



**State of Minnesota**

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**Corrections Strategic  
Management and Operations  
Advisory Task Force Report**

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**February 2010**

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***Thank you***

*The task force would like to thank all individuals and agencies that provided feedback to draft recommendations and otherwise provided information and expertise to the task force.*



## Minnesota Corrections Strategic Management and Operations Advisory Task Force

February 12, 2010

The Honorable Tim Pawlenty  
Governor, State of Minnesota  
130 State Capitol  
Saint Paul, Minnesota 55155

The Honorable Senator Mee Moua, Chair  
Judiciary Committee  
Minnesota Senate  
Capitol Building, Room 120  
Saint Paul, Minnesota 55155

The Honorable Rep. Debra Hilstrom, Chair  
House Public Safety Policy and Oversight  
Committee  
Minnesota House of Representatives  
379 State Office Building  
Saint Paul, Minnesota 55155

The Honorable Senator Linda Higgins, Chair  
Senate Public Safety Budget Division Committee  
Minnesota Senate  
Capitol Building, Room 328  
Saint Paul, Minnesota 55155

The Honorable Rep. Michael Paymar, Chair  
House Public Safety Finance Division Committee  
Minnesota House of Representatives  
543 State Office Building  
Saint Paul, Minnesota 55155

Dear Governor Pawlenty, Senators Higgins and Moua, and Representatives Paymar and Hilstrom:

The Corrections Strategic Management and Operations Advisory Task Force was created by the 2009 Minnesota Legislature to provide advice on management and operations strategies that will improve efficiency in corrections and reduce the inmate per diem for the Department of Corrections. The enclosed report completes the work of the task force and presents the task force assessment that identifies strategies and makes consensus-based recommendations to improve efficiency in the delivery of state corrections services, construction, maintenance, and operation of state prisons, and coordination between state and local corrections agencies.

We, along with other members, would be pleased to discuss the work of the task force in any setting or forum you feel appropriate.

Sincerely,

Dan Cain, Co-Chair  
Senate Majority Leader's Representative

Bernardine Bryant, Co-chair  
Governor's Academic Representative

Enclosure

cc: Senate Majority Leader Sen. Larry Pogemiller  
Senate Minority Leader Sen. Dave Senjem  
Speaker of the House Rep. Margaret Anderson Kelliher  
House Minority Leader Rep. Kurt Zellers  
Joan Fabian, Commissioner, Minnesota Department of Corrections  
Members, Corrections Strategic Management and Operations Advisory Task Force

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# Executive Summary

The Corrections Strategic Management and Operations Advisory Task Force was created by the 2009 Minnesota Legislature. The focus of the task force is to “advise the governor and the legislature on management and operations strategies that will improve efficiency in corrections and reduce the inmate per diem for the Department of Corrections.” That advice was to be provided through the work of a 15-member task force charged with preparing this report.

The task force membership represented academia, business and government. Their fields of expertise included corrections, strategic and operational improvement, quantitative analysis, financial management, law enforcement, labor relations, chemical dependency treatment, and related programs.

The task force analyzed an extensive amount of information to build a common understanding and lay the groundwork for strategy development. Two major factors boost the viability of the task force’s proposals. First, members represented a variety of interests and perspectives, so that strategies take into account complicated and sometimes conflicting operational, economic, political, legal and other considerations. Second, the recommendations build upon the Department of Correction’s experience in successful operation and management.

Management Analysis & Development, a division of Minnesota Management & Budget, facilitated task force meetings and report presentation. The Department of Corrections maintained online information regarding task force meetings and information at <https://iforums.doc.state.mn.us/site/csmo/default.aspx>.

## Summary Findings and Conclusions

The task force was very aware of the need to pursue cost efficiencies given the current budget forecast. Given Department of Corrections (DOC) budget cuts of more than \$110 million since 2002 and efficiency efforts already implemented, members are concerned that arbitrary cuts could negatively impact programming as well as inmate, staff, and public safety. While the task force did identify savings, the most significant are in future cost avoidance.

1. The DOC has solid management and efficient operations upon which to build improvements.
2. Large cost savings are not obtainable in the short term.
3. Opportunities for long-term savings or cost avoidance may require some investment in the short term to ensure successful implementation.
4. Multiple calculations of per diems are confusing and should not be treated as performance measures.

5. Evidence-based practices should be supported as a meaningful way to address crime and its many costs.
6. Strategies and programs that support prisoner reentry have shown promising returns in terms of public safety and cost savings. Consequently, reductions in programs that support reentry will likely increase recidivism and long-term costs.
7. Given the state's three-delivery system model (DOC, Community Corrections, and County Probation), the state should focus on sustaining collaboration between jurisdictions and support expansion through additional resources.
8. Prison physical plants will be an ongoing drain to the state's budget unless maintenance and repairs are made a significant priority.
9. Specific changes to offender health care will improve outcomes, save tax dollars, and increase efficiency.

## **Strategies and Recommendations**

The task force developed seven strategies and related recommendations that could improve efficiency in corrections. Expanded rationale for each of these recommendations can be found in the body of the report.

### **Strategy One: Assure the use of sound financial principles in prison cost reporting.**

#### **Recommendations**

- 1.1: The Legislature should repeal the statutory per diem.
- 1.2: The DOC should continue to use and report on the operational per diem.
- 1.3: The DOC should continue to report on total capital expenditures and apportioned costs for support services provided by the operations support division.

### **Strategy Two: Further invest in reentry strategies and initiatives.**

#### **Recommendations**

- 2.1: The DOC should convene a cross-entity task force to increase consistency of revocation guidelines, policies, and practices related to technical violations (including warrants) in supervised release cases, without compromising public safety.
- 2.2: No person should be committed to the Commissioner of Corrections (sent to prison) for less than 30 days to serve, except individuals subject to certain predatory offender statutes (statutes defining criminal sex offender levels 1–4).
- 2.3: Financial resources generated by MINNCOR Industries should be reinvested in MINNCOR to reduce inmate idleness, grow the business, and support reentry programs.
- 2.4: The Legislature should support affordable supportive housing for hard-to-place offenders. Where possible, this housing should be built by minimum security or released offender labor.

2.5: The state should consider expanding the Minnesota Comprehensive Offender Reentry Plan (MCORP).

2.6: The DOC should evaluate its early release programs to determine if they can be expanded without compromising public safety.

### **Strategy Three: Expand use of evidence-based practices (EBP) to improve public safety and correctional outcomes.**

#### **Recommendations**

3.1: The DOC should focus staff training on evidence-based practices so there is broader EBP use at all staff levels.

3.2: The DOC should continue to collaborate with the education community, criminal justice system, and professional organizations to develop a comprehensive post-secondary level training in corrections EBP.

3.3: The DOC should try to find additional funding to expand the court services tracking (CSTS) to include the use of electronic case plans beyond their pilot use in the Challenge Incarceration Program.

3.4: The state higher education system should partner with DOC to conduct ongoing EBP research, training, and curriculum development.

### **Strategy Four: Expand DOC's collaboration with communities.**

#### **Recommendations**

4.1: The DOC should continue and increase the use of county jails for additional bed space.

4.2: The DOC should maintain its emphasis on community supervision as an effective alternative to imprisonment (state prison).

4.3: State and local correction departments should continue to work closely together to implement evidence-based practices state-wide.

4.4: The DOC should work with county facilities to share formularies to reduce costs and so offenders are on consistent medications when transferred between facilities.

4.5: The state and local correction agencies should pilot an Earned Credit Compliance Program.

### **Strategy Five: Further increase the efficiency of the DOC health care system.**

#### **Recommendations**

5.1: The state (Departments of Correction, Human Services and Public Safety) should partner with skilled nursing facilities to increase community-based options for providing long-term care.

5.2: The DOC should enhance its health care service delivery model.

5.3: The DOC should standardize its health care supplies purchasing process and inventory control process.

**Strategy Six: Reduce facility costs by using legislative appropriations to upgrade older correctional facilities.**

**Recommendation**

6.1: The Legislature should appropriate state bond proceeds to increase energy-efficiency and make other improvements to DOC facilities, including those facilities built in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries.

**Strategy Seven: Improve DOC business processes by developing new business practices in five targeted areas.**

**Recommendation**

7.1: The DOC should continue to research cost-effective alternatives related to: inmate banking and inmate payroll processes; outsourcing options for these processes; distance healthcare technology; print centers; and prison inventory including healthcare items.



# Introduction

The Corrections Strategic Management and Operations Advisory Task Force was created by the 2009 Minnesota Legislature in Chapter 83, Article 3, Section 23.<sup>1</sup> The task force's focus is to "advise the Governor and the Legislature on management and operations strategies that will improve efficiency in corrections and reduce the inmate per diem for the Department of Corrections." As required, the task force submitted this final report to the Governor and House of Representative and Senate public safety policy and finance committees. The report was submitted before the statutory date of February 15, 2010. The task force's legislative authority expires June 30, 2010.

As required, the task force made recommendations related to correctional service delivery; the construction, maintenance and operations of state prisons; and coordination between state and local corrections agencies. Members considered best practices, efficiency concepts and the impact of legal requirements on efficiency, as well as staffing and administrative issues. Members also examined the impact of decisions on other agency budgets, offender treatment and programming, field services, employee pension plans, housing and healthcare, juvenile services, and other programs.

The task force brought a wide range of expertise, experience and perspectives. Per statute, members included:

- **Corrections Commissioner or designee**, Joan Fabian, Commissioner of Minnesota Department of Corrections
- **Governor's sheriff appointment**, William Hutton, Sheriff of Washington County
- **Governor's academic appointments**: Bernardine Bryant (retired) of the Normandale Community College (MNSCU); Charles Liedtke, associated with the Wisconsin School of Business and the University of Minnesota Carlson School of Management; and Kimberly Greer of the Minnesota State University, Mankato
- **Governor's private sector appointments**: Robert McMahon (retired) of Target Corporation; John Vollum of the Wellspring Group, LLC; and Sheldon Anderson of Capital Investigations and Security Services, Inc.
- **Governor's community corrections act or community probation office department director**: Susan Mills of Tri County Community Corrections at Crookston, Minnesota
- **Speaker of the House of Representatives' appointment for organized labor**, Sid Helseth of the American Federation of State, County and Municipal Employees, Council 5
- **Speaker of the House of Representatives' appointment**, Robert Sykora of the Minnesota Board of Public Defense
- **Minority Leader of the House of Representatives' appointment**, Peggy Ingison of Minneapolis School District

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<sup>1</sup> See Appendix A for the text of legislation.

- **Majority Leader of the Senate’s appointment for organized labor**, Deborah Schadeegg of Minnesota Association of Public Employees
- **Majority Leader of the Senate’s appointment**, Dan Cain of RS Eden
- **Minority Leader of the Senate’s appointment**, Douglas Lambert of Community Corrections for Dodge, Fillmore, and Olmsted Counties

## Methodology

The Corrections Strategic Management and Operations Advisory Task Force met 10 times from September through February 2010. Members conducted an array of activities to gather the information and perspectives needed to develop effective and realistic recommendations. These activities included:

- **Use of a neutral facilitator and online support** – The task force engaged a neutral party to facilitate task force deliberations and organize the final report from Management Analysis & Development, a division of Minnesota Management & Budget.. The Department of Corrections (DOC) maintained task force information at <https://iforums.doc.state.mn.us/site/csmo/default.aspx>.
- **Development of task force purpose and scope** – Task force members jointly articulated the group’s purpose and scope based on the supporting legislation (see Figure 1).
- **Creation of a work plan** – Co-chairs Bernardine Bryant and Dan Cain led the task force in the development of a work plan to assure that members had common knowledge of correctional operations, best practices, and other information. This foundation provided solid ground for the development of effective and viable recommendations.
- **Review and analysis of information provided by DOC staff member presentations** – DOC staff presented members with in-depth information on a range of corrections topics including an overview of the state’s correctional systems, DOC vision and operations, per diem rate calculation and use, the budget and funding process, evidence-based practices, and DOC efforts to increase efficiency.
- **Review and analysis of extensive written information** – The task force reviewed internal and external sources of information regarding Minnesota’s corrections delivery systems. Member review included an examination of prison cost and utilization data, inmate offense profiles, other agency statistics and national rankings, current and emerging best practices, organizational charts, the agency’s vision and mission, and related materials.<sup>2</sup>

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<sup>2</sup> See website at <https://iforums.doc.state.mn.us/site/csmo/default.aspx> for a list of these materials

- **Examination of national data and best practices** – Most notably the two Pew Reports on the United States Correctional System were considered. A chart summarizing Minnesota applications of findings can be found at the web site <https://iforums.doc.state.mn.us/site/csmo/Shared%20Documents/10-19-09%20Meeting%20Presentation%20Materials/Pew%20Reports%20-%20Analysis.pdf>.<sup>3</sup>
- **Tour of the Stillwater prison** – This included information provided by the facility’s chief executive officer and an in-depth discussion after the tour.
- **Analysis and discussion at task force meetings of the most significant issues** – This included opportunities for task force members to ask follow-up questions and receive additional information and analysis from DOC staff.
- **Development of draft recommendations** – Members developed and shared ideas, grouped them into common themes, and prioritized them. Task force subgroups then drafted recommendations for consideration by the full task force.
- **Collection and incorporation of feedback from the public and corrections experts** – Task force meetings were open to the public. In addition, members solicited feedback from a representation of stakeholders (for example, representatives from the Minnesota Sheriff’s Association, the Association of Minnesota Counties (AMC), Minnesota Association of Community Corrections Act Counties (MACCAC), organized labor, academics, community and volunteer organizations, attorneys, a former DOC commissioner, and the Sentencing Guidelines Executive Director.
- **Development of final recommendations** – Members refined draft recommendations based upon stakeholder feedback, further analysis and discussion, and iterative reviews of the draft report.

