

**CALIFORNIA HEALTH FACILITIES COMMISSION—Continued**

commission to calculate its health facility fee assessments based on a contingency reserve of \$200,000. This would reduce projected revenues by \$113,000, or 3.4 percent, in 1983-84. As a result of this action, a typical hospital's annual fee would be reduced by approximately \$154, from approximately \$4,505 to \$4,351. A typical long-term care facility's annual fee would be reduced by approximately \$10, from approximately \$567 to \$557.

**Legislatively Mandated Reports**

Pursuant to Ch 1632/82, the commission submitted its recommendations regarding 11 legislatively mandated reports which require 100 or more personnel-hours per year to produce. Based on our analysis of the information provided by the commission, we recommend that the Legislature not discontinue the legislative mandates which require the commission to produce these reports.

**Youth and Adult Correctional Agency  
DEPARTMENT OF CORRECTIONS**

Item 5240 from the General  
Fund and various special  
funds

Budget p. YAC 1

Requested 1983-84 .....	\$658,740,000
Estimated 1982-83 .....	541,319,000
Actual 1981-82 .....	463,137,000
Requested increase (excluding amount for salary increases) \$117,421,000 (+21.7 percent)	
Total recommended reduction .....	6,542,000
Recommendation pending .....	\$71,699,000

**1983-84 FUNDING BY ITEM AND SOURCE**

Item	Description	Fund	Amount
5240-001-001—	Department Operations	General	\$599,236,000
5240-001-678—	Prison Industries	Revolving	41,545,000
5240-001-917—	Inmate Welfare Fund	Revolving	11,071,000
5240-101-001—	Local Assistance	General	6,888,000
5240-001-890—	Department Operations	Federal	(88,000)
Total			\$658,740,000

**SUMMARY OF MAJOR ISSUES AND RECOMMENDATIONS**

- |   | <i>Analysis<br/>page</i> |
|---|--------------------------|
| 1. Funding for Inmate Population Growth. Withhold recommendation, pending analysis of population proposal contained in the May revision.  | 1198                     |
| 2. <i>Security for Patton State Hospital. Reduce Item 5240-001-001 by \$979,000.</i> Recommend reduction in security staff, due to delays in occupying a portion of the hospital. | 1200                     |
| 3. <i>Records System. Reduce Item 5240-001-001 by \$82,000.</i> Recommend deletion of positions due to workload reduction.  | 1200                     |

4. *Utility Costs. Reduce Item 5240-001-001 by \$231,000.* Recommend deletion of funds due to unbudgeted utility savings that will result from capital outlay projects. 1201
5. *Personnel Misallocations. Reduce Item 5240-001-001 by \$102,000.* Recommend elimination of funding for over-classifications. 1201
6. *Inmate Unemployment Benefits. Reduce Item 5240-001-001 by \$1,299,000.* Recommend deletion of funds, due to sunset date in authorizing legislation. 1202
7. *Equipment. Reduce Item 5240-001-001 by \$669,000.* Recommend elimination of unjustified equipment funds. 1202
8. *Kitchen Supervision. Reduce Item 5240-001-001 by \$61,000.* Recommend standardization of kitchen supervision to reduce institutional overhead. 1202
9. *Supply Inventories. Reduce Item 5240-001-001 by \$3,119,000.* Recommend deferral of expenditures on over-stocked supplies, and the addition of two positions for a materials management program. 1203
10. *Community Correctional Facilities.* Recommend department report prior to budget hearings on plans for meeting its goals for the community correctional facilities program. 1204
11. *Prison Industries.* Recommend department report prior to budget hearings on progress in expanding prison industries program into new areas. 1205

#### GENERAL PROGRAM STATEMENT

The Department of Corrections is responsible for the incarceration, training, education, and care of adult felons and nonfelon narcotic addicts. It also supervises and treats parolees released to the community as part of their prescribed terms. These responsibilities are administered through three programs.

##### 1. Institutions Program

The department operates 12 institutions, including a psychiatric facility and a treatment center for narcotic addicts under civil commitment. The department also operates 27 conservation camps in cooperation with the Department of Forestry (23 camps) and Los Angeles County (four camps).

Major programs conducted in the institutions include 26 prison industry operations and eight agricultural enterprises which seek to reduce idleness and teach good work habits and job skills, vocational training in various occupations, academic instruction ranging from literacy to college courses, and group and individual counseling.

##### 2. Community Correctional Program

The community correctional program includes conventional and specialized parole supervision, operation of community correctional centers, outpatient psychiatric services, narcotics testing, and community resource development. The program goal is to provide public protection as well as support and services to parolees to assist them in achieving successful parole adjustment.

## DEPARTMENT OF CORRECTIONS—Continued

## 3. Administration

The administration program provides program coordination and support services to the institutional and parole operations.

The department's current-year staffing level is estimated at 11,317 personnel-years.

## ANALYSIS AND RECOMMENDATIONS

The budget proposes the expenditure of \$665.8 million from various funding sources for support of the Department of Corrections in 1983-84, as shown in Table 1. This is an increase of \$116.9 million, or 21 percent, over estimated current-year expenditures. This amount will increase by the amount of any salary or staff benefit increase approved for the budget year.

