

September 2000

## COMPARISON OF ESTIMATED AND ACTUAL FTE POSITIONS, EXPENDITURES, REVENUES, AND POPULATIONS AT CHARITABLE AND PENAL INSTITUTIONS FOR THE PERIOD JULY 1, 1999, THROUGH JUNE 30, 2000

This memorandum provides information on estimated and actual full-time equivalent (FTE) positions, expenditures, revenues, and populations at the state's charitable and penal institutions for the period July 1, 1999, through June 30, 2000. Charitable and penal institutions included in this memorandum are:

- School for the Deaf.
- School for the Blind.
- Department of Corrections and Rehabilitation - Youth Correctional Center.
- Department of Corrections and Rehabilitation - Prisons Division, which includes the State Penitentiary, Missouri River Correctional Center (MRCC), and James River Correctional Center (JRCC).
- Veterans Home.
- State Hospital.
- Developmental Center.

The significant variances for each institution are explained below.

### SCHOOL FOR THE DEAF

#### Revenues

The School for the Deaf reported total income of \$418,516, \$30,444, or 7.8 percent, more than estimated. The additional income is primarily attributable to other funds carried over from the 1997-99 biennium. The carryover funds relate to salary savings realized during the 1997-99 biennium due to vacant positions, the retirement of long-term employees and the positions subsequently being filled at a lower salary level, and the consolidation of the superintendent and principal positions. Tuition from out-of-state students is also higher than anticipated.

#### Population

The average monthly student population at the School for the Deaf was 41, nine students, or 18 percent, fewer than estimated.

#### FTE Positions

The average monthly FTE positions at the School for the Deaf were 51.52, 2.41 FTE, or 4.5 percent, fewer than authorized. The school has been unable to fill the audiologist vacancy due to salary constraints and instead is using the salary savings for contracted services. The school is recruiting for the other positions and anticipates they will be filled.

### SCHOOL FOR THE BLIND

#### Expenditures

The School for the Blind reported total expenditures of \$1,443,449, \$141,634, or 8.9 percent, less than estimated. Actual expenditures were less than estimated due in part to:

- **Salaries and wages** - Expenditures for salaries were \$98,215, or 8.4 percent, less than anticipated due to vacant positions and savings on health insurance premiums for two employees who do not need coverage because their spouses also work for the state.
- **Telecommunications** - Expenditures for telecommunications were \$4,528, or 18.2 percent, less than anticipated due primarily to the budget being prepared on historical cost, and actual costs incurred to date have been less than previous bienniums.
- **Supplies** - Expenditures for supplies were \$29,172, or 33.8 percent, less than anticipated primarily due to delays in projects. The agency had anticipated spending approximately \$20,000 to purchase image enhancers and educational supplies. These purchases will not occur until the second year of the biennium.
- **Equipment** - Expenditures for equipment were \$22,639, or 52.4 percent, less than anticipated due to the timing of equipment purchases. Items anticipated to be purchased during the first fiscal year of the biennium will be purchased in fiscal year 2001.

### Revenues

The School for the Blind reported total income of \$357,210, \$22,544, or 6.7 percent, more than estimated. The increase in revenue is primarily attributable to:

- **Interest income from the Land Department** - Interest income collections were \$26,228, or 21 percent, more than estimated due to earnings being higher than originally projected by the Land Department.
- **Resident/patient collections** - Resident/patient collections were \$5,291, or 38.2 percent, more than estimated due to an increase in referrals from Minnesota and the extended training time involved with those referrals.

### DEPARTMENT OF CORRECTIONS AND REHABILITATION - YOUTH CORRECTIONAL CENTER

#### Expenditures

The Youth Correctional Center reported total expenditures of \$4,801,362, \$134,320, or 2.9 percent, more than estimated. Actual expenditures were more than estimated due in part to:

- **State employee travel** - Expenditures for employee travel were \$11,103, or 28.1 percent, more than anticipated due to the timing of conferences and meetings.
- **Major improvements** - Expenditures for major improvements were \$249,348, or 364.7 percent, more than anticipated due to the Pine Cottage renovation project being ahead of schedule.

### Revenues

The Youth Correctional Center reported total income of \$941,758, \$20,121, or 2.1 percent, less than estimated. Actual income was less than estimated due in part to:

- **Bureau of Indian Affairs/Bureau of Prisons collections** - Revenues from the Bureau of Indian Affairs for tribally placed students and from the Bureau of Prisons for federally placed students were \$25,635, or 7.2 percent, less than anticipated due to fewer students being placed by these organizations.
- **Miscellaneous grants** - No revenue was received from miscellaneous grants, and

as a result \$24,017 was not received due to reductions in funding relating to the Job Training Partnership Act.