**Strategy criteria:** In order to develop strategies that offered both cost-effectiveness and efficiencies, the task force focused on the impact to DOC’s work and the ease of implementation. If the Legislature, Governor and/or department further develop these strategies: additional research, analysis, and resources will be needed to detail expected costs and outcomes.

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<sup>3</sup> Pew Center on the States (2008); One in 100 – Behind Bars in America 2008; Washington, D.C. and Pew Center on the States; One in 31 – The Long reach of American Corrections, March 2009; Washington, D.C.

## **Task Force Purpose and Scope**

### ***Purpose***

The 2009 Minnesota Legislature established a task force to advise the Governor and the Legislature on management and operations strategies that will improve efficiency in corrections and reduce the inmate per diem for the Department of Corrections.

### ***Scope***

The task force must provide an assessment that identifies strategies and makes recommendations, including any proposals for legislative changes to improve:

- 1) Delivery of state correctional services;
- 2) Construction, maintenance, and operations of state prisons; and
- 3) Coordination between state and local corrections agencies.

In developing its assessment, the task force shall consider best practices in business management and in corrections management and operations; efficiency concepts from academia, business, or other environments; and how legal requirements affect correctional efficiency. The assessment provided by the task force should include, but not be limited to analysis of staffing and administration of prisons, central office and administrative services staffing and operations, the impact of decisions on other agency budgets, offender treatment and programming, field services, employee pension plans, housing short-term offenders and probation violators, offender healthcare, juvenile services and the conditional release and challenge incarceration programs.

### ***Approach***

Minnesota Management and Budget, Management Analysis and Development (MAD) will facilitate the task force work. At its first meeting, a chair will be elected and a preliminary work plan will be reviewed and approved, with modifications as necessary. The final work plan will identify plans for:

- Building common knowledge of correctional practices among task force members,
- Identifying best practice options, and
- Reviewing and discussing select options for strategies and recommendation in the final task force report.

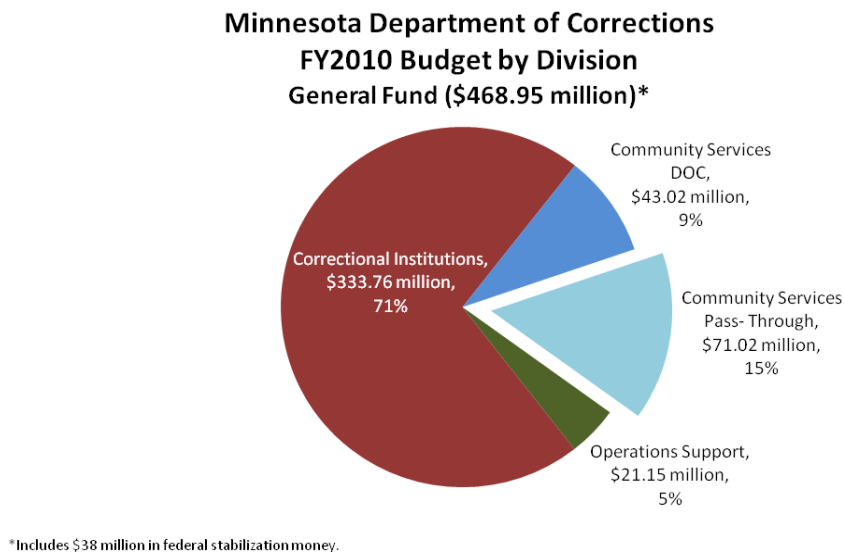
### ***Final Report***

A final report will be submitted to the Legislature by February 15, 2010. The task force will expire and disband by June 30, 2010.

# Background

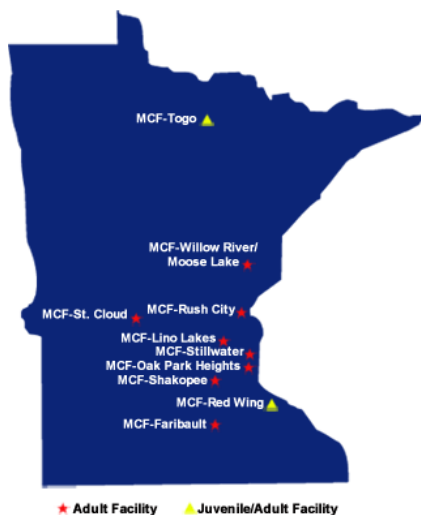
The Department of Corrections (DOC) is Minnesota's third largest cabinet agency. Its mission is to "contribute to a safer Minnesota by providing core correctional care, changing offender behavior, holding offenders accountable and restoring justice for victims"(See Appendix F for DOC Organization Chart). DOC employs approximately 4,000 full-time staff and has an annual operating budget of \$492.43 million (See Figure 1)

Figure 1



**DOC Facilities Division:** The DOC operates ten correctional facilities throughout the state (See Figure 2). Nearly three quarters of the DOC budget (71percent) is expended toward facility operations and programming.

Figure 2



- Eight adult prisons
- Two juvenile facilities (with small, separate adult populations)
- 9,609 adult offenders (8,960 men; 649 women)
- 138 juvenile offenders (134 boys, 4 girls)

DOC data as of 9/18/2009

**DOC Community Services Division:** The DOC provides a variety of court-ordered services in conjunction with the state's other two community corrections delivery systems operating in a three-delivery system model. The role of each system in delivering community corrections is:

- **DOC:** The DOC provides adult felon supervision in 55 counties, and of those 55, juvenile and misdemeanor supervision in 28 counties. DOC provides intensive supervised release supervision in 75 counties and provides supervision in 82 counties to Challenge Incarceration Program releases.
- **Community Corrections Act (CCA):** Jurisdictions operating under the CCA provide supervision to all adult felon and misdemeanants and juveniles, in 17 jurisdictions comprised of 32 counties.
- **County Probation Officer (CPO):** Counties operating under county judges provide supervision to all juvenile and adult misdemeanants, in 27 counties.

Together these entities supervise over 147,000 offenders in the Minnesota's communities. Community-based corrections including CCA and CPO counties use 15 percent of the DOC budget (\$71.02 million) as pass-through monies.

The DOC's Community Services Division is responsible for other functions requiring 9 percent of the agency operating budget. These functions include administering over 360 subsidies, grants and contracts; maintaining the sex offender level III website; providing victim notification services; screening and assessment of civil commitment referrals; licensing and inspection of 99 adult facilities, 95 juvenile facilities and 17 sex offender facilities; reentry services; work release services; Institution Community Work Crews (ICWC); Sentencing to Service crews, and juvenile services.

**DOC operations support functions:** Finally, the agency has a support staff function housed in both the central office and correctional facilities that perform financial, human resource, information technology, legal services and other support services. These functions require 5 percent of the agency's operating budget.

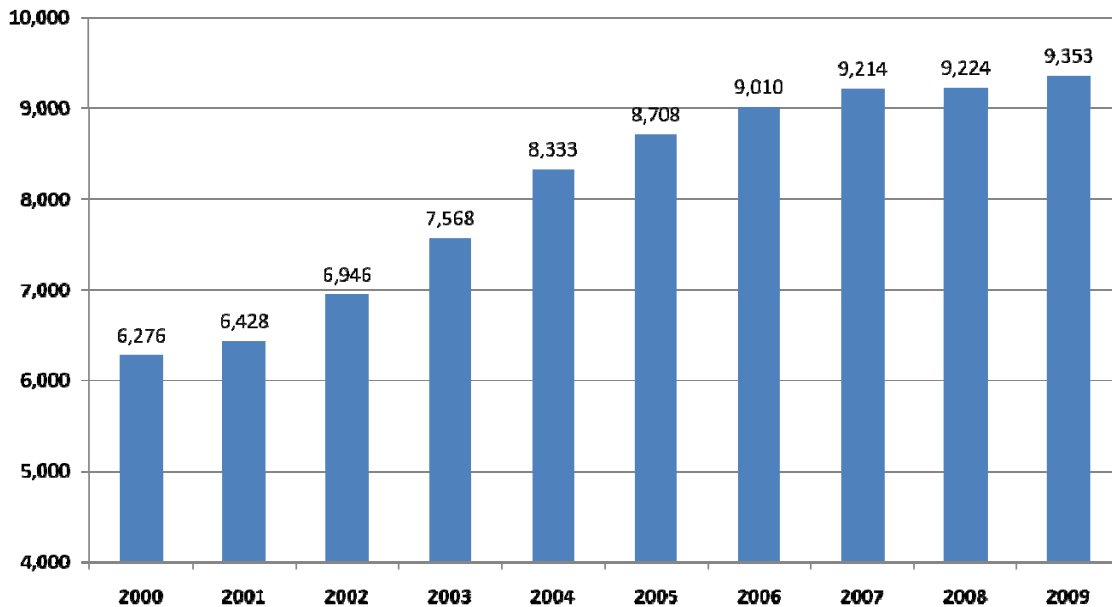
**DOC trends:** The DOC provides housing and supervision to a growing number of offenders. Currently, a relatively large proportion of Minnesota's population is under correctional control. Prior to the late 1980s, the slow increase in the prison population paralleled the growth in the state's population. Due largely to the creation of the new "tough on crime" legislation, the prison population has dramatically increased over the last few decades, growing by a rate of 6 percent per year since 1989. Only in the last five years has this growth begun to level off, as the average annual rate of increase has been 2 percent since 2005.

Overall, one in 26 adults in Minnesota is currently under control of the state's three-delivery system correctional structure.

Figure 3

## Minnesota Department of Corrections Adult Prison Population\*

(July 1 of each year)



Per several national statistics, Minnesota is national leader in the field of corrections.

1. Minnesota is ranked 49<sup>th</sup> lowest in the number of offenders sent to prison. Prison beds are reserved for the state's most serious and dangerous offenders. (Governing Sourcebook, 2006)
2. Minnesota has three separate, integrated, correctional delivery systems at the state and county level. Most offenders are sanctioned and supervised at the local level, as an alternative to state prison. This has resulted in Minnesota's national rank of 4<sup>th</sup> highest for number of offenders under supervision in the community, approximately 147,000.
3. There are approximately 9,500 offenders in Minnesota's prisons. Other states with populations similar to Minnesota (approximately 5 million) use prison rather than community supervision in sentencing offenders. (Governing Sourcebook, 2006) For example, Wisconsin imprisons 23,743; Louisiana 37,540; and Indiana 27,123. See Appendix D for a comparison of states.

4. The Pew Center on the States report entitled *One in 100: Behind Bars in American 2008* found that Minnesota ranked 49<sup>th</sup> lowest in the percentage of corrections spending from general funds. Minnesota spent 2.5 percent of their general fund dollars on corrections while the national average was 6.8 percent.
5. Minnesota uses evidence-based practices in correctional programming throughout its three delivery systems. These research proven practices are the foundation for Minnesota's low recidivism rate of 25 percent. See Appendix E for comparison to other states.



# Presentation Topics and Discussion

The task force began its work by developing a common knowledge of Minnesota's correctional systems and the DOC. Members toured the Stillwater Minnesota Correctional Facility (MCF) and were educated by DOC staff in priority areas, conducting comprehensive discussions, and asking follow-up questions, and requesting additional information as needed. Each topic area is summarized below. Additional information can be found at <https://iforums.doc.state.mn.us/site/csmo/default.aspx>.

## Tour of Stillwater Facility



**Stillwater Facility**



**MINNCOR at Stillwater**

John King, MCF-Stillwater Chief Executive Officer, led task force members on a tour of the facility. Members participated in a facilitated discussion after the tour and later identified areas of strength and concern. **Areas of strength** included security and safety as the top priority, mental health and medical services, educational, treatment, and employment programs. **Areas of concern** included:

- Old, energy-inefficient windows in cell halls;
- The number of inmates double-bunked; and
- Inmate idleness and the need for more program options for inmates when the economy is weak.

Overall, the tour raised an important issue relevant to many of the state's old correctional facilities – the buildings are wasting energy and incurring unnecessary costs because they have energy-inefficient windows in cell halls and other outdated features.

## DOC Overview

David Crist, Deputy Commissioner for Facilities Division, described how inmates come under DOC jurisdiction. He educated members about the characteristics of DOC facilities; central intake; offender assessment, classification, and housing; supervised release violators; and adult education programming. Chris Bray, Deputy Commissioner for the Community Services Division, provided information on Minnesota's three correctional service delivery systems, DOC field services, and DOC community services administrative functions. Lisa Cornelius, Assistant Commissioner for Support Services, reviewed the agency's overall structure, the division she manages, and differences between Central Office and the Operations Support functions and their funding structure.

## Per Diem Rates

Because per diem rates are viewed as a primary efficiency measure, DOC staff person, Lisa Cornelius, described how these rates are calculated and used. The department is required to calculate per diems using three different methods (See Figure 4 on next page).

- The *operational per diem* is the average daily cost for housing all adult male and female inmates.
- The *statutory per diem* is an average department-wide per diem for incarcerating offenders in DOC adult state correctional facilities. It includes the operational per diem and 65 percent of the department's operational support budget, and all capital bonding expenditures.<sup>4</sup>
- The *marginal per diem* reflects the calculation used to determine the cost of adding new beds to the system.