Table 1  
Department of Corrections  
Expenditure Summary  
(dollars in thousands)

Funding	Actual 1981-82	Estimated 1982-83 <sup>a</sup>	Proposed 1983-84	Change from 1982-83	
				Amount	Percent
General Fund .....	\$426,471	\$491,495	\$606,124	\$114,629	23.3%
Prison Industries Revolving Fund .....	28,381	39,707	41,545	1,838	4.6
Inmate Welfare Fund .....	8,285	9,531	11,071	1,540	16.2
Federal funds .....	137	111	88	-23	-20.7
Corrections Training Fund .....	—	586	—	-586	-100.0
Reimbursements .....	6,082	7,458	6,962	-496	-6.7
Totals .....	\$496,356	\$548,888	\$665,790	\$116,902	21.3%
<i>Program</i>					
Institutions .....	\$426,602	\$497,089	\$605,627	\$108,538	21.8%
Personnel-years .....	8,147.3	10,055.8	10,495.3 <sup>b</sup>	439.5 <sup>b</sup>	4.4
Community corrections .....	42,754	51,799	60,163	8,364	16.1
Personnel-years .....	647.7	716.5	801.2	84.7	11.8
Administration (distributed) .....	(24,344)	(31,048)	(34,809)	3,761	12.1
Personnel-years .....	419.5	544.8	543.9	-0.9	-0.2
Totals .....	\$469,356	\$548,888	\$665,790	\$116,902	21.3%
Personnel-years .....	9,214.5	11,317.1	11,840.4 <sup>b</sup>	523.3 <sup>b</sup>	4.6%

<sup>a</sup> Estimated expenditures for 1982-83 do not reflect the 2 percent unallotment directed by Executive Order D-1-83.

<sup>b</sup> The budget provides \$44.5 million to house over 7,000 inmates, but no specific positions are proposed.

Expenditures shown in Table 1 for the current year include a general fund deficiency request of \$7.0 million to accommodate higher-than-budgeted inmate and parolee population levels.

The budget proposes expenditures of \$606.1 million from the General Fund for support of the department in 1983-84. This is an increase of \$114.6 million, or 23 percent, over estimated current-year expenditures (including the deficiency request).

The department also expects to receive reimbursements totalling \$7.0 million and federal funds in the amount of \$0.1 million during the budget year. Expenditures of \$11.1 million from the Inmate Welfare Fund and \$41.5 million from the Prison Industries Revolving Fund account for the balance of the department's total expenditures of \$665.8 million.

Table 2 identifies the budget changes proposed by the department for 1983-84, by funding source.

### Population Growth Drives Cost Increases

The budget includes \$74.0 million to provide additional staffing and operating expenses to accommodate the projected increases in inmate and parolee populations during 1983-84. This amount consists of (a) continuation of the \$7.0 million needed in the current year to cover the deficiency resulting from unbudgeted population growth and (b) \$67.0 million to accommodate the projected increase in population during 1983-84.

**Table 2**  
**Department of Corrections**  
**Proposed 1983-84 Budget Changes**  
**(dollars in millions)**

	<i>General Fund</i>	<i>Special Funds</i>	<i>Federal Funds and Reimbursements</i>	<i>Total</i>
1982-83 Current-Year Revised.....	\$491.5	\$49.8	\$7.6	\$548.9
Proposed Changes:				
1. Workload Adjustments				
A. Inmate population .....	62.9	1.1	—	64.0
B. Parolee population .....	3.5	—	—	3.5
C. Administration.....	0.6	—	—	0.6
2. Cost Adjustments				
A. One-time costs.....	-3.3	—	—	-3.3
B. Price changes.....	12.3	1.8	0.1	14.2
C. Merit salary adjustments.....	1.2	0.1	—	1.3
D. Full-year cost adjustments.....	22.2	—	—	22.2
E. Staff benefits .....	12.1	0.4	—	12.5
3. Program Adjustments				
A. Facilities operations .....	—	-0.6	—	-0.6
B. Transfer to Department of Forestry .....	-1.7	—	—	-1.7
C. Office of Administrative Law .....	-0.3	—	—	-0.3
D. Transfer to Department of Mental Health .....	5.1	—	—	5.1
E. Grants .....	—	—	-0.6	-0.6
F. Attorney reduction.....	-0.1	—	—	-0.1
1983-84 Proposed Changes .....	114.6	2.8	-0.5	116.9
1983-84 Proposed Expenditures.....	\$606.1	\$52.6	\$7.1	\$665.8

Note: Details may not add to totals due to rounding.

The department expects the prison population to increase by 8,500 inmates during 1983-84. This increase, which is shown in Table 3, reflects an even higher growth rate than the prisons have experienced in recent years, and is due, in large part, to the expected impact of (1) Proposition 8, referred to as the Victims' Bill of Rights, and (2) legislation enacted last year that substantially increased penalties for residential burglary. During 1982, the inmate population increased at an average rate of about 437 inmates each month, or 5,248 for the full year.