### DEPARTMENT OF CORRECTIONS AND REHABILITATION - PRISONS DIVISION

#### Expenditures

The Prisons Division reported total expenditures of \$18,469,814, \$2,432,289, or 11.6 percent, less than estimated. Actual expenditures were less than estimated due in part to:

- **Utilities** - Expenditures for utilities were \$120,146, or 14.8 percent, less than estimated due to the savings of using coal for an additional three weeks in the spring instead of natural gas and due to the mild winter.
- **Doctor and hospital services** - Expenditures for doctor and hospital services were \$171,811, or 15 percent, less than estimated due to difficulty in estimating costs related to medical needs of inmates. However, the dentist at the State Penitentiary resigned in June 2000, and the department has experienced difficulty in replacing this position. The only alternative has been to hire the dentist that contracts with JRCC. The prior dentist was paid \$500 per week, and the fee is now \$1,800 per week. It is anticipated this will be a factor in future periods.
- **Medical/dental/optical supplies** - Expenditures for medical, dental, and optical supplies were \$204,408, or 66.4 percent, more than estimated due primarily to the increase of chronically ill inmates who require medication for the treatment of HIV, Hepatitis C, and other illnesses.
- **Other expenses** - Other expenditures for items such as inmate housing at county jails, food, and clothing were \$624,447, or 21.4 percent, less than estimated due to the inmate population being less than estimated during the first year of the biennium and spending is generally lower at the beginning of the biennium.
- **Major improvements** - Expenditures for major improvements were \$1,324,588, or 57.7 percent, less than estimated due to the delay of construction projects at JRCC. The project includes construction of the 5th and 6th floors, parking lot, and front entrance addition. The project is still

anticipated to be completed by the end of the biennium.

### Revenues

The Prisons Division reported actual income of \$516,886, \$464,645, or 47.3 percent, less than estimated. The reduction in revenues is primarily due to the delay of the federal crime bill grant award from May to September. These funds will be used for construction projects at JRCC.

### Population

The average monthly inmate population at the institutions included in the Prisons Division was 986, 44 inmates, or 4.3 percent, fewer than estimated. The population was less than estimated primarily due to fewer admissions than anticipated and alternatives to incarceration were slightly ahead of estimates. However, the inmate population did reach 1,025 in June 2000 and has continued to increase during the start of the second year of the biennium.

### FTE Positions

The average monthly FTE positions at the institutions included in the Prisons Division were 314.5, 10 FTE, or 3.1 percent, less than authorized. Four of the 10 positions are addiction counselors, two at the Penitentiary and MRCC and two at JRCC. The department has had difficulty filling these positions. The remaining vacant positions are due to normal staff turnover.

## VETERANS HOME Expenditures

The Veterans Home reported total expenditures of \$3,906,198, \$273,016, or 6.5 percent, less than estimated. Actual expenditures were less than estimated due in part to:

- **State employee travel** - Expenditures for state employee travel were \$10,054, or 19.8 percent, less than estimated primarily due to the board of directors meeting and national convention not occurring until the second year of the biennium.
- **Utilities** - Expenditures for utilities were \$24,422, or 11.6 percent, less than estimated due to the mild winter and savings from heating with either electricity or fuel oil depending on fuel prices.
- **Professional services** - Expenditures for professional services were \$13,497, or 14.2 percent, less than estimated due

primarily to the timing of payments and the resignation of the contracted psychologist. The Veterans Home is currently busing its residents to Fargo for psychological services.

- **Other supplies** - Expenditures for other supplies, which include medical supplies, were \$66,435, or 14.0 percent, less than estimated due primarily to the new maintenance supervisor incurring less expenditures than estimated for the first year of the biennium.
- **Major improvements** - Expenditures for major improvements were \$60,473, or 43.9 percent, less than estimated due primarily to the policy of waiting to proceed on projects until the end of the biennium in order to maintain the budget. Projects planned for the second year of the biennium include tree removal, carpet replacement, and a new sprinkler system.

### Revenues

The Veterans Home reported total income of \$2,550,638, \$82,362, or 3.1 percent, less than estimated. Actual income was less than estimated due in part to the timing of the receipt of Land Department distributions which were budgeted but not received during the first year of the biennium.

