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Overview of Corrections Spending And Administration

LEGISLATIVE ANALYST'S OFFICE

Presented to:
Assembly Accountability and
Administrative Review Committee
Hon. Hector De La Torre, Chair



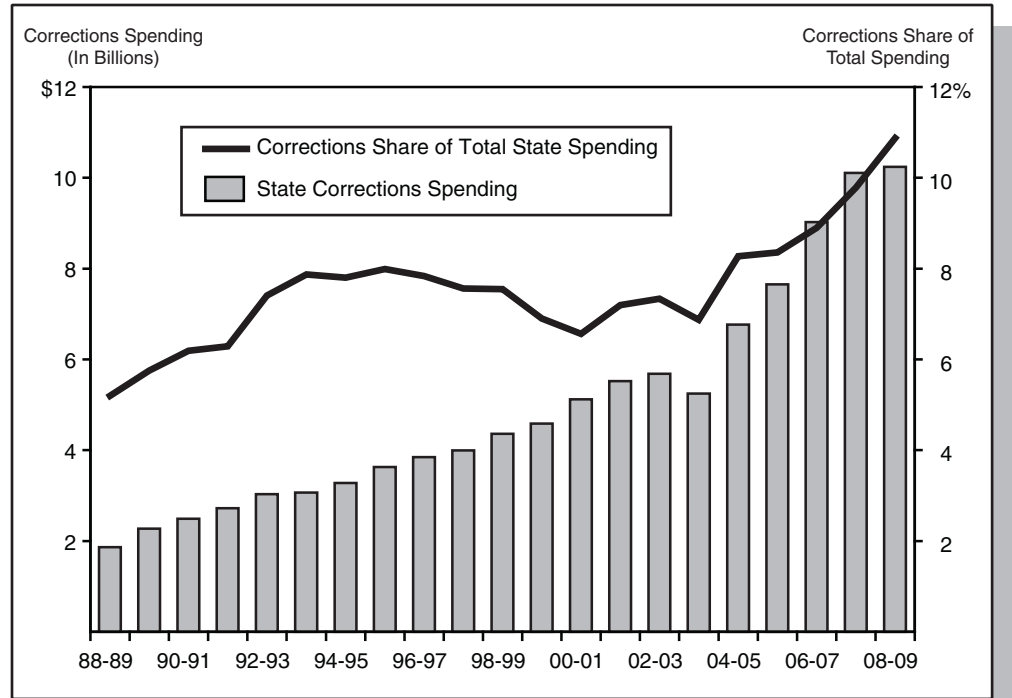


California Department of Corrections and Rehabilitation (CDCR) Budget

- ☑ **Background.** The CDCR is responsible for the incarceration and care of adult felons and non-felon narcotics addicts at 33 state prisons, as well as juvenile offenders at 6 youth correctional facilities. The CDCR also provides services to parolees and wards released to the community.
- ☑ **Total Budget.** The revised 2008-09 budget includes total expenditures of \$11.2 billion for CDCR from all fund sources. About 90 percent of these expenditures are funded from the General Fund. The department has nearly 70,000 employees.
- ☑ **Operations Budget.** The budget includes \$10.4 billion—almost entirely from the General Fund—to operate CDCR. Over 90 percent of the department's operations budget supports supervision of adult inmates and parolees, with the remaining funds supporting supervision of juvenile offenders and various administrative costs.
- ☑ **Capital Outlay Budget.** The budget also reflects about \$840 million in total expenditures for CDCR capital outlay projects. These projects are mainly funded with the proceeds of lease-revenue bonds and \$138 million from the General Fund.



Significant Growth in State Spending on Corrections



- State spending on corrections has increased by roughly \$8.4 billion, or 450 percent, between 1988-89 and 2008-09, an average annual increase of about 9 percent.
- Spending on corrections takes up about twice as much of the state budget than it did 20 years ago, increasing from about 5 percent to 11 percent of total state spending.