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<sup>4</sup>See M.S. 241.018

Figure 4



### PER DIEM COMPARISON

FISCAL YEAR	STATUTORY PER DIEM	OPERATING PER DIEM	MARGINAL PER DIEM
2001	102.64	86.25	Unknown
2002	93.2	79.89	66.73
2003	94.72	80.52	66.73
2004	91.78	76.8	68.80
2005	89.75	76.43	68.80
2006	99.55	80.11	69.85
2007	131.16	86.14	70.91
2008	112.38	89.77	53.73
2009	TBD	89.24 (estimated)	54.96

Task force members discussed the complexity, confusion, and validity issues surrounding the various per diems – complexity and lack of clarity results in confusion for people trying to assess DOC’s efficiency and effectiveness.

### Budget/Funding Process

Lisa Cornelius informed task members of the agency’s budget, staffing and operational expenses, including agency-level budget, program-level budget, facility budgets, staffing, and operational expenses. She also highlighted the impact of the 2009 legislative session on the DOC’s budget and the history of DOC budget reductions since 2002. Task force members discussed problems confronting the Legislature in setting financial priorities for the state in the current economic climate. In addition, they discussed the impact of inflation and budget reductions to the Department of Corrections.

## **Evidence-Based Practices <sup>5</sup>**

Chris Bray described the extensive use of evidence-based practices (EBP) used in corrections, highlighting EBP concepts, research, tools, and practices. Grant Duwe, DOC Research Director, talked about DOC's use of EBP in a variety of areas, such as chemical dependency treatment, adult boot camps, educational programming, industry/vocational programming, sex offender treatment and management, post-release supervision and offender reentry. Staff reported that its commitment to evidence-based practices has driven its work in both field and prison operations, making the state a leader in EBP development and use. In the last seven years, DOC has expanded EBP use by establishing the EBP Policy Team, a joint DOC and county (both CCA and CPO) collaborative. Other states (and countries) use Minnesota as a resource in learning how to implement effective EBPs.

## **DOC Reporting**

Deb Kerschner, DOC Information Systems Manager, outlined the *DOC Performance Targets Report for Fiscal Year 2010*. This legislatively mandated report describes correctional measures, outcomes, and targets, includes information on per diem rates, inmate programming, recidivism, and other statistics. Other report topics include DOC field services, DOC staffing and salaries, use of private and local institutions to house persons committed to the commissioner, costs of inmate health and dental care, EBP, and the Challenge Incarceration Program (DOC, 2009).

## **DOC Efforts to Increase Efficiency**

Lisa Cornelius described DOC's numerous projects to increase efficiency, modernize business practices, and continually improve. For example, as mandated, the DOC reduced 300 positions, regionalized support functions, developed new work release policies, privatized offender health care and food services, and implemented other policies and procedures. Table 1 provides a fuller list of efficiency initiatives.

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<sup>5</sup> Generally, the task force used this understanding of EBP: EBP is a process of assessing offender risk, need and readiness, applying validated interventions, and then reassessing these interventions over time.

**Table 1: DOC Achievements in Streamlining Operations and Increasing Efficiency**

The DOC has successfully streamlined operations and implemented other efficiency initiatives in the last ten years. These efforts provide a foundation for improving operations and/or continuous improvement. The number and scope of these initiatives may reduce opportunities for further improvement within the current resources.

**The Department of Corrections:**

- Created a streamlined operational structure through mandated staff reductions of nearly 300 positions
- Regionalized and centralized support functions to reduce the number of DOC locations from ten to four, and eliminated more than 40 full time positions in the process
- Achieved self-sufficiency for MINNCOR, Minnesota's correctional industries program which provides jobs for inmates, so that it now operates without any state appropriations
- Effectively managed population growth by renting beds at local jails and a private prison
- Completed a major expansion at the Faribault correctional facility
- Implemented new technology to improve methods for monitoring offenders, processing employee payroll, making purchases, providing online training, and conducting other DOC business
- Privatized offender healthcare and food services to reduce and control costs
- Transitioned work release offenders to reside in community-based facilities for about two-thirds the cost of prison beds
- Actively pursued grants, obtaining \$5.1 million since 2005 for various programs and new technology applications
- Enhanced the Correctional Operations Management System (COMS) by securing a grant for \$1.5 million through the Office of Justice Programs
- Assured the use of continuous improvement tools to create efficiency, reduce operational costs, or create the means to avoid costs
- Developed and applied new policy so that offenders contribute toward the cost of imprisonment and community supervision and treatment, with associated saving of over \$1.1 million in FY 2008
- Managed offender food costs to avoid any increases for more than ten years (\$3.29 per offender per day). Despite a three percent annual inflation rate, the DOC maintained low costs by purchasing food in bulk and reducing the adult food item list from 1200 to 200.

**SOURCE: Department of Corrections, 2009**

# Discussion and Primary Strategies with Recommendations

Through DOC presentations, ensuing discussions, and review and analysis of additional data, the task force identified seven strategy areas as priorities for building upon DOC's successful operations to further improve corrections efficiency and reduce inmate per diems. The task force concludes its work with confidence that the implementation of its recommendations will improve efficiency in corrections and assist DOC in reducing per diems and/or otherwise managing costs. Other final thoughts of the task force include:

- Task force members represented a wide diversity of interests, perspectives, and areas of expertise and experience. Consequently the group's strategies and recommendations take into account complicated and sometimes conflicting operational, economic, political, organizational, legal, and other considerations. This increases the viability of the proposed strategies and approaches
- The DOC has solid management and excellent operations upon which to build further improvements. These improvements, as specified in the recommendations, provide opportunities for helping the department and state weather the current fiscal storm.
- It is important that stakeholders look at both short-term and long-term goals when examining the task force's proposed strategies and recommendations.

Members developed these strategies for legislative, gubernatorial, and/or department consideration and action:

1. Assure the use of sound financial principles in prison cost reporting
2. Further invest in reentry strategies and initiatives
3. Expand use of evidence-based practices to improve public safety and correctional outcomes
4. Expand DOC's collaboration with communities
5. Further increase the efficiency of the DOC health care system
6. Reduce facility costs by using legislative appropriations to upgrade exceptionally old correctional facilities
7. Improve the DOC business processes by developing new business practices in five targeted areas

**The following section presents these strategies, highlights relevant issues and task force conclusions, and presents related recommendations.**

## Strategy One: Assure use of sound financial principles in prison cost reporting

### Discussion

A particularly complex area of task force deliberations was the three per diems used by the DOC. Task force members deliberated regarding several key issues, as described below.

**Per Diem Types and Use:** The DOC is required to calculate and use three per diems: one for operations (the operational per diem), a second statutory per diem that includes capital bonding expenditures and certain central office costs (the statutory per diem), and a third per diem to reflect the cost of adding new beds (a marginal per diem).<sup>6</sup> Per diems have become unnecessarily complicated over time: this triple definition is confusing. Although the Legislature has used per diems as a primary indicator of outcomes, the task force concluded that per diems are not valid outcome measures nor meaningful measures of efficiency or effectiveness.

Task force members expressed the most concern about the statutorily required per diem. This per diem includes non-amortized capital bonding expenditures and 65 percent of the DOC's operations support budget – and this does not follow accepted business practices. It is common practice that capital items are depreciated over their serviceable life and not simply recognized in the year they were built or purchased. When the statutory per diem is used to compare state prisons to private or local facilities, it is greatly skewed by the capital and central office calculations. The task force did support use of DOC's operational per diem, because it follows appropriate business practice, and is helpful in monitoring internal budgets and prison populations.

**The Value in Reducing Recidivism:** Task force members agreed that any per diem reductions should not involve eliminating treatment and rehabilitative services or reducing other successful evidence-based practice (EBP) programming. Offenders should receive these services while in prison. Although treatment, education, and vocational programs can add to the immediate cost of imprisonment, these services also help reduce recidivism and avoid its associated costs. The task force members pointed out that it was impossible to make meaningful cost comparisons with other states that do not provide the same level of services.

**Common Alternatives and Previous Cost Reductions:** Some other states with high per diems have lowered them through economies of scale – by increasing the prison population so that fixed costs such as labor (79 percent of the budget) are spread over a larger population or by eliminating EBP programming and warehousing offenders. The task force agreed that neither of these options is desirable and would contradict years of correctional practice in Minnesota.

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<sup>6</sup> See complete per diem rate definitions on page 11.

The task force concluded that using the above two options would contradict the state's priority on imprisoning only the most dangerous felons, a practice associated with the state's rank as of 49<sup>th</sup> in the nation for rate of incarceration (Pew, 2008)

Also, the task force noted that the department has recently implemented many cost-savings initiatives (see Table 1 on page 16). Making cuts in treatment and programming is likely to result in overall cost increases due to higher recidivism rates.

**RECOMMENDATION 1.1: The Legislature should repeal the statutory per diem.**

The Legislature should repeal the statutory language regarding the per diem during the upcoming legislative session. The current requirement of reporting a per diem in which capital and central office expenditures are included is not an accurate reflection of the cost of operating prisons.

Table 1.1<sup>7</sup>

Investment cost	Cost reduction/cost savings to taxpayers	Time to recover cost	Who benefits by cost savings or cost avoidance
Non-applicable			

**Outcomes:**

- Transparency
- Improve decision making
- Eliminate confusion

**RECOMMENDATION 1.2: The DOC should continue to use and report on the operational per diem.**

The DOC should continue to report operational per diem. This per diem should include general fund expenditures directly related to housing offenders such as facility management, security, food, clothing and linens, education, staff, medical and behavior health costs. This per diem should also be reported with three specific components: facility operations costs (related to incarcerating and providing the programming (for example, staffing, security, plant operations, prison administration and education); health care (for example, medical and dental care, supplies, staffing and pharmaceuticals) and behavioral health (for example, treatment and psychological services).

<sup>7</sup> Throughout these tables for cost: "low" refers to amounts under \$1 million; "medium" refers to amounts between \$1 million and \$5 million; "high" refers to amounts above \$5 million. For time: "short-term" refers to 0–18 months; "medium term" refers to 18–36 months; "long-term" refers to longer than 36 months.



Table 1.2

Investment cost	Cost reduction/cost savings to taxpayers	Time to recover cost	Who benefits by cost savings or cost avoidance
Non-applicable			

**Outcomes:**

- Transparency
- Improve decision making
- Eliminate confusion

**RECOMMENDATION 1.3: The DOC should continue to report on total capital expenditures and apportioned costs for support services provided by the operations support division.**

As currently required by Minnesota Management & Budget, the DOC should continue to provide information on total capital expenditures and apportioned costs for support services provided by the operations support division. These dollar figures should be reported as total expenditures and not included in the per diem.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 1.3

Investment cost	Cost reduction/cost savings to taxpayers	Time to recover cost	Who benefits by cost savings or cost avoidance
Non-applicable			

**Outcomes:**

- Transparency
- Improve decision making
- Eliminate confusion

## **Strategy Two: Further invest in reentry strategies and initiatives.**

### **Discussion**

Like many other states, Minnesota has experienced growth in both the number of offenders entering state prisons and the number of offenders transitioning to a release status and reentering their communities after prison, approximately 6,000 per year. The state has recognized that efforts to successfully prepare offenders for reentry are an investment in public safety and the socioeconomic health of families and communities. The task force investigated numerous prison population and reentry issues, as described below.

**Revocations related to technical violations:** Different correction delivery systems in Minnesota do not consistently implement revocation guidelines, practices, and policies related to technical violations (including warrants). Various delivery system components have varied guidelines, inconsistent implementation methods, and/or practices that are not aligned with EBP. This reduces system efficiency and effectiveness. The task force therefore concluded that DOC and supervising agencies should collaborate (and use other means) to identify and address areas of inconsistency.

**Committing offenders with less than 30 days to serve:** In the current system, certain offenders can be sent to prison for as short as one day. For very short stays, the cost to state and local jurisdictions for transportation, intake, assessments, and related activities cannot be justified. From July to December 2009, 100 offenders with less than 30 days to serve were committed to the Commissioner of Corrections and sent to prison. Eighty-five percent of these offenders had less than 15 days to serve. The task force felt strongly that this sentencing practice is a waste of limited resources.

**MINNCOR:** MINNCOR Industries is a self-supporting division of the Minnesota Department of Corrections. It receives no state subsidies, taxpayer dollars, or grants. It provides contract manufacturing in the areas such as metal production, wood production, printing, upholstery, packaging, bottling, soldering, trimming, and mailing. During the last session, the Legislature directed use of part of MINNCOR's profits to supplement the state's general budget. The task force agreed that MINNCOR earnings should be used for corrections programs, given MINNCOR's self-sufficiency, its mission in providing inmate work opportunities, and the importance of reentry programming.

