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

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 accomodate 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.

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The Chairman stated that it is the intention of the sub-committee 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.

Side 83

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

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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</u> <u>FY84</u>	<u>OBPP</u> <u>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	\$ 89,748

REPORT EBSR100
DATE : 01/08/83
TIME : 16/25/25

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

PAGE 500

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

CURRENT LEVEL SERVICES ONLY

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 1 - 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	<u>930</u>	<u>926</u>
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 PersonPROGRAM Ranch & Dairy

Exec. Budget Page _____

Subprogram _____

Fiscal Analyst's Page 538

	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.	370,820	489,414	466,008 ¹	23,406	457,724	464,212	23,512
Operating Serv.							
21 Contr. Serv.	300,688	394,111	393,12	94	394,52	393,45	107
22 Supplies	308,309	416,912	349,935	66,977	445,761	374,109	716,52
23 Communication	2374	2242	2242	—	2691	2691	—
24 Travel	73,955	49,41	46,90	261	5120	49,43	227
25 Rent	7199	8269	8,075	194	9,765	9,558	207
26 Utilities	66,956	88,95	8,901	4	107,851	107,845	6
27 Repairs	115,762	119,809	94,221	25,588	126,979	119,806	27,113
28 Other	21490	22601	22566	35	23,357	23,45	40
Subtotal	570,695	703,090	609,937	93,153	760,576	661,174	99,402

Non-Operating

1. Equipment	114,986	75,000		25,000	40,000		40,000
2.							
3. Livestock	149,827	1210,000	162,726	42,274	180,000	172,499	7511
4.							
5.							
6.							
Total Expenditures	1219,837	1,477,504	1,238,671	238,833	1,468,300	1297,875	170,425

Funding

General Fund	0	0	—	0	0	—
Other Funds						
1. Revolving Act	1,219,837	1,477,504	1,238,671	238,833	1,468,300	1,297,875
2.						
3.						
4.						
5.						
Leg:cm:a						