**DEPARTMENT OF CORRECTIONS—Continued**

**Table 3**  
**Inmate Population**  
**Department of Corrections**

	<i>Actual</i> 6/30/82	<i>Estimated</i> 6/30/83	<i>Projected</i> 6/30/84
Male felon .....	30,035	35,530	43,805
Male nonfelon .....	600	600	600
Female felon .....	1,369	1,540	1,765
Female nonfelon .....	143	130	130
Totals .....	32,147	37,800	46,300
Annual increase .....		5,653	8,500

To accommodate the expected growth in the inmate population, the department requests \$71.7 million and plans to (1) increase crowding of existing facilities, (2) increase capacities of existing facilities, (3) open temporary housing facilities composed of modular buildings and tent compounds, and (4) take over operation of the 1,200-bed Youth Training School (YTS) currently operated by the Department of the Youth Authority. These steps will be necessary because the state's prison population by the end of the budget year will exceed the state's permanent prison design capacity by about 50 percent.

To cover the costs of operating the temporary facilities and the YTS for over 7,000 inmates during 1983-84, the budget requests \$44.5 million. This amount is based on the statewide average annual cost of housing inmates, and is adjusted to reflect the dates that new facilities are planned to be brought on line. However, because specific plans for operating and staffing the temporary facilities and the YTS have not been developed, the department did not request any new positions for these facilities in the budget.

**Inmate Population Plan Must Be Developed**

*We withhold recommendation on that portion of the department's support budget related to increased costs for inmate population growth, pending analysis of a revised proposal to be included in the May revision.*

*We recommend that the Department of Finance report prior to budget hearings on the administration's plan for transferring the Youth Training School from the Department of the Youth Authority to the Department of Corrections.*

It is almost certain that the department will have to revise its proposal for housing the projected inmate population before legislative action on this item is completed. Our analysis has identified five factors that may warrant changes to the proposal in the months ahead.

First, as mentioned above, the department has provided no details on its staffing needs and operating costs for housing over 7,000 inmates in temporary housing units and at the Youth Training School during the budget year. We are advised that these details will be provided in the May revision of the budget.

Second, the population projections used by the department in preparing the 1983-84 budget do not take into account Ch 1234/82 (AB 2954), which instituted a new system governing the sentence reductions that may be earned by inmates who work or participate in educational programs. Under the act, an inmate may receive a six-month reduction in his

or her sentence for every six months he or she participates full-time in a work or specified education program and refrains from misconduct. Under prior law, an inmate's sentence was reduced automatically by one-third unless the reduction was rescinded for misconduct or failure to participate in programs. In addition, the act increases the amount of sentence credits that can be withheld for misconduct. Estimates of how the new law will affect the inmate population should be available prior to the May revision, and could alter significantly the department's funding requirements.

Third, if the department is not able to contract for 2,000 beds in community facilities by July 1, 1983, as it plans to do, it will have to accommodate additional inmates in institutions.

Fourth, the department's prison population currently is running about 380 inmates below projections. On December 31, 1982, the department expected to have 34,825 inmates. Actual population on that date, however, was 34,443 inmates.

Fifth, the department's funding requirements could be affected by changes in the budget for the Department of Mental Health (DMH). The DMH budget includes \$2.1 million in reimbursements from the Department of Corrections for treatment of 150 new inmates. If the DMH's budget is altered, the budget of the Department of Corrections would need to be changed accordingly. We are withholding recommendation on funds requested in the DMH budget for staff to treat additional patients because documentation for the request is not adequate.

For these reasons, it is possible that the budget request for the department will be revised considerably prior to the May revision. Pending receipt and analysis of the revision, we withhold recommendation on the \$71.7 million portion of the department's budget related to growth in the state's prison population. In addition, we recommend that the Department of Finance report prior to budget hearings on the administration's plan for transferring the Youth Training School from the Department of the Youth Authority to the Department of Corrections.

### **Parole Division Workload**

Along with the projected increase in the department's inmate population, the budget provides for a substantial increase in the department's parolee population during 1983-84. The department estimates that from June 30, 1983, to June 30, 1984, the number of parolees will increase by 2,200, or 15 percent. To supervise the additional parolees, the department proposes to add 91 positions. These positions are based on caseload formulas that were reviewed and adjusted by the Legislature last year.

The department proposes to add 18 other positions to the parole division. Ten of the positions are proposed to coordinate parole revocation hearings held by the Board of Prison Terms, and eight positions are proposed to handle trust accounts and disciplinary actions associated with the projected increase in the number of inmates housed in community correctional facilities.

Our analysis indicates that the positions requested for the parole division are justified on a workload basis, and we recommend that they be approved.

**DEPARTMENT OF CORRECTIONS—Continued****Administration Division Workload**

The department proposes to increase its administration division by 34.6 positions in 1983–84, as follows:

- 16 positions to investigate the background and test the physical abilities of correctional officer applicants,
- 12.6 positions to help staff the relocated training center in Galt,
- 5 positions to audit department expenditures and process contracts for the construction of new facilities, and
- 1 position for the department's inmate information system.

Our analysis indicates that these positions also are justified on a workload basis, and we recommend that they be approved.

**Delays in Occupying Patton State Hospital Reduce Staff Needs**

*We recommend deletion of 32.5 positions that will not be needed due to delays in occupying Patton State Hospital's East Campus, for a General Fund savings of \$979,000 (Item 5240-001-001).*

The Department of Corrections' budget proposes 119.5 positions and about \$3.3 million to provide security at Patton State Hospital, as required by Ch 9/82 (AB 2385). Approximately 87 of these positions currently are providing security coverage for the occupied West Campus, and the remaining 32.5 positions are to provide security at the yet-to-be occupied East Campus.