## STATE HOSPITAL Expenditures

The State Hospital reported total expenditures of \$23,575,377, \$1,277,810, or 5.1 percent, less than estimated. Actual expenditures were less than estimated due in part to:

- **Salaries** - Expenditures for salaries and wages were \$589,426, or three percent, less than estimated due to streamlining of operations which has enabled the hospital to not fill vacant positions in support services and reduced patient counts have resulted in some direct care staff positions remaining unfilled.
- **IT-telephone** - Expenditures for IT-telephone were \$29,667, or 16.7 percent, less than estimated due to eliminating unnecessary telephones and closely monitoring the usage of telephones.
- **Dues and professional development** - Expenditures for professional services

were \$65,624, or 48.4 percent, less than estimated primarily due to Medicare certification, which occurs every three years, taking place during the second year of the biennium.

- **Repairs** - Expenditures for repairs were \$51,332, or 25.9 percent, less than estimated due to the unpredictability of repairs.
- **Major improvements** - Expenditures for major improvements were \$154,750, or 15.5 percent, less than estimated due to several projects not being completed until the second year of the biennium. These projects include construction of a pumphouse and installation of a new boiler.

### Population

The average monthly patient population at the institution was 159, six patients, or 3.6 percent, fewer than estimated. Admissions were less than estimated primarily due to cooperative discharge planning between the State Hospital and human service centers and increased community services available as an alternative to hospitalization.

### FTE Positions

The average monthly FTE positions at the State Hospital were 491, 46 FTE, or 8.6 percent, fewer than the authorized FTE positions of 537 and 29 FTE, or 5.6 percent, fewer than the 520 FTE positions the State Hospital had anticipated filling. The State Hospital is trying to reduce the number of FTE positions, especially in support areas. All vacant FTE positions are assessed before being refilled. The State Hospital transferred eight FTE positions to the South Central Human Service Center to be used in the center's new long-term transitional living facility.

## DEVELOPMENTAL CENTER

### Expenditures

The Developmental Center reported total expenditures of \$18,898,682, \$843,752, or 4.3 percent, less than estimated. Expenditures were less than estimated due in part to:

- **Salaries** - Expenditures for salaries were \$433,102, or 2.8 percent, less than estimated due to the savings from vacant FTE positions. The savings are being used to

fund temporary positions until the FTE positions can be filled.

- **Lease/rent equipment** - Expenditures for lease/rent equipment were \$93,333, or 69.7 percent, less than estimated due to not paying off the lease purchase on a payloader. The Developmental Center anticipates remaining with the lease program for the rest of the current biennium.
- **Professional services** - Expenditures for professional services were \$187,763, or 54 percent, less than estimated due to a reduced need for contracted medical services for the Veterans Administration outreach office operated on the Developmental Center campus. The Veterans Administration contracts with the Developmental Center to operate the outreach office; thus reimbursements from the Veterans Administration will also be less.

### Revenues

The Developmental Center reported total income of \$15,054,695, \$66,235, or .4 percent less than estimated. Actual income was less than estimated due in part to:

- **Other funds** - Other funds revenue was \$804,848, or 36 percent, less than estimated due primarily to revenues from the treatment of developmentally disabled sexual offenders from other states not being received. The Developmental Center had anticipated receiving revenue from other states contracting with the center to care for these patients. However, no out-of-state sexual offender patients have been received.
- **Federal funds** - Federal fund receipts were \$738,613, or 5.7 percent, more than estimated due primarily to the reimbursement of costs incurred during the 1997-99 biennium. Audit issues were resolved resulting in the receipt of an additional \$900,000.

## SUMMARY

Total expenditures at the charitable and penal institutions for the period July 1, 1999, through December 31, 1999, were \$73,733,692, \$4,974,214, or 6.3 percent, less than estimated. Total revenues for the same period were

\$27,780,984, \$214,534, or .8 percent, less than estimated.

At the state's charitable and penal institutions for the first year of the 1999-2001 biennium, the total average monthly population, including students, residents, and inmates, was 1,568.92, 61.08 individuals, or 3.7 percent, fewer than estimated. The total average monthly FTE positions

for these institutions were 1,515.72, 81.25 FTE, or 5.1 percent, fewer than authorized.

The attached schedule presents comparisons of estimated and actual FTE, expenditures, revenues, and populations for the period July 1, 1999, through June 30, 2000.