**Minnesota Comprehensive Offender Reentry Plan (MCORP):** In 2005, the DOC created MCORP, a strategic initiative involving state agencies, the courts, and the community. Funded by the 2007 Legislature, MCORP's purpose was to plan and oversee a statewide reentry approach, including expanded transition programming in state facilities to prepare offenders for a successful return to their communities. The Legislature also supported a reentry pilot project in three Hennepin, Olmsted and Ramsey counties. In this project institutional and field corrections staff increase collaboration and offenders have expanded access to community reentry services such as employment, housing, and personal and social supports. The project has been underway for about one

year. Preliminary research using a randomized design indicates that receipt of reentry services is associated with substantial decreases in re-arrest risk (37 percent), reconviction (43 percent) and re-incarceration (57 percent.)<sup>8</sup> This and other DOC research suggest that the state will realize cost savings by improving delivery and expanding reentry programming.<sup>9</sup>

**Barriers to Reentry:** The task force agreed on the need for the state and/or others to eliminate or mitigate civil and social barriers that make re-entry difficult. These barriers include limited access to employment, housing and social service resources. One of the most significant barriers is a lack of affordable safe housing for hard-to-place offenders. This is a key issue in the transition period when offenders are most likely to re-offend.

Individuals reentering their communities after prison also face barriers associated with “collateral sanctions.”<sup>10</sup> These sanctions can hinder an individual’s ability to meet basic needs. One collateral sanction discussed by the task force was “data mining.” As used by the task force, “data miners” refers to businesses that use public data to provide background checks and related services. State agencies have recently conducted major studies on data mining, outlining issues and concerns (DOC, 2008a and Collateral Sanctions Committee (2008)). The task force did not want to duplicate this work or pursue activities beyond the scope of this project. However, members did discuss this issue and noted its potential effect on reentry success.

**Early Release Programs.** Minnesota DOC has two early release programs: The Challenge Incarceration Program (CIP) Conditional Release Program (CRP). Long-term research indicates that successful CIP completion significantly reduces<sup>11</sup> recidivism and prison costs. In the 2009 legislative session, CIP criteria were expanded to include higher risk offenders. The DOC will need to collect data to evaluate how the new criteria effects program results. CRP is a program for “non-violent” controlled substance abuse offenders. While this program has the potential to improve reentry outcomes, the shortage of chemical dependency (CD) treatment beds is a barrier to expansion – in 2009, approximately a third of offenders assessed as needing CD beds could be treated.<sup>12</sup> The DOC believes that a “liberty interest” will exist if the department is mandated to expand

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<sup>8</sup> See DOC’s forthcoming report for more information (DOC, 2010).

<sup>9</sup> The Department of Corrections has solicited technical assistance in developing the MCORP initiative. It was chosen to participate in the National Governor’s Association, Prisoner Reentry Policy Academy in 2007 and in September of 2009, was chosen to be one of six states to receive a National Institute of Corrections technical assistance grant to implement the Transition from Prison to the Community (TPC) reentry model.

<sup>10</sup> As defined in statute M.S. 609B.050, a collateral sanction is a “legal penalty, disability, or disadvantage...that is imposed on a person automatically when that person is convicted of or found to have committed a crime, even if the sanction is not included in the sentence.” Collateral sanctions do not include direct consequences of the crime, such as criminal fines, restitution, or incarceration. Common examples of collateral sanctions include, among others, restrictions on the following: employment and occupational licensing; driving privileges; eligibility for public services or benefits; and property and civil rights and remedies.

<sup>11</sup> An Outcome Evaluation of the Challenge Incarceration Program (October 2006) by the Minnesota Department of Corrections

<sup>12</sup> 2009 DOC Health Services legislative testimony

CRP but CD beds are not available – law suits can be expected if offenders cannot receive required treatment. The DOC should assess whether there are enough resources to expand CRP without compromising public safety or inviting costly litigation.

The task force concluded that when the state supports the reentry of ex-offenders into the community, DOC and other correctional systems can more easily manage costs and achieve other successful outcomes (for example, reduced recidivism and safer communities).

**RECOMMENDATION 2.1: The DOC should convene a cross-entity task force to increase consistency of revocation guidelines, policies, and practices related to technical violations (including warrants) in supervised release cases, without compromising public safety.**

The DOC and supervising agencies should review revocation policies and procedures related to technical violations in supervised release cases to assure consistency with each other and practices across delivery systems. Where the DOC and agencies find areas of inconsistency, these can be addressed by inter-agency collaboration. The product of the cross-entity task force would be guidelines aligned with evidence-based practices.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 2.1

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Low	Low (\$3.7 million already taken via 2009 Legislature but over the long-term high)	Low	DOC and local jurisdictions (transportation)

**Outcomes:**

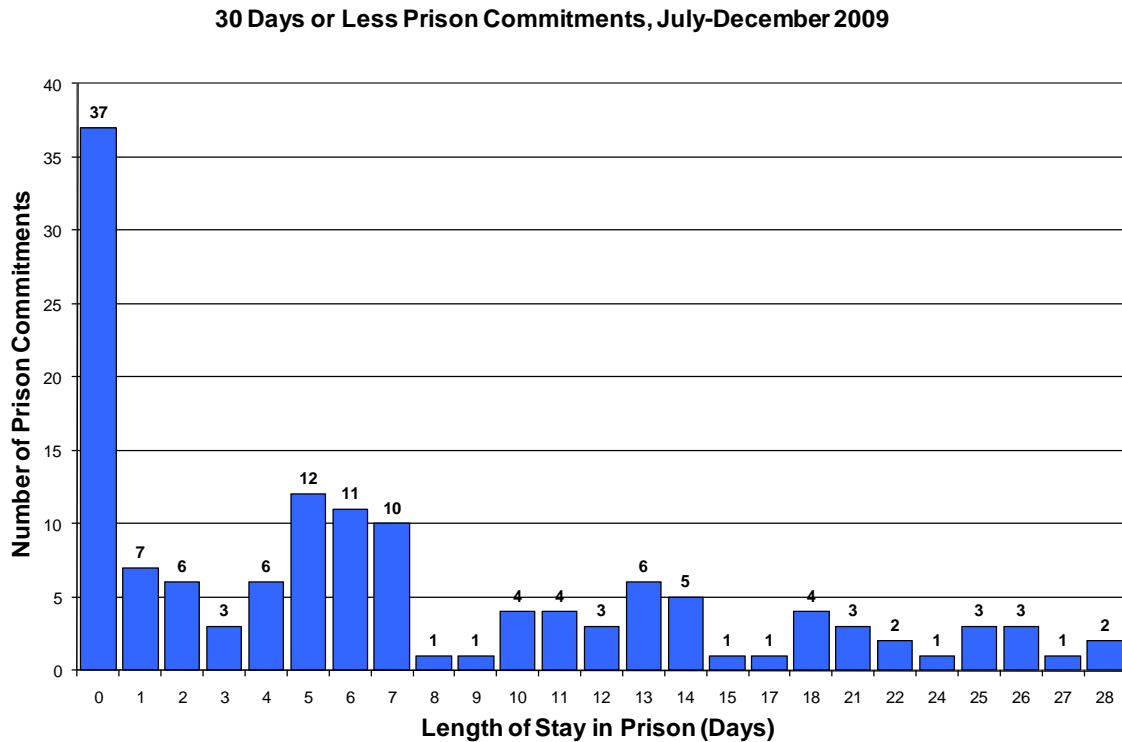
- Reduce the percentage of release violators returned for technical violations; and
- Save on prison beds.

**Recommendation 2.2: No person should be committed to the Commissioner of Corrections (sent to prison) for less than 30 days to serve, except individuals subject to certain predatory offender statutes (statutes defining criminal sex offender levels 1–4).**

The corrections system is inefficient at both the state and local level when offenders with less than a month to serve are sent to prison. When offenders are sent to prison, they must be transported to the facility and participate in a mandatory intake and discharge process. In contrast, the DOC and the corrections system would avoid the costs of transportation,

intake, discharge, assignment of new supervising agent, case planning and related services. The DOC and other entities should negotiate an alternative to incarceration such as offender-paid electronic monitoring.

Figure 5



Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 2.2

Investment cost	Cost reduction/cost savings to taxpayers	Time to recover cost	Who benefits by cost savings or cost avoidance
Low (creates additional county jail days)	Low	Low	DOC and local jurisdictions (transportation)

**Outcomes:**

- More space for serious offenders in prisons;
- More efficient use of resources; and
- More stable prison environment.

**RECOMMENDATION 2.3: Financial resources generated by MINNCOR Industries should be reinvested in MINNCOR to reduce inmate idleness, grow the business, and support reentry programs.**

It is crucial that the financial resources created through MINNCOR be allowed to accrue. Rather than having profit claimed by the Legislature to supplement the general budget, the self-sustaining profits generated by MINNCOR should be used to:

- Reduce offender idleness.
- Support reentry programs; and
- Support education/vocational programs;

Table 2.3

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Non-applicable	Low (impacts only a few offenders)	High	DOC and public

**Outcomes:**

- Reduce recidivism
- Reduce costs
- Increase staff safety
- Inmates involved in productive activities

**RECOMMENDATION 2.4: The Legislature should support affordable supportive housing for hard-to-place offenders. Where possible, this housing should be built by minimum security or released offender labor.**

Given its critical importance in reentry, the state needs to find ways to build and site safe, affordable housing. The state should explore the use of offender labor, such as individuals already on supervised release. The value in this labor is fourfold – it can:

- Provide needed housing;
- Reduce the cost of construction;
- Provide a real work setting opportunity for offenders who have been trained in construction skills through the MINNCOR program or other such programs; and
- Provide a valuable contact point between offenders and contractors to create a future opportunity for employment.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 2.4

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
High	High (reduction in recidivism)	High	Local corrections, DOC, and public

**Outcomes:**

- Reduce recidivism
- Reduce cost

**RECOMMENDATION 2.5: The DOC should consider expanding Minnesota Comprehensive Offender Reentry Plan (MCORP).**

Preliminary data show that MCORP significantly reduces re-arrests, reconvictions, and reincarceration rates. The DOC should consider expanding the program statewide, and the Legislature should consider providing additional support to the program through increased funding to community corrections – supervising offenders in the community will require increased community resources. It will be more cost effective to supervise released offenders in the community than in a correctional facility.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 2.5

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
High	High (reduction in recidivism)	Med-High	Local corrections, DOC, and public

**Outcomes:**

- Reduce recidivism
- Reduce cost

**RECOMMENDATION 2.6: The DOC should evaluate its early release programs to determine if they can be expanded without compromising public safety.**

The expansion of the Challenge Incarceration Program and Conditional Release Program has the potential to reduce both recidivism rates and the number of offenders in prison. However, program growth will need to proceed carefully. Therefore, for this recommendation to be fully effective:

- The Legislature would need to provide resources to expand the number of CD programs; and
- The DOC should consider whether there are ways to expand these programs without adversely impacting public safety or the fidelity of the programs.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 2.6

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Low	Unknown	Unknown	DOC cost avoidance and taxpayers

**Outcomes:**

- Reduce recidivism
- Reduce cost

**Strategy Three: Expand use of evidence-based practices to improve public safety and correctional outcomes.**

**Discussion**

Since the beginning of the 1980s, researchers have made substantial progress in identifying correctional practices that work best in reducing recidivism rates and achieving other beneficial outcomes. The body of research on these evidence-based practices (EBP) includes over 600 studies and meta-analysis from the United States, Canada, and Britain This research has allowed practitioners and others to identify a specific, definable set of practices for working with offenders, increasing knowledge of what works, and for whom, and why. The DOC and its facilities are using EBP as they become available to enhance programming and decision making. Recent examples of EBP practices and concepts include:



- Motivational interviewing – this is a learned skill that guides and motivates offenders to recognize the stage of change they are in and achieve real change.
- Actuarial assessments – these predict an inmate's risk to reoffend and guide supervision levels in the field and treatment bed assignment in the prison.
- Case plan use – All jurisdictions use case plans to connect high criminogenic risk factors to needed interventions; in applying best practices, facility-based case plans follow offenders as they move to other facilities and/or reenter communities.
- Cognitive-behavioral approach – Interventions that work best with offenders use a cognitive-behavioral approach. Trained corrections professionals facilitate cognitive-behavioral curricula based on research-based principles.
- All EBP are measured by recidivism reduction. Outcome evaluation is critical to determining fidelity.

The task force concluded that it is in the state's best interest to continue and expand EBP use to help the state avoid the cost of higher recidivism and reoffense rates associated with older, non-EBP (for example, the costly imprisonment of those who are no longer a risk to public safety). To further enhance EBP strategies, task force members discussed the need for EBP integration, leadership, and investment. Members were committed to using EBP to build upon what works and not breaking what works well. The task force agreed that all three correctional systems should continue to work to assure that EBP is integrated into all aspects of corrections in Minnesota, from sentencing to release and supervision.

**RECOMMENDATION 3.1: The DOC should focus staff training on evidence based practice so there is broader EBP use at all staff levels.**

To assure that EBP is implemented effectively and with fidelity, staff must be trained. The task force recommends initial and booster training on a regular basis for all field/supervising agents and prison case managers. In addition, this recommendation will require that the DOC try to find grant or other funding to implement this recommendation.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 3A

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Medium	Med-High (reduced recidivism)	High	DOC, Taxpayers, State

**Outcomes:**

- Reduce reoffense rates;
- Avoid the cost of higher recidivism in re-offense rates; and
- Reduce crime rates to create safer communities

**RECOMMENDATION 3.2: The DOC should continue to collaborate with the education community, criminal justice system, and professional organizations to develop a comprehensive post-secondary level training in corrections EBP.**

A majority of corrections agents and case managers begin working in corrections without basic EBP knowledge. Some institutions of higher learning teach EBP, but this training is not consistently available across the state. This recommendation adds to the training component necessary for EBP implementation, facilitating education at all Minnesota institutions of higher learning so that employees are hired with a sound knowledge of EBP principles and practices.

