmates coming out of the upholstery training program.

The logging operation is strictly minimum security inmates whereas the other training programs do have some medium security inmates. Mr. Michaelson feels it is an asset to have the inmates working.

Modified Budget (200)

Mr. South explained that the Modified Budget is due to the expansion of programs that cannot be expanded without additional costs.

The request for 2 FTE for support services will be shared with the Ranch, the Industries Program, and the Industries Training Program. The Department of Administration agreed

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to allow the Prison to expand their printing program to do some of the printing currently done by the Publications and Graphics Division. He stated there would be no increase in the cost of the printing if the Prison did it.

Mr. South detailed the request for additional equipment to accommodate the expanded programs. Inmates in these programs will be paid to provide an incentive for working. The pay scale would be determined by skill level with the scale going from 31¢ per hour to 58 ¢ per hour.

The equipment portion of the Modified Budget would be a General Fund loan which would be paid back when the Industries Program is "on its feet." Currently they are funding depreciation and are not able to pay back the loan right now.

PRISON INDUSTRIES PROGRAM

Executive Action (435)

SEN. THOMAS moved to accept the OBPP recommendation for the Prison Industries Revolving Account.

The motion was passed UNANIMOUSLY.

Modified Budget (455)

SEN. THOMAS moved to accept the Modified Budget including a General Fund loan of \$89,748 for equipment with language clearly written in the bill that the equipment is funded from a General Fund loan and that all loan monies to the Prison Industries Program will be tracked separately on SBAS as a loan.

The motion was passed UNANIMOUSLY.

The committee discussed how the loan will be paid back and what method will be used to purchase new equipment, whether from General Fund or from the Revolving Account.

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REP. THOFT moved that it is the committee's intent that any equipment purchased in the future be funded from the Revolving Account.

The motion was passed UNANIMOUSLY.

The Chairman stated that it is the intention of the subcommittee that there will be no expansion into new programs without legislative approval.

INDUSTRIES TRAINING PROGRAM

Executive Action (061)

SEN. THOMAS moved to accept the OBPP recommendation for the implementation of Special Session 2 Senate Bill 1.

The motion was passed UNANIMOUSLY.

PRISON RANCH MODIFIED BUDGET

(211) Mr. South explained the reason for the modified budget. This modified budget would provide expense funds for the Ranch Advisory Policy Committee.

SEN. THOMAS moved to accept the OBPP Modified Budget for the Prison Ranch.

The motion was passed UNANIMOUSLY.

PRISON RANCH AND DAIRY

(280) The Chairman went over the major differences in the LFA budget recommendations and the OBPP budget recommendations.

REP. ROUSH moved to accept the OBPP FTE level for the Ranch and Dairy.

The motion was passed UNANIMOUSLY.

Personal Services (327)

SEN. OCHSNER moved to accept the LFA recommendation for Personal Services.

The motion was passed UNANIMOUSLY.

Contracted Services (337)

SEN. OCHSNER moved to accept the OBPP recommendation for Contracted Services.

The motion was passed UNANIMOUSLY.

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Supplies and Materials (344)

REP. THOFT moved to accept the OBPP recommendation for Supplies and Materials.

The motion was passed UNANIMOUSLY.

Communications (370)

REP. THOFT moved to accept the LFA recommendation for Communications.

The motion was passed UNANIMOUSLY.

Travel (375)

REP. THOFT moved to accept the LFA recommendation for Travel.

The motion was passed UNANIMOUSLY.

Rent (379)

REP. ROUSH moved to accept the LFA recommendation for Rent.

The motion was passed UNANIMOUSLY.

Utilities (385)

The committee would normally line item all institutions' utilities with the intent that all unused funds will revert. However, this is a Revolving Account so this appropriation for Utilities would not go into that line item.

SEN. OCHSNER moved to accept the OBPP recommendation for Utilities.

The motion was passed UNANIMOUSLY.

Repairs and Maintenance (406)

The committee discussed the size of the proposed building for hay. It was the concern of some of the members that there should be two or three small buildings instead of one very large building in case of fire or other tragedy. This fund will also include the construction of calf hutches and handling facilities, repair of seven miles of fence, and some minor repairs on the loafing barns, and ranch machinery.

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REP. THOFT moved to accept the OBPP recommendation for Repairs and Maintenance.

The motion was passed UNANIMOUSLY.

It is the intent of the committee that, before the hay storage facilities are built, the Department of Institutions must consult with the Ranch Policy Advisory Committee.

Other Expenses (564)

REP. ROUSH moved to accept the LFA recommendation for Other Expenses.

The motion was passed UNANIMOUSLY.

Equipment (570)

REP. THOFT moved to accept the OBPP recommendation for Equipment with the provision that, before any equipment may be purchased, the Department of Institutions shall consult with the Ranch Policy Committee.

The motion was passed UNANIMOUSLY.

Livestock (656)

SEN. ETCHART moved to accept the OBPP recommendation for Livestock.