Capital outlay projects necessary to secure the perimeter of the East facility, however, are well behind schedule. At the time the projects were approved, hospital staff estimated that construction could be completed by the end of 1982. After evaluating the work requirements, however, the Office of State Architect (OSA) estimated a completion date of October 1984, provided planning began in August 1982.

As of January 1983—five months after the scheduled starting date—no planning for this project has taken place. In fact, OSA has not scheduled any work on the project. Consequently, the East Campus will not be ready for occupancy until 1984–85, at the earliest.

Assuming the earliest possible occupancy date, the proposed security positions will not be needed during 1983–84. Accordingly, we recommend deletion of 32.5 positions and \$979,000 in General Fund support (Item 5240-001-001).

**Automated Records System Will Generate Unbudgeted Savings**

*We recommend deletion of 2.4 positions and related overtime expenses that are not supported by workload, for a General Fund savings of \$82,000 (Item 5240-001-001).*

The department recently implemented an automated system for calculating maximum and minimum parole dates for most inmates, and for reviewing sentences for technical errors. Both of these functions previously were done manually by the department's legal processing unit. As a result of the automation, the department estimates that productivity for most of the unit will double, allowing a reduction of 2.5 limited-term positions (which are not funded in the 1983–84 budget) and 7.4 permanent positions and related overtime expenditures (which are funded).

The department's admission rate is projected to increase by 23 percent during 1983–84. This would justify retaining five of the 7.4 positions that

are no longer needed because of the automation project. No justification exists, however, for retaining the other 2.4 positions.

Accordingly, we recommend a reduction of 2.4 positions and \$82,000 in General Fund support (Item 5240-001-001) to reflect the higher productivity that is not offset by higher workload in the legal processing unit.

#### **Unbudgeted Utility Savings**

*We recommend deletion of \$231,000 requested from the General Fund, because current-year capital outlay projects will result in unbudgeted utility savings (Item 5240-001-001).*

Last year, the department received funds for four capital outlay projects, based on the cost-effectiveness of these projects in terms of reducing the institutions' utility bills. According to the justification provided to the Legislature last year (see Table 4), these projects should generate \$231,000 in utility savings in 1983-84.

**Table 4**  
**Projected 1983-84 Utility Savings at State Prisons**

<i>Institution</i>	<i>Project</i>	<i>Anticipated Savings</i>
California Correctional Center (Susanville) .....	Geothermal energy	\$96,000
California Institution for Men (Chino) .....	More efficient boiler burners	66,000
California Institution for Men (Chino) .....	More efficient lighting systems	59,000
California Institution for Men (Chino) .....	Dryer heat recovery system	<u>10,000</u>
Total .....		\$231,000

In preparing its utility budget proposal for 1983-84, the department did not reflect these anticipated savings. Accordingly, we recommend the deletion of \$231,000 requested from the General Fund (Item 5240-001-001).

#### **State Personnel Board Audit Identifies Savings**

*We recommend a reduction of \$102,000 requested from the General Fund (Item 5240-001-001) to correct for the overclassification of certain positions identified by the State Personnel Board's June 1980 audit.*

The department has reclassified or made plans to reclassify over 250 positions as the result of a State Personnel Board (SPB) audit of the department's personnel policies completed in June 1980. The great majority of these reclassifications will result in lower salaries.

Last year, in response to a recommendation contained in our *Analysis*, the Legislature deleted \$329,000 from the department's 1982-83 budget to reflect the savings that will result from the reclassifications agreed upon up to that time. Since last year's *Analysis* was prepared, the department has taken or proposed further reclassifications that will reduce budgeted personnel expenditures by approximately \$102,000 in 1983-84. These reductions, however, are not reflected in the department's budget request. Therefore, we recommend a reduction of \$102,000 requested from the General Fund (Item 5240-001-001).

**DEPARTMENT OF CORRECTIONS—Continued****Inmate Unemployment Insurance Benefits Overbudgeted**

*We recommend a General Fund reduction of \$1,299,000 because the program providing unemployment benefits to inmates upon their release from prison is scheduled to terminate during the budget year (Item 5240-001-001).*

The Department of Corrections is requesting \$2,296,000 to reimburse the Employment Development Department (EDD) for the cost of providing specified unemployment benefits to qualified inmates. This program, established by Ch 1149/77, is scheduled to terminate on November 1, 1983. Inmates enrolled in the program at that time will continue to receive benefits, but those paroled after that date will not be eligible for benefits.

The EDD, which administers the program, proposes budget-year expenditures of \$997,000, reflecting the phase-down of the program. The Department of Corrections, however, requests about the same amount for these benefits as it expects to spend during the current year. In view of the program's scheduled termination on November 1, 1983, and the fact that the EDD expects to spend only \$997,000 on the program in 1983-84, we recommend that the amount budgeted by the Department of Corrections for the program be reduced by \$1,299,000, for a corresponding savings to the General Fund (Item 5240-001-001).

**Unjustified Equipment**

*We recommend deletion of funds requested for unjustified equipment purchases, for a General Fund savings of \$669,000 (Item 5240-001-001).*

Our analysis of the department's Supplemental Schedule of Equipment indicates that 64 items of equipment, for which \$669,000 is requested from the General Fund, have not been properly justified. The department advises that additional justification for these items is not readily available.