- To implement this recommendation, the task force recommends that the DOC try to find new funding for one half-time DOC employee to work with Minnesota higher educational institutions.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 3.2

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Low	n/a or unknown	n/a or unknown	State

**Outcomes:**

- Avoiding the cost of higher recidivism in re-offense rates:
- Reduction in risk/need scores: and
- Increased public safety as case managers and agents are well-versed in EBP when hired.

**RECOMMENDATION 3.3: The DOC should try to find additional funding to expand the court services tracking (CSTS) to include the use of electronic case plans beyond their pilot use in the Challenge Incarceration Program.**

The key to EBP is a dynamic case plan that provides continuity and monitors changing circumstances and risk factors as offenders move between facilities and into community supervision. The electronic case plan integrates offender information from various electronic sources, is accessible via the Corrections Operations Management System (COMS), eliminates the need for duplicate data entry, and assures a single plan that moves with the offender. Only the Challenge Incarceration Program (CIP) and DOC CIP agents use the electronic case plan and are trained to do so. The task force recommends expanding its use to all institution case managers, program therapists, and DOC agents. This would enhance offender programming and transition planning and facilitate an offender's adjustment during community supervision.

- Implementation of this recommendation would require funding a three-quarter-time position to support the information technology needs associated with expanded electronic case plans.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 3.3

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Low	Unknown	Unknown	DOC, local jurisdictions

Outcomes:

- Avoiding the cost of higher recidivism in re-offense rates;
- Reduced risk/need scores;
- Enhanced consistency between agencies;
- Development of standards;
- Use of EBP;
- Corrections staff trained in EBP;
- Possible elimination of written case plans; and
- Safer communities.

**RECOMMENDATION 3.4: The state higher education system should partner with DOC to conduct ongoing EBP research, training, and curriculum development.**

Evidenced-based practices are rigorously researched and their use has been shown to help states avoid the cost of higher recidivism re-offense rates. DOC collaboration with the community in this area is a long-term investment in efficiency and effectiveness. The task

force recommends additional research capability to allow rapid examination of current practices, cost-benefit analysis and proactive evaluation of new applications. A key focus would be to create a relationship with a higher educational institution as a way to increase research capability and effectiveness.

Implementation will require:

- Cooperation from an interested higher educational institution; and
- Collaboration with community corrections professionals who are applying offender treatment programs.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 3.4

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Low	Long-term high	Long term	Criminal justice System, higher education, and the public

Outcomes and cost expected with the implementation of this recommendation include:

- Reduced recidivism;
- Increased staff skill levels
- Improved quality of criminal justice programs; and
- Lower total costs for incarceration and supervision.

## **Strategy Area Four: Expand DOC's collaboration with communities.**

### **Discussion**

Improving the efficiency and effectiveness of Minnesota's correctional system requires that DOC work in partnership with a host of other entities including the courts, local corrections agencies, county jails, community resources such as the County Attorneys Association, public defenders and the Minnesota's Sheriffs' Association. The task force considered the following aspects of collaboration:

**State DOC and local jurisdictions:** The task force recognizes that strong DOC-local jurisdiction partnerships are vital to public safety and corrections cost control. The DOC should therefore not shift costs to local governments unless otherwise negotiated. The state would do well to build upon existing practices such as extensive use of community supervision over imprisonment, further implementation of EBP and more extensive use of county jail beds at a fair negotiated per diem. In addition, the task force agreed that

there is a need for greater consistency between jurisdictions in how probation violators are handled. This inconsistency can result in unfair treatment, increased costs, and reduced efficiency.

**A single medication formulary:** The task force suggests that the DOC work with other entities such as the Minnesota Sheriffs' Association to develop a single medication formulary that can be used by the state and counties. State and counties could use the resulting larger procurement pool to reduce costs through cost leveraging. In addition, state and counties using a single formulary would promote continuity of pharmaceutical care between jurisdictions, further helping with cost control.

**Earned credit compliance program:** The state and local corrections agencies may also increase corrections efficiency and effectiveness by establishment of an earned credits compliance program. The opportunity to use earned credits could motivate probation offenders to reduce their time on supervision, resulting in reduced costs. Some states are experimenting with "earned credit compliance" as a way to reward probationers who are following the conditions of their probation and remaining law abiding. Case loads can be reduced through this practice as well. Reducing the amount of time some individuals are supervised on probation may help offset the costs of expanding reentry programs. The task force was advised that MN DOC agents and some local jurisdictions can, and already do, recommend early discharge from probation if the offender is progressing well and remains law abiding.

The task force concluded that given the state's three-delivery system model, the Legislature should focus on sustaining collaboration between jurisdictions and support expansion through additional resources.

#### **Recommendation 4.1: DOC should continue and increase the use of county jails for additional bed space.**

In most cases, the cost of a jail bed is less than the cost of using a prison bed. Under appropriate circumstances, DOC should use jail beds to house selected groups of inmates. Several counties have recently built new jails or increased the number of jail beds in existing facilities. Bed space is available in many of these facilities as county jail populations have decreased. In implementation of this recommendation:

- DOC would lease additional bed space from county facilities for specific groups of inmates such as release violators and homeless Level 3 sex offenders;
- The state would be required to pay jails a negotiated per diem;
- Counties with space and interested in lease arrangements could lease space at negotiated rate; and
- No state inmates would be forced upon county jails.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 4.1

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
None (we already do this)	Low	Low	County jails

**Outcomes:**

- Maximize county resources
- Avoid future prison construction (potentially)
- Facilitate offender ties to the community
- Maintain DOC collaboration with counties
- Probation officers have easier access at their local jail, less mileage.

**RECOMMENDATION 4.2: The DOC should maintain its emphasis on community supervision as an effective alternative to imprisonment (state prison).**

For decades Minnesota has reserved prison beds for the most serious and dangerous offenders, using local community supervision for low risk offenders. National research also supports using community supervision for low risk offenders as an effective alternative to incarceration (Pew, 2008). The task force recommends that Minnesota continue this cost-saving practice.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 4.2

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Non-applicable			

**Outcomes:**

- Lower recidivism
- Lower imprisonment rate
- Save institutional costs
- Facilitate offender ties to the community, including probation officers
- Alignment with best practice

**RECOMMENDATION 4.3: State and local correction departments should continue to work closely together to implement evidence-based practices statewide.**

Minnesota correctional systems are committed to using EBPs because of their proven effectiveness in reducing recidivism and achieving other beneficial outcomes.<sup>13</sup> State and local correction departments can collaborate to use EBPs to:

- Validate assessment case plans for every offender;
- Develop written guidelines for probation violators (similar to the states supervised release written guidelines; and
- Facilitate intermediate sanctions of probation violators without the need to return to court.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 4.3

Investment cost	Cost reduction/cost savings to taxpayers	Time to recover cost	Who benefits by cost savings or cost avoidance
Low or none	High (potential for high cost reduction)	Long-term	Taxpayer, state, and county, all stakeholders

**Outcomes:**

- Lower recidivism
- Safer communities
- Better trained personnel
- More standard practices and policies

**RECOMMENDATION 4.4: The DOC should work with county facilities to share formularies to reduce costs and so offenders are on consistent medications when transferred between facilities.**

The task force proposes that DOC work with county facilities, through the Minnesota Sheriffs' Association, Minnesota Association of Community Corrections Act Counties, and the department's Pharmaceutical and Therapeutics Committee, to develop a statewide system for a single medication formulary for all prescription drugs.

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<sup>13</sup> See page 28 for a discussion of EBP.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 4.4

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Low	Low (depends on current county relationship)	Short-term	Counties

**Outcomes:**

- Cost benefits realized by economies of scale (buying power), abuse avoidance and identifying problematic drugs; and
- Improvements in the continuity and quality of care by recognizing that state prisoners originate at county facilities.

**RECOMMENDATION 4.5: The state and local correction agencies should pilot an Earned Credit Compliance Program.**

The task force recommends that the state define and develop an earned credit compliance program to help reduce the amount of time offenders remain on probation. State and local corrections agencies will realize cost savings if probation time is reduced. Implementation of this recommendation would allow offenders to earn credits to reduce the length of their sentence. Individuals on probation could earn credits through such actions as:

- Paying court-ordered restitution;
- Finishing community service assignments;
- Completing EBP interventions; and
- Complying with all conditions of release.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 4.5

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Low	Potential for high cost savings	Medium to long-term	Taxpayers



**Outcomes:**

- Reduce cost of offender time on probation
- Maximize access to community resources
- Reward offenders' positive behavior

**Strategy Area Five: Further increase the efficiency of the DOC health care system.****Discussion**

The DOC's health care systems and its cost have a significant impact on DOC operations and budget. The task force examined a number of issues and areas of potential improvement:

**Long-term geriatric care/skilled nursing:** Task force members agreed that offenders with serious health and long-term care needs require greater access to long-term care, especially skilled nursing care.<sup>14</sup> Offenders have limited access to such care if it is delivered outside of current custody standards. For example, some newly released inmates and probation clients do not receive needed community-based care because skilled nursing facilities (SNFs) are reluctant to accept patients with criminal histories. Some providers have safety concerns for other patients. The task force discussed electronic monitoring as a possible means to help monitor patients and assure security and accountability. Members also considered how DOC/SNF partners could be used to create customized spaces for certain individuals who are newly released and having difficulty finding appropriate care in the community.

In addition to its potential to improve basic cost and patient outcomes, an expansion of community-based skilled nursing care is expected to increase offender/DOC access to federal and other funding sources. Most offenders with long-term care needs, for example, would qualify for federal and federal/state disability and health programs if they were not imprisoned. For instance, many if not most offenders receiving community-based care would be eligible for Social Security Disability Insurance, Medicare and/or Medicaid.

**Inmate health care services:** Health care is constantly adapting to new needs and technological advances. In the corrections system, the DOC system might be more efficient, and inmate needs might be better met, if some health care services were delivered differently. For instance, task force members investigated the use of telemedicine, other distance medical technology, and other ways DOC might improve basic health care delivery.

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<sup>14</sup> There are state and federal definitions of "skilled nursing facility (SNF)" and "skilled nursing care" (see [http://www.health.state.mn.us/divs/fpc/profinfo/ib03\\_2.htm](http://www.health.state.mn.us/divs/fpc/profinfo/ib03_2.htm) for definitions and relevant statutes). Most generally, a skilled nursing service is a service that must be provided by a registered nurse, or a licensed practical (vocational) nurse under the supervision of a registered nurse, to be safe and effective.

**Health purchasing and inventory control:** The task force discussed how DOC’s health purchasing and inventory processes might be improved to realize efficiencies. Members examined Lean concepts<sup>15</sup> and similar methods that are increasingly used in the health care realm to boost effectiveness and cost control.

The task force concluded that inmate health care costs seriously impact DOC budget.

**RECOMMENDATION 5.1: The state (Departments of Correction, Human Services and Public Safety) should partner with skilled nursing facilities to increase community-based options for providing long-term care.**

In the face of a shortage of community nursing beds for inmates and individuals newly released from prison and probation offenders living in the community, state/SNF partnerships could be used to provide services to individuals eligible for Medicare and Medicaid, maximize the utilization of existing skilled nursing programs, and meet individual needs while keeping the public safe.

Implementation of this recommendation would require the following:

- DOC taking a leadership role in developing a team to enhance community-based skilled nursing capabilities;
- DOC team member familiarity with improvement methods and tools (such as DMAIC), and committed and active external partners.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 5.1

Investment cost	Cost reduction/cost savings to taxpayers	Time to recover cost	Who benefits by cost savings or cost avoidance
Med-High	Potential medium	Medium to long-term	DOC, DHS and local corrections agencies

**Outcomes**

Outcomes and cost expected with the implementation of this recommendation include:

- Some newly released inmates and some current inmates with serious health care needs and probation clients living in the community will receive the appropriate care at the appropriate facility while maintaining public safety.
- Take advantage of various federal resources (SSDI, Medicare, Medicaid).

<sup>15</sup> “Lean” is a business concept for improving the organizational performance and results. For more about Lean processes and concepts, see <http://www.lean.state.mn.us/index.htm>

**RECOMMENDATION 5.2: The DOC should enhance its health care service delivery model.**

The task force agreed that inmate health care needs, including mental health care needs, could be better met and efficiencies could be gained if some health care services were delivered differently such as through telemedicine. The task force recommends that the DOC reexamine and enhance its basic health care delivery system by:

- Re-thinking when, where, and how health care services are provided to inmates to provide quality care and to enhance public safety;
- Adopting distance medicine technologies (like telemedicine and mobile diagnostics); and
- Considering security audits of off-site health care providers.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 5.2

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Unknown	Depends on what options chosen	Medium to long-term, some ongoing	Taxpayers, DOC

**Outcomes:**

- Increase safety by avoiding offender transport to, and services received, at other settings.
- Reduce costs by avoiding offender transport to, and services received, at other settings.
- Improve the efficiency and effectiveness of care by using improved delivery methods to provide care at the appropriate time and location.
- Improve care and limit DOC liability to misdiagnosis by using distance medicine technologies (such as telemedicine) only when and where appropriate.