ATTACH:1

# COMPARISON OF ESTIMATED AND ACTUAL FTE POSITIONS, EXPENDITURES, REVENUES, AND POPULATIONS

FOR THE PERIOD JULY 1, 1999, THROUGH JUNE 30, 2000

Institution	FTE Positions	Operating Expenditures	Major Improvements	Total Expenditures	Income	Possible State General Fund Fiscal Impact	Population
<b>School for the Deaf</b>							
Estimated	53.93	\$2,714,997	\$63,846	\$2,778,843	\$388,072	\$170,477	50.00 <sup>1</sup>
Actual	51.52	2,582,083	56,727	2,638,810	418,516		41.00 <sup>1</sup>
Variance	2.41	\$132,914	\$7,119	\$140,033	\$30,444		(9.00)
Percentage variance	4.5%	4.9%	11.2%	5.0%	7.8%		(18.0%)
<b>School for the Blind</b>							
Estimated	28.00	\$1,538,083	\$47,000	\$1,585,083	\$334,666	\$164,178	0.00 <sup>2</sup>
Actual	27.50	1,400,619	42,830	1,443,449	357,210		0.00 <sup>2</sup>
Variance	0.50	\$137,464	\$4,170	\$141,634	\$22,544		0.00
Percentage variance	1.8%	8.9%	8.9%	8.9%	6.7%		
<b>Department of Corrections and Rehabilitation (DOCR) - Youth Correctional Center</b>							
Estimated	87.93	\$4,598,663	\$68,379	\$4,667,042	\$961,879	(\$154,441)	100.00
Actual	86.43	4,483,635	317,727	4,801,362	941,758		99.92
Variance	1.50	\$115,028	(\$249,348)	(\$134,320)	(\$20,121)		(0.08)
Percentage variance	1.7%	2.5%	(364.7%)	(2.9%)	(2.1%)		(0.1%)
<b>DOCR - Prisons Division<sup>3</sup></b>							
Estimated	324.50	\$18,608,312	\$2,293,791	\$20,902,103	\$981,531	\$1,967,644	1,030.00
Actual	314.50	17,500,611	969,203	18,469,814	516,886		986.00
Variance	10.00	\$1,107,701	\$1,324,588	\$2,432,289	(\$464,645)		(44.00)
Percentage variance	3.1%	6.0%	57.7%	11.6%	(47.3%)		(4.3%)
<b>Veterans Home</b>							
Estimated	84.61	\$4,041,528	\$137,686	\$4,179,214	\$2,633,000	\$190,654	135.00
Actual	80.77	3,828,985	77,213	3,906,198	2,550,638		133.00
Variance	3.84	\$212,543	\$60,473	\$273,016	(\$82,362)		(2.00)
Percentage variance	4.5%	5.3%	43.9%	6.5%	(3.1%)		(1.5%)
<b>State Hospital</b>							
Estimated	537.00	\$23,853,187	\$1,000,000	\$24,853,187	\$7,575,440		165.00
Actual	491.00	22,730,127	845,250	23,575,377	7,941,281		159.00

Institution	FTE Positions	Operating Expenditures	Major Improvements	Total Expenditures	Income	Possible State General Fund Fiscal Impact	Population
Variance	46.00	\$1,123,060	\$154,750	\$1,277,810	\$365,841	\$1,643,651	(6.00)
Percentage variance	8.6%	4.7%	15.5%	5.1%	4.8%		(3.6%)
<b>Developmental Center</b>							
Estimated	481.00	\$19,542,434	\$200,000	\$19,742,434	\$15,120,930		150.00
Actual	464.00	18,626,073	272,609	18,898,682	15,054,695		150.00
Variance	17.00	\$916,361	(\$72,609)	\$843,752	(\$66,235)	\$777,517	0.00
Percentage variance	3.5%	4.7%	(36.3%)	4.3%	(0.4%)		0.0%
<b>Total All Institutions</b>							
Estimated	1,596.97	\$74,897,204	\$3,810,702	\$78,707,906	\$27,995,518		1,630.00
Actual	1,515.72	71,152,133	2,581,559	73,733,692	27,780,984		1,568.92
Variance	81.25	\$3,745,071	\$1,229,143	\$4,974,214	(\$214,534)	\$4,759,680	(61.08)
Percentage variance	5.1%	5.0%	32.3%	6.3%	(0.8%)		(3.7%)

<sup>1</sup> School for the Deaf population - In addition to the students served on the school's campus, the institution serves students statewide through the parent/infant program. The school estimated it would serve 15 individuals through this program during the first year of the biennium. During that period eight individuals received services.

<sup>2</sup> School for the Blind population - Although individuals occasionally stay at the school on a short term basis to receive specialized training, the school no longer serves a resident population. However, individuals are served statewide through outreach programs. The school reported that it served 385 individuals through outreach programs during the first year of the biennium, five less than estimated to be served during that period.

<sup>3</sup> DOCR - Prisons Division - The information relating to the DOCR - Prisons Division relates to the State Penitentiary, Missouri River Correctional Center and James River Correctional Center.