The questionable requests include:

- \$110,000 for video equipment that does not appear to be related to security needs,
- \$74,000 for two tractors that differ in price by \$21,000,
- \$45,000 for a telescopic bucket truck, and
- \$5,000 for a "donut glazer."

Without further documentation of the need for these funds, we have no basis for recommending that they be approved. Accordingly, we recommend a deletion of \$669,000 from the General Fund request (Item 5240-001-001). In the event further justification for all or some of these items is developed, we will reconsider this recommendation.

**Standardize Kitchen Supervision**

*We recommend deletion of 2.1 cook positions in order to standardize kitchen supervision and reduce institutional overhead costs, for a General Fund savings of \$61,000 (Item 5240-001-001).*

The department generally has one supervising cook II position for each of the main kitchens at its 12 institutions. These positions oversee supervising cook Is, who are directly responsible for preparing the meals at the institutions. Each institution provides full relief for weekends, holidays, vacations, and sick leave for the supervising cook Is. Relief coverage, however, generally is not provided for the supervising cook IIs.

Of the department's 12 institutions, only three now provide relief coverage for their supervising cook IIs. The Correctional Training Facility (CTF) has one relief position for its three full-time supervising cook IIs. The California Institution for Men (CIM) has one relief position for its four full-time supervising cook IIs. Folsom State Prison has 0.1 position for its two supervising cook IIs. All other institutions, regardless of size, number of kitchens, or number of supervising cook II positions, operate without any relief for these cooks.

Our analysis indicates that the department should standardize the level of kitchen supervision in its institutions. Eliminating relief coverage for supervising cook IIs at CTF, CIM, and Folsom, would allow a reduction of 2.1 positions, without altering the number of supervising cook Is—the position primarily responsible for preparing meals. On this basis, we recommend a reduction of 2.1 positions, for a General Fund savings of \$61,000 (Item 5240-001-001).

### **Large Inventory Savings Identified**

*We recommend that the department defer expenditures on overstocked supplies, and add two positions to oversee an improved materials management program, for a net General Fund savings of \$3,119,000 (Item 5240-001-001).*

The Department of General Services (DGS), as part of a statewide program for upgrading materials management programs, has identified substantial deficiencies in the department's purchasing, inventory management, warehousing, quality control, and distribution activities. The DGS estimates that the department's 12 institutions have maintained excessive inventories of operating supplies (such as clothing and food) and maintenance materials. The study team, which devoted 21 months and 7 personnel-years to the study, estimated in its November 1982 report that the department's overstocked inventory exceeded reasonable levels by \$9.5 million. The Department of Corrections advises that it has not yet evaluated the report in detail.

Given the excessive inventory levels, the department should be able to defer new purchases of certain items during the budget year, until the inventories are lowered to reasonable levels. Not all of the excess inventory, however, can be used to offset needed purchases during 1983-84. This is because the department does not have sufficient need for some of the overstocked items to deplete the excess supply in one year. Overstocked maintenance supplies, for example, total \$3.8 million, but due to the specialized nature of these supplies, they may not be completely utilized during a single year. Also, excess supplies of clothing and shoes, which total over \$2.0 million, may take longer than a year to deplete because the inventory is likely to include a number of items in unusual sizes.

Taking into account the problems involved in depleting the inventory of overstocked items, the DGS conservatively estimated in its report that the department could make use of 5 percent of the overstocked items during 1983-84, for a savings of about \$192,000 in maintenance materials and about \$285,000 in operating supplies. Discussions with DGS staff, however, indicate that if the department were to work aggressively to reduce overstocked food, office, janitorial, medical, motor vehicle, and personal care supplies, the department could avoid \$3,155,000 in new purchases during the budget year. This amount, when added to the \$192,000 in maintenance supplies, brings potential savings in the budget year to \$3,347,000.

**DEPARTMENT OF CORRECTIONS—Continued**

To implement an improved materials management program, the Department of General Services recommends that the department employ a materials management coordinator and one clerical position, and that it purchase various items of warehouse equipment. Because of the large potential for savings in this area, we recommend that the department add the two positions, at a cost of \$55,000, and purchase the equipment, at a cost of \$173,000. The cost of the new positions and equipment would be more than offset by the savings that can be realized from an aggressive materials management program. Accordingly, we recommend a net General Fund reduction of \$3,119,000 (Item 5240-001-001), reflecting reduced supply needs of \$3,347,000 and the additional costs of an improved materials management program (\$228,000).

**Community Correctional Facility Program**

*We recommend that the department report to the fiscal committees prior to budget hearings on the progress of the community correctional facility program.*

The department currently houses about 1,000 inmates in community correctional facilities. These facilities include (1) work furlough programs under which inmates work in the community but spend the rest of their time at the facility, (2) re-entry programs in which inmates are taught job search skills prior to placement in work furlough programs, and (3) "return-to-custody" programs, in which parole violators are held in county jails, in lieu of being returned to prison.

The community correctional facilities have two main purposes:

1. To facilitate the transition from prison to the free society by helping inmates (a) gain employment, (b) establish community contacts, and (c) build a savings account prior to their parole dates.
2. To help alleviate the problems of overcrowding in the prison system (every person housed in a community facility frees a bed in prison).