**RECOMMENDATION 5.3: The DOC should standardize its health care supplies purchasing process and inventory control process.**

Purchasing and inventory control processes are critical in delivering value and managing costs related to materials and supplies. Task force members concluded that the DOC could provide better value to offenders by improving healthcare purchasing and inventory work processes and flows. The task force recommends that DOC:

- Evaluate and enhance current health care-related purchasing processes;
- Evaluate and enhance current health care-related inventory control processes;

- Create purchasing and inventory control dashboards;
- Search for standardization opportunities; and
- Explore and apply Lean concepts, tools and techniques in conducting these activities.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 5.3

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Low	Low	Short to medium-term	DOC

#### **Outcomes:**

- The DOC will improve how health care-related materials and supplies are purchased and controlled in inventory.

### **Strategy Six: Reduce facility costs by using legislative appropriations to upgrade older correctional facilities.**

#### **Discussion**

The task force examined whether the state needs to make greater use of upfront capital investments to address efficiency and cost concerns. Members agreed that in a time of scarce public resources, now is the time to invest in cost-efficient bonding projects that produce short- and long-term rewards. Of the state's ten correctional facilities, seven are more than 30 years old. Notably, Stillwater is a 93-year-old facility, and St. Cloud has been in operation for 119 years. Even though the Stillwater facility is well maintained, there are gaping deficiencies in deferred maintenance especially in the area of energy efficiency. For example, major problems with windows in this facility are creating not only an energy issue but a safety issue for staff and inmates as well.

The task force noted and supported the partnership between the DOC and the Department of Administration in using a consultant to conduct energy audits. To expand this work and make other facility improvements, the Legislature needs to provide a more substantial share of bond proceeds. Members agreed that the DOC should be encouraged to use the capital budget process to request building renovations that would reduce operating costs (for example, increased use of technology to reduce staffing needs). The DOC needs a comprehensive capital investment approach to help reduce future operating costs. Members observed that commercial bank funding/loan programs for energy retrofits have a higher rate of interest than the state can bond for energy retrofit projects.

**RECOMMENDATION 6.1. The Legislature should appropriate state bond proceeds to increase energy-efficiency and make other improvements to DOC facilities, including those facilities built in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries.**

The task force recommends that DOC leadership prioritize and rank facility improvement projects in four areas: *Energy Savings*; *Security*; *Life Safety* and *Payback*. The DOC should use this matrix to make a legislative request for an infusion of capital bonding to complete projects with a projected investment payback. The task force advises that this request be made at the earliest opportunity.

Energy-inefficient windows, Minnesota Correctional Facility



The task force also recommends that DOC:

- Conduct energy audits for all institutions over 30 years old with a cost benefit analysis for payback of energy investments;
- Use energy efficiency as a major project focus and continue to improve and expand its reuse and recycle “going green” six sigma projects currently at all adult facilities; and
- Continue to develop economies of scale in determining the value and usage of each facility.

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 6.1

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
High	Med-High	Medium to High	Taxpayers and DOC

**Outcomes:**

- Reduced long-term cost of facility operations benefit citizens and improved staff and inmate life and safety;
- Completed projects result in avoided costs and reduced future DOC budgets; and
- Capital improvements focused on safety and energy efficiency help reduce facility operational costs and per diems

## **Strategy Seven: Improve DOC business processes by developing new business practices in five targeted areas**

### **Discussion**

The DOC is in the process of reviewing its business processes in many areas. The task force reviewed these and other processes to identify practices that are most likely to create efficiencies and be relatively easy to implement. Members examined inmate banking and payroll processes, inmate fees, and use of interactive television (ITV) for hearings, criminal hearings, and release planning, as well as other issues. The task force concluded that there were important opportunities for DOC to improve its business processes in the five key areas listed below. As grouped below, the DOC could implement the first four recommended practices under its current authority and with existing resources. The fifth practice would require Legislature action before it could be implemented.

### **Practices to implement under current DOC authority**

**Practice 1:** *Simplify inmate banking.* For example, the DOC might change its policies and practices to require receipt of incoming offender funds through electronic means only and review offender payroll processes to identify other improvements. Simplified inmate banking will reduce processing and staff time. Offenders, their families, and friends may be resistant to changes if they perceive inconvenience and added costs. However, the task force agreed that the need to reduce the DOC's resource demands exceeds the inconvenience and minimal costs to inmates and their families and friends.

**Practice 2:** *Distance health care technology – expand the use of video-conferencing and web-camera technology for healthcare applications.* In expanding new technologies, the DOC's health care services staff would first need to identify those

work process more suitable for video-conferencing and web-camera use. This identification could be accomplished by health services staff in a reasonably short period of time. Upon implementation, increased use of new technologies would reduce staff time needed to perform approved services. For example, video conferencing could allow DOC to obtain medication verifications for weekend and after-hour admissions, eliminating costs associated with nursing staff travel, “on call” status, and communications.

**Practice 3:** *Use a print center service model when replacing traditional local and network printers.* The DOC should direct that all replacement print equipment be converted to a print center model wherein the DOC supplies all printing, copying, scanning and faxing services at central locations within various institutions. Typically this centralized service would be provided through the same piece of equipment rather than having a number of copier and fax machines throughout the facility. The cost of using network print centers is unknown, but it can be expected to help reduce printing costs within the next three years.

**Practice 4:** *Increase standardization of prison inventory including medical supplies and equipment.* The DOC should continue to standardize its inventory of goods for prison operations. The DOC should create a project team to examine the agency’s inventories and recommend a core list of inventory items. In a relatively short period of time, the project team’s work could lead to reduced costs and staff processing and reduced costs (as fewer items are purchased). When the DOC used a similar standardization process for inmate food purchasing, the department was able to hold daily food costs to the same low rate for over ten years (\$3.29 per day). The task force recognizes that the DOC will need to keep some unique inventory items due to the varying nature of physical plants and systems.

### **Business practices requiring legislative action in changing statute and law**

**Practice 5:** *Research the costs and benefits of outsourcing the inmate banking and inmate payroll system.* The inmate banking and payroll system involves complex functions and technologies, millions of dollars, a significant number of staff, and thousands of offenders. The state expended approximately \$10 million to develop and implement this system, including upgrades necessitated by new operating systems and new laws and policies. Systems development was largely driven by statutory requirements for offender repayment of financial obligations to the state and community. The task force recommends that DOC issue a Request for Information to vendors of automated banking systems to assess whether outsourcing will provide cost savings. If this assessment indicates that outsourcing is a cost-effective alternative to the current system, the Legislature will need to fund the costs of converting to the new system.

**Recommendation 7.1: The DOC should continue to research cost-effective alternatives related to: inmate banking and inmate payroll processes; outsourcing options for these processes; distance healthcare technology; print centers; and prison inventory including healthcare items.**

Outcomes and anticipated level of cost expected with the implementation of this recommendation include:

Table 7.1

<b>Investment cost</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Low	Low to medium	Short, medium, or long-term (depending on option(s) selected)	Taxpayers and DOC

**Outcomes:**

- Reduced costs
- Increased efficiency



## **Primary Recommendations by Speed of Implementation:**

Some recommendations can be implemented almost immediately to quickly impact costs and operations. Others will require a longer period of time to realize benefits. The task force is pleased to offer recommendations of “low hanging fruit” for quick harvest, especially given Minnesota’s budget shortfall. At the same time, task force members urge the Legislature and other stakeholders to carefully evaluate and implement all the recommendations. *Taking action on short-term **and** longer-term strategies is the key to systems change – changes that can provide a lasting benefit for taxpayers, the DOC, the Legislature and other stakeholders.* See Appendix C.

# Secondary Strategies and Recommendations

The task force proposes strategies and recommendations in two additional areas:

8. DOC should continue its strategy of focused continuous improvement.
9. DOC should continue to use cost-effective strategies to manage personnel costs.

## Strategy and Recommendation Eight: The DOC should continue its strategy of focused continuous improvement.

The DOC has implemented many initiatives to streamline and increase efficiencies over the past ten years, as previously discussed (see Table 1 on page 16). The task force recommends that the DOC continue these efforts.

Anticipated level of costs expected with the implementation of this recommendation include:

Table 8

Cost of investment	Cost reduction/cost savings to taxpayers	Time to recover cost	Who benefits by cost savings or cost avoidance
n/a	Low-Medium	Ongoing	DOC

## Strategy Nine: DOC should continue to use cost-effective strategies to manage personnel costs.

In considering the personnel and staffing data provided, the task force discussed that the department was well managed, using its resources prudently. To address a misunderstanding that the central office strictly performs administrative support work, DOC staff clarified that most employees housed in the central office perform correctional program work. The DOC illustrated this through Appendix G which documents both program and administrative support functions, with the latter being performed throughout the department.

Members discussed potential areas for increased efficiency related to the best use of full-time and part-time staff, pension costs, duplicative duties, planned and unplanned overtime and staff turnover (See Appendix H for DOC salary and benefits chart).

However, they concluded that DOC staffing was lean relative to the varied mission it was charged with. Members found that management to staff ratios are some of the lowest

among state agencies. (See Appendix I for DOC staffing ratios) Of concern to the task force was the below market salary rates paid for key corrections jobs. (See Figure 6, next page). They supported addressing these disparities and expressed concern for the agency's ability to recruit and retain qualified professional staff in the future.

A discussion on planned and unplanned overtime and pensions resulted in a better understanding by members of the legal and contractual obligations of the DOC as an employer. Members representing labor stressed that overtime practices were exclusively the purview of the collective bargaining agreements and legally must only be addressed through DOC management and its unions and associations. In addition, they stressed the importance of the role of the Legislative Pension Commission in determining terms and conditions of state employee pensions. Members ultimately deferred to the agency and the state's management of both matters.

**Recommendation 9.1: The legislative Pension Commission should review the actuarial analysis of the Correctional Employees Retirement Plan to consider changes to general eligibility, length of the vesting period, and early retirement eligibility.**

**Recommendation 9.2: The state should maximize efficient use of unplanned overtime.**

**Recommendation 9.3: The state should recognize that there are staff recruitment and retention costs due in part to pay inequities between state and local correctional agencies.**

Anticipated level of costs expected with the implementation of this recommendation include:

Table 9

<b>Cost of investment</b>	<b>Cost reduction/cost savings to taxpayers</b>	<b>Time to recover cost</b>	<b>Who benefits by cost savings or cost avoidance</b>
Low	Low-Medium	Low-Medium	DOC

Figure 6

## Metropolitan Area Corrections Annual Salaries as of October 2009

<i>Job Classification</i>	<i>Anoka County</i>	<i>Dakota County</i>	<i>Hennepin County</i>	<i>Ramsey County</i>	<i>Washington County</i>	<i>State of Minnesota</i>
<b>Corrections Officer</b>	<b>\$30,902 - \$47,066</b> Correction Officer (one class only)	<b>\$42,100 - \$59,400</b> Corrections Deputy to Corporal	<b>\$34,969 - \$59,674</b> Corrections Officer to Senior	<b>\$41,280 - \$65,712</b> Corrections Officer 1 to 2	<b>\$42,827 - \$54,246</b> Corrections Officer 2 (no 1 level)	<b>\$31,529 - \$49,715</b> Corrections Officer 1 to 2
<b>Probation Officer</b>	<b>\$44,743 - \$71,500</b> (one range all 3 classes) Probation Officer to Senior to Career	<b>\$51,900 - \$75,600</b> Probation Officer to Senior	<b>\$35,173 - \$71,327</b> Probation/Parole Officer to Senior	<b>\$42,600 - \$68,256</b> Community Corrections Worker 1 to 2	<b>\$39,645 - \$64,584</b> Probation Officer 1 to 2	<b>\$36,665 - \$59,195</b> Corrections Agent to Senior
<b>Corrections Director</b> (agency FTEs)	Human Services Department Head supervises 2 directors (230 FTEs)	<b>\$78,100 - \$119,500</b> Current director's salary \$117,318 (180.64 FTEs)	<b>\$117,888 - \$176,411</b> Current director's salary \$138,070 (1,000 FTEs)	<b>\$101,580 - \$150,804</b> Current director's salary \$142,839 (569 FTEs)	<b>\$98,405 - \$134,680</b> Current director's salary \$118,027 (95 FTEs)	<b>\$108,000</b> Corrections Commissioner (4,200 FTEs)
<b>Deputy Director</b>	n/a	n/a	n/a	<b>\$74,258 - \$110,432</b> Current director's salary \$91,681	<b>\$72,176 - \$98,758</b> Current director's salary \$89,996	<b>\$89,944 to cap \$108,000</b> Deputy Commissioner
<b>Area Director</b>	n/a	n/a	<b>\$95,173 - \$131,377</b> Directors in two areas <b>Adult Services</b> Current director's salary not available <b>Juvenile Services</b> Current director's salary \$117,168	n/a	n/a	n/a
<b>Adult Services Director</b>	<b>\$67,542 - \$98,229</b> Field Services Director (Performs both jobs) Current director's salary \$101,841	<b>\$70,400 - \$104,000</b> Current director's salary \$102,966	<b>\$95,172 - \$131,377</b> Current director's salary \$98,253	<b>\$74,258 - \$110,432</b> Current director's salary \$108,086	n/a	<b>\$80,973 to cap \$108,000</b> Field Services Director (Performs both jobs)
<b>Juvenile Services Director</b>		<b>\$70,400 - \$104,000</b> Current director's salary \$82,324	n/a	<b>\$74,258 - \$110,432</b> Current director's salary \$107,098	n/a	
<b>Workhouse Superintendent</b> (facility capacity)	<b>\$67,542 - \$98,229</b> Institutions Director Current director's salary \$98,460 (240 beds)	n/a	<b>\$65,220 - \$110,340</b> Corrections Division Manager Current director's salary \$90,035 (629 beds)	<b>\$74,258 - \$110,432</b> Current director's salary \$108,229 (556 beds)	n/a	<b>\$84,063 to cap \$108,000</b> Warden (average 922 beds)

n/a = not applicable

## Other Issues (issues with no consensus)

Some task force members also spoke about Minnesota's sentencing guidelines and data mining issues. Some members felt these topics were out-of-scope, others felt the issues tied to DOC efficiency and effectiveness, and still others disagreed with the suggestions to impact the two issues. The group reached no consensus or recommendations in these areas. A summary of the discussion is provided below:

**Bringing evidence-based practices to sentencing guidelines:** Task Force members discussed but could not agree that stakeholders should reexamine the Minnesota Sentencing Guidelines to assure that the guidelines incorporate the results the corrections research, especially evidence based practices (EBP), so that prison is reserved for offenders who pose the greatest risk to the public. The members supporting this concept said that "it is in the state's and taxpayer's interest to incorporate EBP into a yet-to-be designed discretionary release process. Also, the success of the supervised release component of the Challenge Incarceration Program suggests that for many nonviolent offenders, increasing "good time" sentence reductions would save money at no cost to public safety." Members calling for guidelines review also cautioned that due to the political environment, the 24-hour news cycle, and the litigious nature of inmates, stakeholders need to proceed with care. Items to consider in any reexamination, it was said, include:

- Objective creation of risk reduction credits that allow slightly earlier release for inmates who complete programs validated by EBP;<sup>16</sup>
- use of risk-based release instruments that use analysis of actual recidivism patterns; and
- political insulation for the releasing authority

Other members disagreed with the need to change sentencing guidelines.