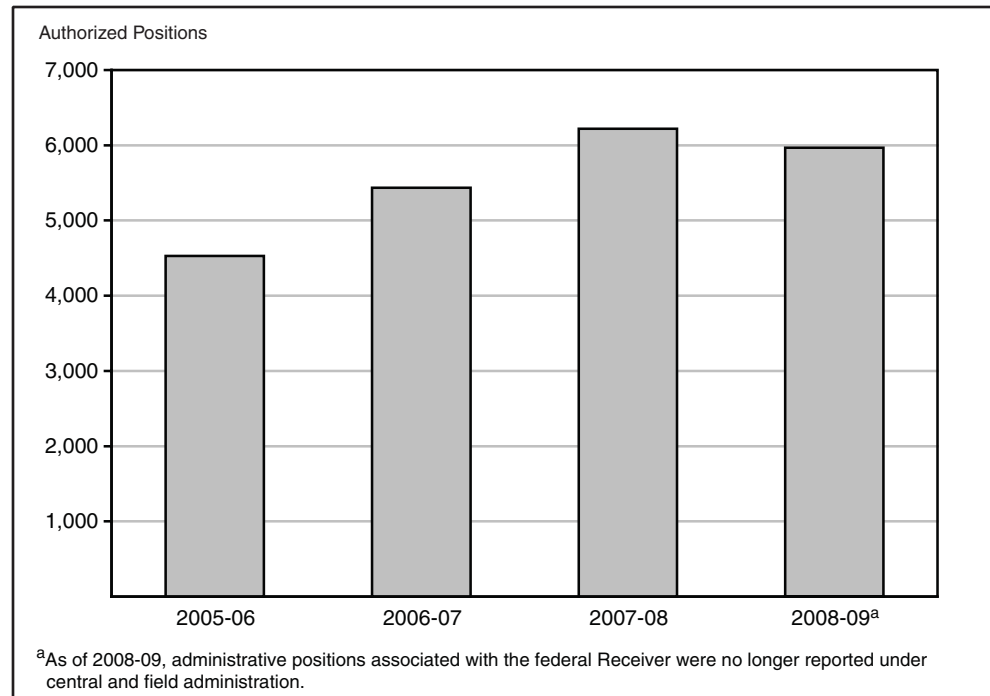


Major Factors Driving Corrections Costs

- ☑ ***Inmate and Parole Population.*** The prison population has increased by 125 percent (an average of 4 percent annually) over the past 20 years, growing from 76,000 inmates to 171,000 inmates. The parole population has grown at a similar pace. Currently, the state spends an average of \$49,000 annually to incarcerate an inmate in prison and \$4,500 to supervise a parole.
- ☑ ***Employee Compensation.*** The cost to operate corrections has been impacted by significant increases in employee compensation. For example, salary increases for Bargaining Unit 6 employees—mostly correctional officers—have added more than \$1 billion to CDCR's budget over the past decade.
- ☑ ***Inflation.*** Costs have also risen with general price increases. For example, inflation increases the costs of supplies and utilities that are purchased by prisons.
- ☑ ***Court Orders and Settlements.*** Federal court orders and settlements affecting CDCR operations (such as inmate health care) have required specific program improvements. Over the past decade, these court cases have increased state costs by over \$1.5 billion.
- ☑ ***New and Expanded Programs.*** Spending on corrections has increased due to the creation and expansion of various programs for offenders. For example, a couple of hundred million dollars have been added recently for rehabilitation programs.



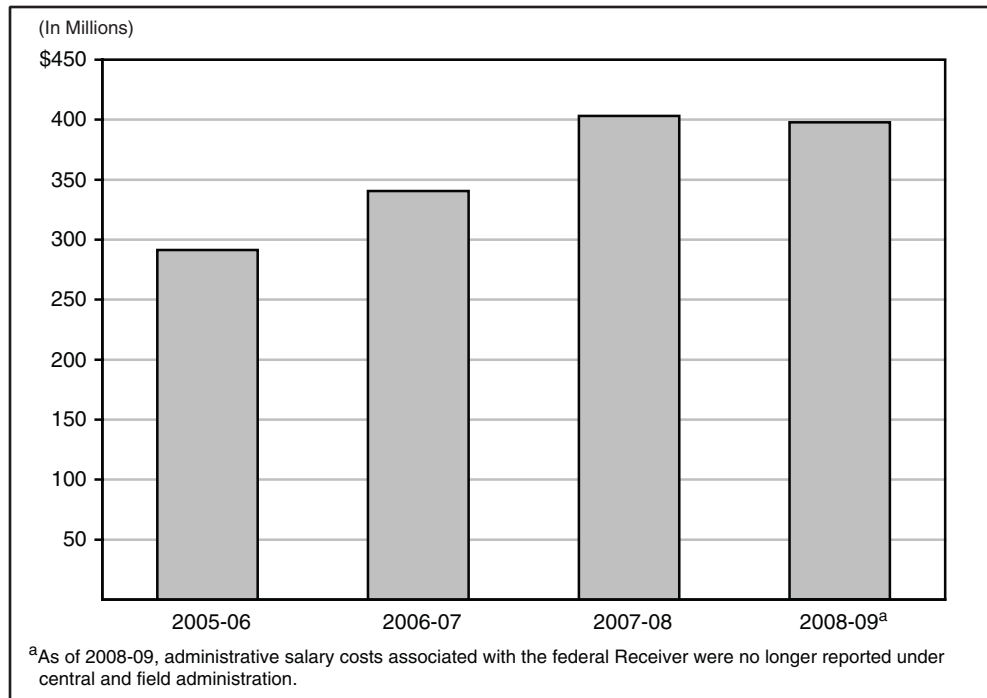
CDCR Authorized Central and Field Administration Positions



- Central and field administration includes support services (such as business services and facilities management) that report to CDCR headquarters instead of to an institution or parole office. However, some direct field support (such as inmate transportation) is included in this category.
- Since the creation of CDCR, the number of authorized positions in central and field administration has increased by about 1,500 (or 30 percent), growing from 4,500 positions in 2005-06 to nearly 6,000 positions in 2008-09.
- Some of the programs and offices that have experienced an increase in positions include human resources, internal monitoring and auditing, and court compliance.



CDCR Central and Field Administration Salary Costs



Salary costs for central and field administration—estimated based on authorized positions—have increased from about \$290 million in 2005-06 to almost \$400 million in 2008-09.