The department plans to have 2,000 beds available in community correctional facilities by the beginning of 1983-84. State-operated facilities will account for 149 of these beds. The department plans to contract with counties and private organizations for the remaining 1,851 beds.

The department has had difficulty adhering to its schedule for obtaining these community beds, as shown in Table 5. Although it still plans on obtaining 2,000 beds by July 1983, it is well behind schedule for doing so. As of December 31, 1982, the department was 504 beds behind its April 1982 schedule and 378 beds behind its October 1982 schedule.

**Table 5**  
**Community Beds Falling Behind Schedule**

	<i>Number of Beds Under Contract</i>				<i>Actual</i>
	<i>April 1981</i>	<i>October 1981</i>	<i>April 1982</i>	<i>October 1982</i>	
	<i>Schedule</i>	<i>Schedule</i>	<i>Schedule<sup>a</sup></i>	<i>Schedule</i>	
June 30, 1981 .....	841	711	711	711	711
December 31, 1981 .....	1,766	950	751	751	751
June 30, 1982 .....	2,000	2,000	1,325	1,284	1,284
December 31, 1982 .....	2,000	2,000	1,610	1,484	1,106
June 30, 1983 .....	2,000	2,000	2,000	2,000	—

<sup>a</sup> The Legislature reduced 1982-83 funding for 42 community beds due to double-counting of inmates.

The major factor responsible for these delays has been the objections of community residents to the placement of correctional centers in their neighborhoods. The department advises that it was close to completing arrangements for over 1,200 beds before community pressure stopped the projects.

Because of the program's potential for reducing prison overcrowding, and avoiding the housing problems that arise when the planned community facility capacity is not available, we recommend that the department report to the fiscal committees prior to budget hearings on its plans for overcoming community concerns and achieving its goals for this program.

### **Prison Industries**

*We recommend that the department report prior to budget hearings on its progress in expanding the prison industries program into functions traditionally performed by state employees.*

In last year's *Analysis*, we pointed out that the prison industries program is an excellent vehicle for providing inmate training and work experience while reducing overall state expenditures. In addition, we indicated that there is a good potential for the department to take over functions traditionally performed by state employees, such as key punch operations and repair of automobiles operated by the Department of General Services.

In an effort to improve the program, the Legislature approved Ch 1549/82 (SB 1574), which restructures the department's industries program. Among other changes, it (1) places the industries program under an autonomous Prison Industry Board, chaired by the director of the department, (2) allows the program to borrow funds from private parties to finance the program, (3) allows the program to charge the department less than the market rate for goods and services produced by the industries, (4) allows the program to assume control of the department's vocational training program, and (5) exempts the industries program from civil service and certain state requirements regarding the purchase of materials and other goods. In addition, the Legislature approved Ch 1045/82 (AB 2350), which requires the Departments of Corrections and General Services to investigate the feasibility of establishing prison work programs to carry out data processing activities for appropriate departments in state government.

In light of the demonstrated legislative interest in the industries program and the potential it holds for reducing state costs and improving the chances that inmates will make successful transitions to the community, we recommend that the department report to the fiscal committees prior to budget hearings on its progress in expanding the industries program into functions traditionally performed by state employees.

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY**

Item 5240-301 from the General  
 Fund, Special Account for  
 Capital Outlay and the New  
 Prison Construction Fund

Budget p. YAC 28

Requested 1983-84 .....	\$259,293,000
Recommended approval .....	2,837,000
Recommended reduction .....	118,552,000 <sup>a</sup>
Recommendation pending .....	137,904,000

<sup>a</sup> A significant portion of this recommended reduction will be needed in 1983-84 to meet the pressing needs in the California prison system. The final amount is dependent on the Department of Correction's submitting a viable, cost-effective plan for legislative consideration.

**SUMMARY OF MAJOR ISSUES AND RECOMMENDATIONS**

*Analysis  
page*

**NEW PRISON CONSTRUCTION PROGRAM**

1. *Southern Maximum Security Complex—Tehachapi. Reduced by \$4,500,000.* Recommend that funds for equipment be deleted because the amount requested has not been justified and equipment will not be needed until 1984-85. 1219
2. *California State Prison—Folsom.* Withhold recommendation on \$134,000,000 for working drawings and construction pending receipt of construction bids on the Tehachapi project which is the prototype design for this project. 1220
3. *Temporary Housing—Statewide. Reduced by \$63,600,000.* Recommend funds for preliminary plans, working drawings and construction of temporary housing units at various institutions be deleted because the department has not demonstrated that this proposal can be implemented successfully. 1220
4. *Relocatable Prison—Medical Facility, Vacaville. Reduce by \$21,200,000.* Recommend construction and equipment funds be deleted because, given existing legislative policy, this project, which would provide permanent (not relocatable) facilities, should be located on sites in Southern California rather than on the grounds of existing institutions. 1222
5. *Relocatable Prison—Deuel Vocational Institution, Tracy. Reduce by \$21,200,000.* Recommend construction and equipment funds be deleted because, given existing policy, this project, which would provide permanent (not relocatable) facilities, should be located on sites in Southern California rather than on the grounds of existing institutions. 1222