**Regulating data miners:** Several task members pointed out that commercial data mining has negative effects on recidivism and reentry. This issue has been studied by other Minnesota task forces including the Minnesota Criminal and Juvenile Justice Information Task Force (DOC, 2008a) and the Collateral Sanctions Committee (2008)<sup>17</sup>. Task force members discussing data mining said that, although data mining's negative effects are not

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<sup>16</sup> For example, offenders who complete programs validated by EBP could be released after serving half a sentence (rather than two thirds of a sentence, as required now)

<sup>17</sup> *Commercial Data Mining of Criminal Justice System Records*, Minnesota Criminal and Juvenile Justice Information Task Force, August 2008 (viewed online 1/25/2010 at <http://www.crimnet.state.mn.us/docs/DMDTFinalReport.pdf>); and *Criminal Records and Employment in Minnesota; Report and Recommendations for the 2007 Collateral Sanctions Committee*, Minnesota Sentencing Guidelines Commission, January 2008 (viewed on line 1/25/2010 at [http://www.msgc.state.mn.us/projects/collateral\\_sanctions/Collateral\\_Sanctions\\_Report\\_2008.pdf](http://www.msgc.state.mn.us/projects/collateral_sanctions/Collateral_Sanctions_Report_2008.pdf))

directly related to DOC's strategic management and operations, data mining practices may unnecessarily increase DOC costs by increasing the numbers of people under correctional control. Therefore, these task force members recommended that the Legislature may wish to address these costs by regulation of commercial data miners; others members disagreed.

# Appendix A: Legislation

## Laws of Minnesota 2009, Chapter 83, Article 3

### Sec.23. CORRECTIONS STRATEGIC MANAGEMENT AND OPERATIONS ADVISORY TASK FORCE.

Subdivision 1. **Establishment; duties.** A task force is established to advise the governor and the legislature on management and operations strategies that will improve efficiency in corrections and reduce the inmate per diem for the Department of Corrections. The task force must provide an assessment that identifies strategies and makes recommendations, including any proposals for legislative changes, to improve efficiency in (1) the delivery of state corrections services; (2) construction, maintenance, and operation of state prisons; and (3) coordination between state and local corrections agencies. In developing its assessment, the task force shall consider best practices in business management; best practices in corrections management and operations; efficiency concepts in academic, business, or other environments; and how requirements under law affect corrections efficiency. The assessment provided by the task force should include, but is not limited to, analysis of the staffing and administration of prisons; central office and administrative services staffing and operations; the impact of decisions on other agency budgets; offender treatment and programming; field services; employee pension plans; housing short-term offenders and probation violators; offender healthcare; juvenile services; and the conditional release and challenge incarceration programs.

Subd. 2. **Membership.** The advisory task force consists of the following members:

- (1) the commissioner of corrections, or the commissioner's designee;
- (2) one person appointed by the governor who serves as a sheriff in this state;
- (3) three persons appointed by the governor from a postsecondary academic institution who have expertise in applied economics, organizational efficiency, or business management;
- (4) three persons appointed by the governor from the private sector who have expertise in management or corporate efficiency but would not qualify for membership under clause (3)
- (5) one member appointed by the governor who is a community corrections act department director or a community probation office department director;
- (6) two persons appointed by the speaker of the house of representatives, one of whom must be a member of organized labor and possess knowledge of corrections;
- (7) one person appointed by the minority leader of the house of representatives;
- (8) two persons appointed by the senate majority leader, one of whom must be a member of organized labor and possess knowledge of corrections; and
- (9) one person appointed by the minority leader of the senate.

Subd. 3. **Appointment of members.** The appointments and designations authorized by this section must be completed by August 1, 2009.

Subd. 4. **Staffing support.** Upon request of the task force, the commissioner of administration must provide meeting space and administrative services. The commissioner of corrections shall provide information and other assistance as requested by the task force.

Subd. 5. **Administrative provisions,** (a) The commissioner of corrections, or the Commissioner's designee must convene the initial meeting of the task force. The members of the task force must elect a chair or co-chairs at the initial meeting.

(b) Public members of the task force serve without compensation or payment of expenses.

(c) The task force may apply for, solicit, and accept gifts and grants and is encouraged to seek technical assistance from subject matter experts affiliated with the National Institute of Corrections. Funds received under this paragraph are accepted on behalf of the state and constitute donations to the state and are appropriated to the commissioner of administration for purposes of the task force.

(d) The task force expires June 30, 2010.

Subd. 6. **Report.** By February 15, 2010, the task force shall submit a report on corrections management and operations efficiency strategies to the governor and to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over public safety policy and finance.

**EFFECTIVE DATE.** This section is effective the day following final enactment DOC, 2009. Performance Targets Report: Fiscal Year 2010. St.Paul: MN



# Appendix B: Bibliography

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# Appendix C: Primary Recommendations by Speed of Implementation

## RECOMMENDATIONS FOR QUICK IMPLEMENTATION (under one year)

- 1.1: The Legislature should repeal the statutory per diem.
- 2.2: No person should be committed to the Commissioner of Corrections (sent to prison) for less than 30 days to serve, except individuals subject to certain predatory offender statutes (statutes defining criminal sex offender levels 1–4).
- 4.4: The DOC should work with county facilities to share formularies to reduce costs and so offenders are on consistent medications when transferred between facilities.
- 5.3: The DOC should standardize its health care supplies purchasing process and inventory control process.
- 6.1: The Legislature should appropriate state bond proceeds to increase energy-efficiency and make other improvements to DOC facilities, including those facilities built in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries.
- 7.1: The DOC should continue to research cost-effective alternatives related to: inmate banking and inmate payroll processes; outsourcing options for these processes; distance healthcare technology; print centers; and prison inventory including healthcare items.

## RECOMMENDATIONS WITH LONGER TERM IMPLEMENTATION

### **Strategy One: Assure the use of sound financial principles in prison cost reporting**

- 1.2: The DOC should continue to use and report on the operational per diem
- 1.3: The DOC should continue to report on total capital expenditures and apportioned costs for support services provided by the operations support division.

### **Strategy Two: Further invest in reentry strategies and initiatives**

- 2.1: The DOC should convene a cross-entity task force to increase consistency of revocation guidelines, policies, and practices related to technical violations (including warrants) in supervised release cases, without compromising public safety.
- 2.3: Financial resources generated by MINNCOR Industries should be reinvested in MINNCOR to reduce inmate idleness, grow the business, and, support reentry programs.
- 2.4: The Legislature should support affordable supportive housing for hard-to-place offenders. Where possible, this housing should be built by minimum security or released offender labor.

2.5: The state should consider expanding the Minnesota Comprehensive Offender Reentry Plan (MCORP).

2.6: DOC should evaluate its early release programs to determine if they can be expanded without compromising public safety.

**Strategy Three: Expand use of evidence-based practices to improve public safety and correctional outcomes**

3.1: The DOC should focus staff training on evidence based practices so that there is broader EBP use at all staff levels.

3.2: The DOC should continue to collaborate with the education community, criminal justice system, and professional organizations to develop comprehensive post-secondary level training in corrections EBP.

3.3: The DOC should try to find additional funding to expand the court services tracking (CSTS) to include the use of electronic case plans beyond their pilot use in the Challenge Incarceration Program.

3.4: The state higher education system should partner with DOC to conduct ongoing EBP research, training, and curriculum development.

**Strategy Four: Expand DOC's collaboration with communities**

4.1: The DOC should continue and increase the use of county jails for additional bed space.

4.2: The DOC should maintain its emphasis on community supervision as an effective alternative to imprisonment (state prison).

4.3: State and local correction departments should continue to work closely together to implement evidence-based practices state-wide.

4.5: The state and local correction agencies should pilot an Earned Credit Compliance Program.

**Strategy Five: Further increase the efficiency of the DOC health care system**

5.1: The state (Departments of Correction, Human Services and Public Safety) should partner with skilled nursing facilities to increase community-based options for providing long-term care.

5.2: The DOC should enhance its health care service delivery model.

**Strategy Six: Reduce facility costs by using legislative appropriations to upgrade older correctional facilities**

6.1: The Legislature should appropriate state bond proceeds to increase energy-efficiency and make other improvements to DOC facilities, including those facilities built in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries.

# Appendix D

## Comparison to Other States

### *States with populations similar to Minnesota and their offender populations*

State	State Population <sup>1</sup>	State Population Rate Rank <sup>2</sup>	Violent Crime Rate Rank <sup>2</sup>	Prison Population <sup>3</sup>	Incarceration Rate <sup>4</sup>	County Jail Population
Indiana	6,376,792	15	27	27,123	24	16,867
Tennessee	6,214,888	17	2	26,267	23	24,778
Missouri	5,911,605	18	15	29,857	8	N/R
Maryland	5,633,597	19	9	23,433	26	N/R
Wisconsin	5,627,967	20	34	23,743	27	14,559
<b>Minnesota</b>	<b>5,220,393</b>	<b>21</b>	<b>35</b>	<b>9,468</b>	<b>49</b>	<b>7,812</b>
Colorado	4,939,456	22	25	22,841	18	N/R
Alabama	4,661,900	23	21	29,412	5	N/R
South Carolina	4,479,800	24	1	24,239	7	N/R
Louisiana	4,410,796	25	4	37,540	1	34,661
Kentucky	4,269,245	26	31	22,457	19	18,000

<sup>1</sup>U.S. Census Bureau estimate for July 1, 2008

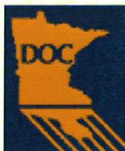
<sup>2</sup>FBI Uniform Crime Reports

<sup>3</sup>As of December 31, 2007, Bureau of Justice Statistics, *Prisoners in 2007*

<sup>4</sup>Incarceration rate per capita, *Governing Source Book for 2006*

N/R – Numbers not compiled on a statewide basis

November 2009



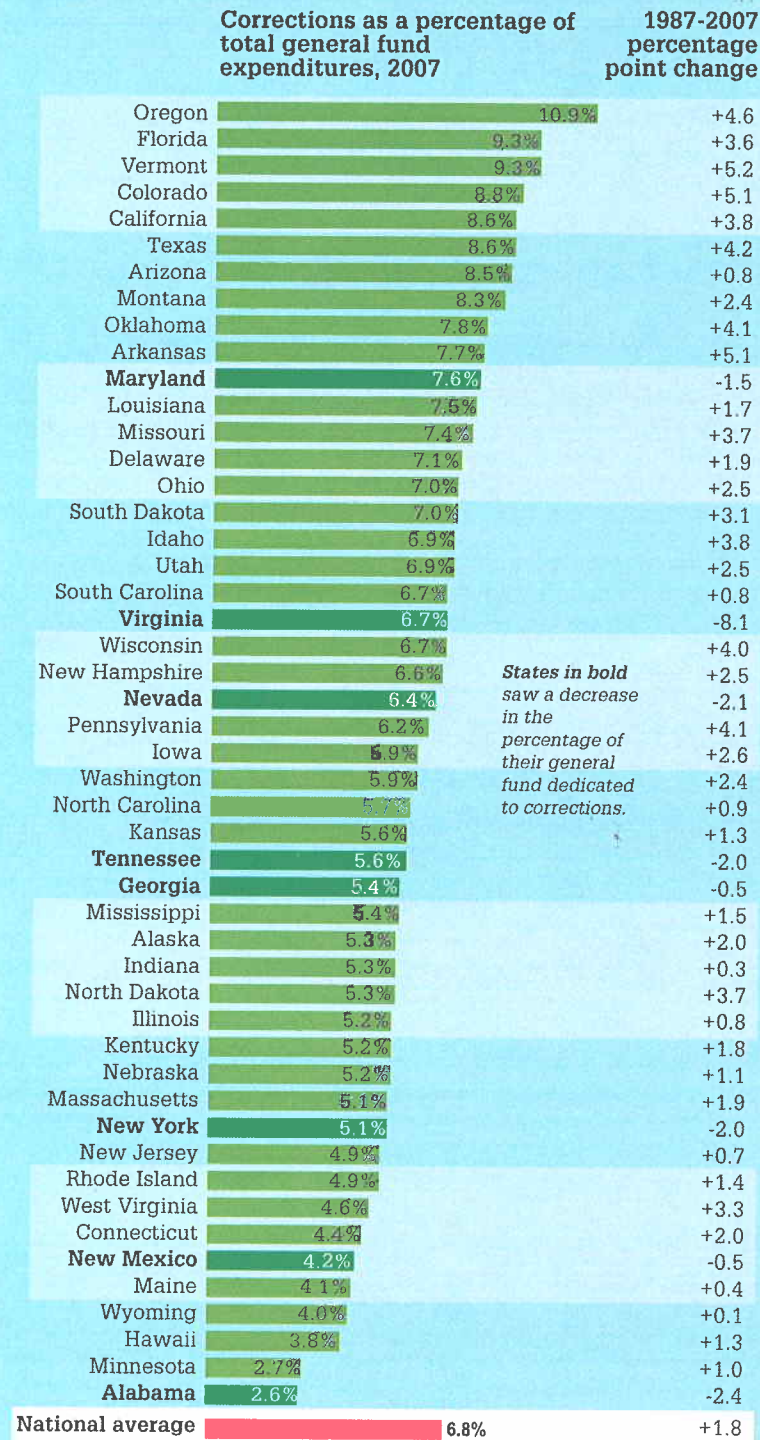
CONTRIBUTING TO A SAFER MINNESOTA



# Appendix E: Corrections Fund Comparison

## TAKING A BIGGER CUT

In fiscal year 2007, an estimated 1 in every 15 state general fund dollars was spent on corrections.