The motion was passed UNANIMOUSLY.

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Industries Coordinator (002)

Rep. Thoft felt that the Industries Coordinator should be located closer to the Industries Program at the Prison.

REP. THOFT moved to move the Industries Coordinator position from the Director's Office to be physically located in the Deer Lodge area.

CHAIRMAN WALDRON abstained. All other members approved the motion.

The committee discussed the problems with the ranch management and the possibility of contracting for some or all of the 17 FTE to manage the Ranch. The Personal Services for

these FTE could be moved to Contracted Services for funding

REP. THOFT moved to give the Department of Institutions the authority to contract out all or part of the Ranch management including a profit sharing plan after consulting with the Ranch Policy Committee.

The motion was passed UNANIMOUSLY.

DIRECTOR'S OFFICE

(147) The area of Travel in the Director's Office had been left open to deal with the Industries Coordinator issue. The committee voted in a previous motion to physically move that position to Deer Lodge which would cut down on some of the travel for the Director's Office. However, this position is still included in the Director's Office budget.

REP. THOFT moved to accept the OBPP recommendation for Travel for the Director's Office with the Industries Coordinator's travel to be funded from the Industries Program account.

The motion was passed UNANIMOUSLY.

LICENSE PLATE FACTORY

(209) The committee discussed expanding the market for the License Plate Factory to include contracting with other states to make license plates and to contract with the Department of Highways to make signs. There was a general consensus among the committee members that this would be a good idea and would put the Factory to better use and to put more inmates to work.

EASTMONT

(288) The committee discussed the contracting out of all laundry at Eastmont. In a previous meeting of the committee, there was a vote to appropriate \$45,040 in FY'84 and \$47,862 in FY'85 to contract out all laundry from the facility.

REP. ROUSH moved to use FY'82 current level funding with inflation factors on laundry and delete the remainder.

The motion was passed UNANIMOUSLY.

WARM SPRINGS/GALEN

(346) The committee discussed the authorization for an Administrative Officer and an Alcohol Counselor for Warm Springs/Galen.

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REP. THOFT moved to fund the Alcohol Counselor (position 227) that was previously authorized for Galen to be funded with Alcohol money.

SEN. ETCHART opposed the motion. All other members approved the motion.

REP. THOFT moved to delete the Administrative Officer position (position 2115) that the committee previously authorized.

The motion was passed UNANIMOUSLY.

DIRECTOR'S OFFICE

SEN. THOMAS moved to authorize an additional .5 FTE in the Director's Office and allow the Department of Institutions to move up to \$10,000 per year from Contracted Services to fund the position for legal services.

The motion was passed UNANIMOUSLY.

CENTER FOR THE AGED

(508) The LFA did a three year average for Repairs and Maintenance for the Center for the Aged and found that the committee was very generous in this category.

SEN. THOMAS moved to delete \$19,866 in FY'84 and \$19,866 in FY'85 from the Center for the Aged budget for Repairs and Maintenance.

The motion was passed UNANIMOUSLY.

REP. THOFT moved to set a 3% vacancy savings for the Center for the Aged.

The motion was passed UNANIMOUSLY.

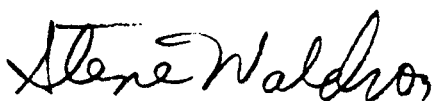
UTILITIES LINE ITEM

SEN. ETCHART moved to delete \$50,000 per year from the overall Utilities line item pro rated to each institution.

The motion was passed UNANIMOUSLY.

The meeting was adjourned at 9:50 a.m.

Respectfully submitted:



Steve Waldron, Chairman
Approved

MONTANA STATE PRISON
Prison Industries

Modified Budget
Program 17

	<u>OBPP FY84</u>	<u>OBPP FY85</u>
FTE	2.00	2.00
Personal Services	33,677	33,549
Benefits	6,434	6,468
Insurance	<u>1,920</u>	<u>1,920</u>
TOTAL PERSONAL SERVICES	42,031	41,937
Contracted Services	30	32
Supplies	1,635	1,385
Communication	1,338	1,472
Travel	1,707	1,730
Rent	-0-	-0-
Utilities	1,123	2,090
Repair & Maintenance	1,403	1,559
Other	28,496	33,942
Goods Purchased for Resale	<u>23,034</u>	<u>36,325</u>
TOTAL OPERATING	58,766	78,535
Equipment	89,748	-0-
PROGRAM TOTAL	190,545	120,472
FUNDING SOURCE		
General Fund	89,748	-0-
Revolving	<u>100,797</u>	<u>120,472</u>
TOTAL FUNDING	190,545	120,472

MSP INDUSTRIES
Modified Budget 1984 - 1985

Equipment List

Print	Shrink Wrap	\$ 4,045
	Plate Maker	12,697
	Press	16,854
Timber	Saws	1,686
		1,629
Admin.	Delivery Truck	22,472
Ring Binder	Heat Sealer	
	Cornering Machine	30,365
	Rivet Machine	
	Dies	
	TOTAL	<hr/> \$ 89,748