**CAPITAL OUTLAY PROGRAM, EXISTING INSTITUTIONS**

6. *Transfer of Funds to the General Fund.* Recommend that savings resulting from our recommendation on projects funded from the Special Account for Capital Outlay (\$8,- 1224

- 052,000) be transferred to the General Fund, in order to increase the Legislature's flexibility in meeting high-priority needs statewide.
7. Architectural/Engineering Services. Recommend that prior to legislative hearings on the budget, the Department of Finance provide information justifying any amounts budgeted for architectural/engineering services that exceed the amount approved by the Legislature for these services. 1224
  8. Upgrade Primary Electrical System to Meet Code Requirements—California Institution for Women, Frontera. Withhold recommendation on \$1,433,000 for construction to upgrade the primary electrical system to meet code requirements, pending receipt of completed preliminary plans and cost estimates. 1225
  9. Replace Food Service Building—Correctional Training Facility, Soledad. Withhold recommendation on \$2,162,000 for construction of new dining and kitchen facilities, pending receipt of completed preliminary plans and cost estimates. 1225
  10. *Convert Warehouse to Vocational Complex—Correctional Training Facility, Soledad. Reduce by \$512,000.* Recommend equipment funds for conversion project be deleted because the project has been delayed and the request is premature. 1226
  11. Land Acquisition—Correctional Training Facility, Soledad. Withhold recommendation on \$60,000 for additional land acquisition funds to acquire sewage treatment ponds because the amount requested to settle condemnation action has not been justified. 1226
  12. *Renovate Locking Devices—California Institution for Men, East Facility, Chino. Reduce by \$18,000.* Recommend construction funds be reduced by \$18,000 to eliminate overbudgeting. 1227
  13. *Replace Boiler—San Quentin State Prison. Reduce by \$264,000.* Recommend construction funds be deleted because the project is a special repair item and should be funded from the department's support budget. 1227
  14. *Wastewater Treatment Facility—San Quentin State Prison. Reduce by \$635,000.* Recommend construction funds for the state's share in regional wastewater treatment facility be deleted, because the Legislature has already appropriated sufficient funds for the department's share pursuant to a 1981 agreement with the sanitation district. 1228
  15. *Renovate Primary Electrical System—Folsom State Prison. Reduce by \$1,875,000.* Recommend construction funds to replace transformers and cable be deleted because special repair funds have been allocated for planning of this project in the current year and the construction portion of the project can and should be funded from the same source. 1229
  16. *Install Water Storage Tanks—Sierra Conservation Center, Jamestown. Reduce by \$907,000.* Recommend preliminary plans, working drawings, and construction funds for 1230

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

- an additional water storage tank and two pumps be deleted because existing facilities should be adequate to service this institution.
17. *Upgrade Sewage Treatment Facility—Sierra Conservation Center, Jamestown. Reduce by \$241,000.* Recommend preliminary plans, working drawings and construction funds for new laboratory building and emergency power be deleted, because, although a solution is needed to this problem, the proposed project is too costly. 1230
  18. *Standby Electrical Power—Sierra Conservation Center, Jamestown. Reduce by \$350,000.* Recommend preliminary plans, working drawings and construction funds to install emergency power systems be deleted because the department has not identified the work to be accomplished. 1231
  19. *Replace Sewage Lines—California Men's Colony, San Luis Obispo. Reduce by \$1,013,000.* Recommend preliminary plans, working drawings and construction funds to replace three miles of sewer lines be deleted because the project duplicates the objectives of a project that the Legislature has already funded. 1231
  20. *Milk Processing Facility—Deuel Vocational Institution, Tracy. Reduce by \$862,000.* Recommend construction funds for new milk processing facility be deleted because recently enacted legislation permits the new Prison Industries Authority to use non-state funds to finance improvements of this type. 1232
  21. *Security Modifications to Youth Training School, California Institution for Men, Chino. Reduce by \$1,300,000.* Recommend preliminary plans, working drawings and construction funds for various improvements be deleted because the department has not justified the security level at which the department plans to operate this institution. 1233
  22. *Minor Capital Outlay—Statewide. Reduce by \$75,000.* Recommend that one project to install backup power system be deleted because this improvement was considered as part of a major capital outlay project, and the department determined it was not needed. 1234
  23. *Minor Capital Outlay—Wastewater Treatment Improvements.* Withhold recommendation on \$249,000 proposed for two minor capital outlay projects to upgrade wastewater treatment facilities, pending receipt of information on the adequacy of these facilities to operate effectively given the department's overcrowding plans at these two institutions. 1234

**ANALYSIS AND RECOMMENDATIONS**

The budget proposes a total of \$259,292,000 for the Department of Corrections' capital outlay program in 1983-84. The amount proposed from the Special Account for Capital Outlay (SAFCO) would provide improvements at existing correctional institutions, while the amount requested from the New Prison Construction Fund would provide development of new facilities. Table 1 summarizes the department's request.