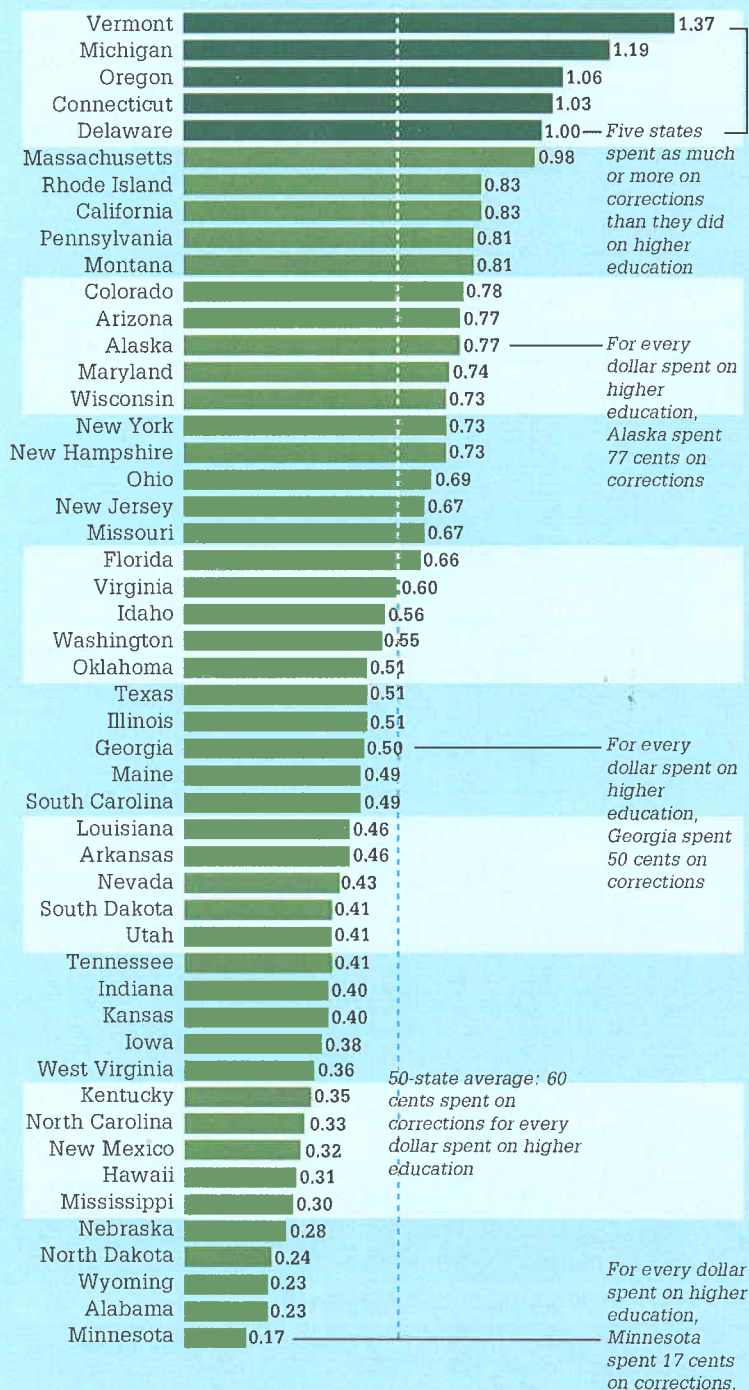
SOURCE: National Association of State Budget Officers, "State Expenditure Report" series; Percentage point increases are based on a reanalysis of data in this series.

NOTE: Michigan does not have a comparable figure because of the state's general fund definition. See Jurisdictional Notes.

## MAKING DECISIONS WHERE TO SPEND

While states don't necessarily choose between higher education and corrections, a dollar spent in one area is unavailable for another.

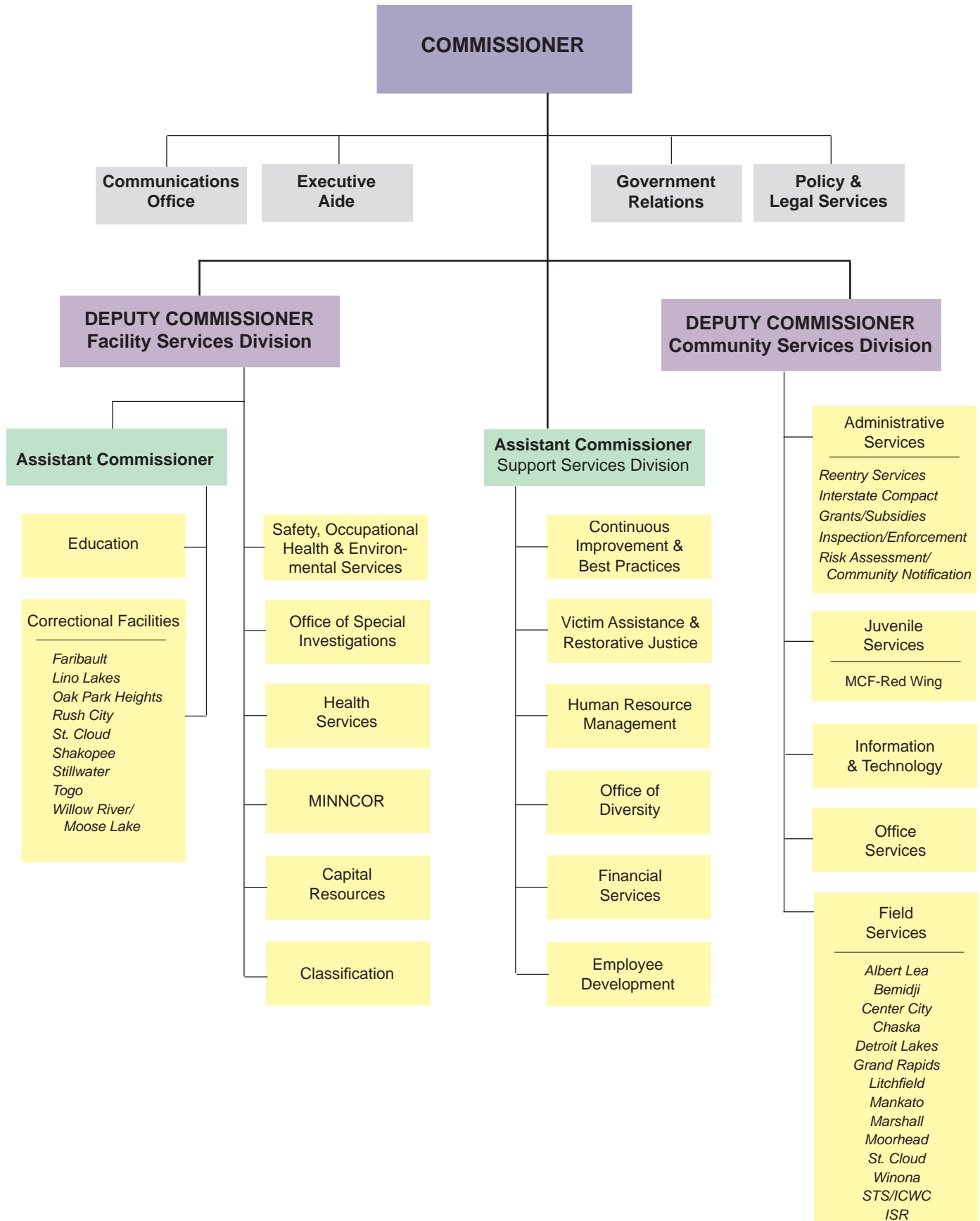
Ratio of corrections to higher education spending, 2007



SOURCE: Reanalysis of data presented in the National Association of State Budget Officers, "State Expenditure Report" series



# Minnesota Department of Corrections Organization Chart – January 2010



# Appendix G: Difference between Central Office & Operations Support

## What is Central Office?

**Central Office is a geographic location**

**Central Office houses 282 employees:**

### Facility staff:

- Capital Resources
- Classification
- Education
- Safety
- Office of Special Investigations
- Health Services
- MINNCOR

### Community Services staff:

- Information & Technology
- Reentry
- Field Services
  - Grants and Subsidies
- Risk Assessment and Community Notification
- Inspection and Enforcement
- Interstate Compact

### Operations Support staff:

- Human Resources
- Financial Services
- Employee Development
- Diversity
- Policy and Legal Services
- Victim Assistance/Restorative Justice
- Continuous Improvement/Best Practices

## What is Operations Support?

*Operations Support is a section of the state budget\**

*Operations Support pays for 238 employees:*

### Facility staff:

*n/a*

### Community Services staff:

*Information & Technology*

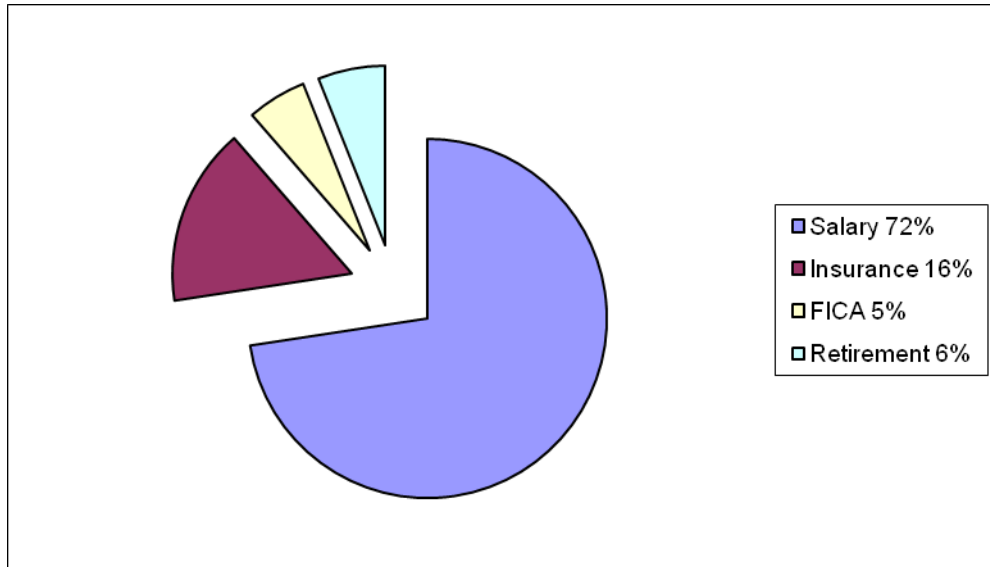
### Operations Support staff:

*Human Resources*  
*Financial Services*  
*Employee Development*

*\*130 Employees in the Operations Support Budget are housed at central office with the rest in facilities*



## Appendix H: DOC Total Salary and Benefits Pie Chart



Salary 72%	\$214,746,714.07
Insurance 16%	\$47,354,503.11
FICA 5%	\$15,783,302.97
Retirement 6%	\$17,937,681.37
<b>Total</b>	<b>\$295,822,201.52</b>

# Appendix I: DOC Staffing Ratios

## State of Minnesota and Department of Corrections Staffing Ratios Manager/Supervisor to Employee

### State of MN –

Managers compared to total non-supervisory staff: **1 to 25**

Managers and supervisors compared to total non-supervisory staff: **1 to 8**

### DOC –

Managers compared to total non-supervisory staff: **1 to 43**

Managers and supervisors compared to total non-supervisory staff: **1 to 11**

Managers are the top 1 percent of the state's workforce and make decisions on resource allocations (No option for representation).

Supervisors are 14 percent of the state's workforce responsible for directing the work of others (Represented by the Middle Management Association).

*Data from Minnesota Management and Budget Workforce Planning reports (1-08) and DOC FY10 Position by Org Report (10-5-09)*