AGENCY : 6409 MONTANA STATE PRISON
 PROGRAM : 17 PRISON INDUSTRIES REVOLVING AC
 CONTROL : 00000

AE/OE	DESCRIPTION	OBPP FY 84	LFA FY 84	DIFF. FY 84	SUB-CMT. FY 84	OBPP FY 85	LFA FY 85	DIFF. FY 85	SUB-CMT. FY 85
0000	FULL TIME EQUIVALENT (FTE)	5.00	5.00			5.00	5.00		
1100	SALARIES	102,144	104,906	2,762		101,754	104,504	2,750	
1400	EMPLOYEE BENEFITS	19,520	17,065	-2,455		19,618	17,251	-2,367	
1500	HEALTH INSURANCE	4,800	4,800			4,800	4,800		
	TOTAL LEVEL	126,464	126,771	307		126,172	126,555	383	
2100	CONTRACTED SERVICES	25,808	17,907	-7,901		24,916	18,976	-5,940	
2200	SUPPLIES & MATERIALS	29,289	11,164	-18,125		31,580	11,934	-19,646	
2300	COMMUNICATIONS	1,472	609	-863		1,726	697	-1,029	
2400	TRAVEL	2,515	557	-1,958		2,655	587	-2,068	
2600	UTILITIES	13,456	13,210	-246		16,454	16,035	-419	
2700	REPAIR & MAINTENANCE	16,349	4,469	-11,880		17,330	4,734	-12,596	
2800	OTHER EXPENSES	14,045	11,919	-2,126		14,888	12,634	-2,254	
2900	GOODS PURCHASED FOR RESALE	119,191	49,950	-69,241		126,342	52,947	-73,395	
	TOTAL LEVEL	222,125	109,785	-112,340		235,891	118,544	-117,347	
	TOTAL PROGRAM	348,589	236,556	-112,033		362,063	245,099	-116,964	
06534	D OF I - INST'L INDUSTRIES	348,589	236,556	-112,033		362,063	245,099	-116,964	
	TOTAL PROGRAM	348,589	236,556	-112,033		362,063	245,099	-116,964	

MONTANA STATE PRISON

Modified Ranch Budget

Program 15

	<u>OBPP</u> <u>FY84</u>	<u>OBPP</u> <u>FY85</u>
FTE	.40	.40
Salary	\$ 5,055	\$ 5,035
Benefits	930	926
Total Personal Services	<u>\$ 5,985</u>	<u>\$ 5,961</u>
Per Diem (Board Travel)	750	750
Total Level	<u>\$ 6,735</u>	<u>\$ 6,711</u>
Contracted Services	-0-	-0-
Supplies and Materials	-0-	-0-
Communications	-0-	-0-
Travel	1,945	2,020
Rent	-0-	-0-
Repairs & Maintenance	-0-	-0-
Other (Inmate Pay)	<u>\$17,336</u>	<u>\$18,376</u>
Total Level	\$19,281	\$20,396
Total Modified	\$26,016	\$27,107

Funding

06533 Prison Ranch	\$26,016	\$27,107
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AGENCY Prison

PROGRAM Ranch & Dairy

Subprogram _____

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EXPEND.	1984 BUDGET			1985 BUDGET			
	1982 Adjusted	Exec. Budget	Fiscal Analyst	Exec.-LFA Variance	Exec. Budget	Fiscal Analyst	Exec.-LFA Variance
FTE		17.6	17.6	—	17.6	17.6	—
Personal Serv.	370820	489,414	466,008	23,406	467,724	464,212	23,512
Operating Serv.							
21 Contr. Serv.	30068	39411	39312	94	39452	39345	107
22 Supplies	308309	416,912	399,935	66,977	445,761	374,109	71,652
23 Communication	2277	2242	2242	—	2691	2691	—
24 Travel	7395	4941	4650	261	5120	4943	277
25 Rent	7189	8269	8075	194	9765	9558	207
26 Utilities	66956	88905	88901	4	107851	107845	6
27 Repairs	115,762	119,909	94,221	25,688	126,979	79,800	27,113
28 Other	21490	22601	22566	35	23957	23957	40
Subtotal	570695	703,290	609,937	93,353	760,576	661,174	99,402
Non-Operating							
1. Equipment	114886	75,000	75,000	—	40,000	40,000	—
2.							
3. Livestock	149,827	210,000	162,726	47,274	180,000	172,400	7,511
4.							
5.							
6.							
Total Expenditures	1,219,837	1,477,504	1,238,671	238,833	1,468,300	1,297,875	170,425
Funding							
General Fund		0	0	—	0	0	—
Other Funds							
1. Revolving Acct	1,219,837	1,477,504	1,238,671	238,833	1,468,300	1,297,875	170,425
2.							
3.							
4.							
5.							

Leg:cm:a