**Table 1**  
**Department of Corrections**  
**Capital Outlay for 1983-84**  
**(in thousands)**

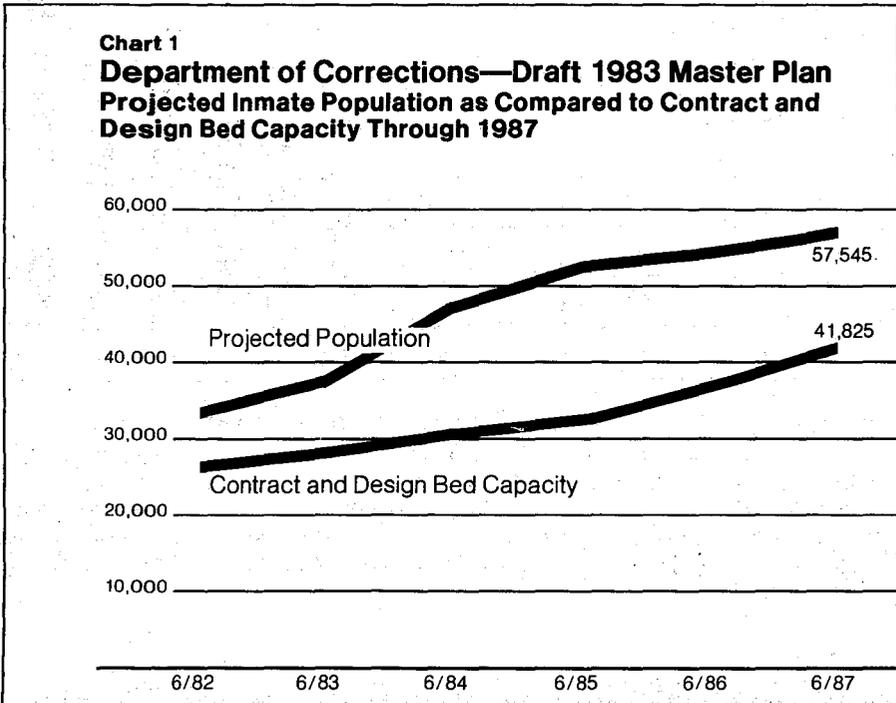
<i>Item</i>	<i>Fund</i>	<i>Budget Bill Amount</i>
5240-301-036	General Fund, Special Account for Capital Outlay .....	\$14,793
5240-301-723	New Prison Construction Fund .....	244,500
Total		<u>\$259,292</u>

**NEW PRISON CONSTRUCTION PROGRAM**

**Prison Population Continues to Increase Dramatically**

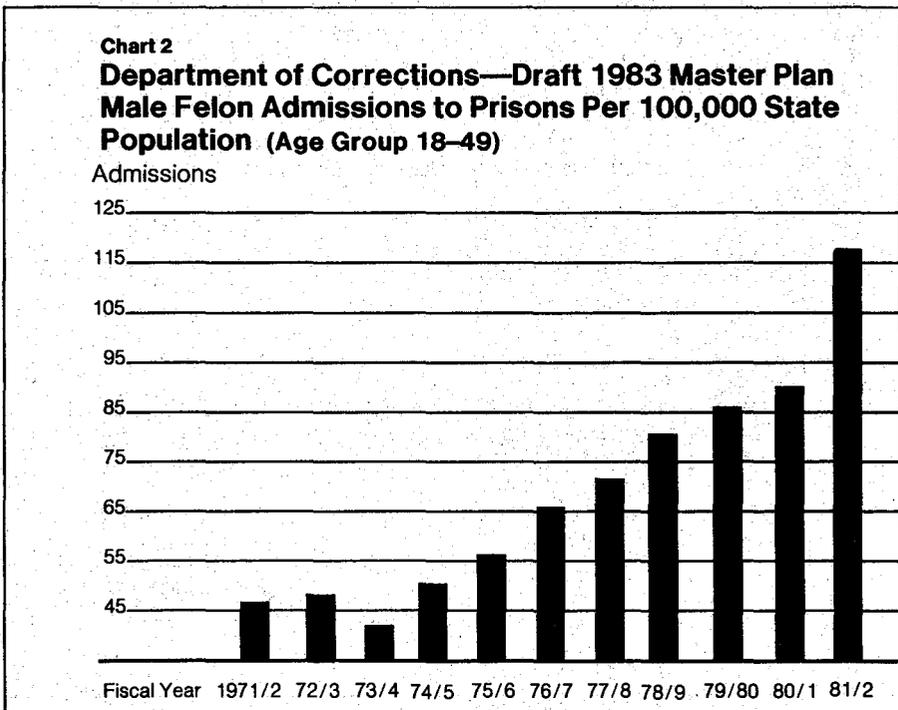
California continues to experience a dramatic increase in its prison population. In January 1982, California's prison population was 28,500 inmates. As of January 1, 1983 the population had increased to 33,500 inmates, *an 18 percent increase over the 12-month period*. Chart 1 shows that recent projections made by the California Department of Corrections (CDC) anticipate a population of 57,545 inmates by the year 1987. Less than three years ago, the department projected that the 1987 population would be 28,000. Thus, the prison population now anticipated for the year 1987 is *more than double* the 1987 population expected by the department in 1980. The projected 1987 population increased to 35,000 in 1981, and to 46,000 last year.

Another way of looking at the recent growth in the prison population is to observe that the number of inmates has grown in two years by nearly as much as the department expected it to grow in six years when it prepared its estimates in 1981.



**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

The substantial increase in prison population is, in part, the result of changes made by the Legislature in the sentencing policies of the state. These changes include determinate sentencing, longer terms for specific crimes, and prison terms for crimes which previously would have led to county jail terms. Chart 2 shows the number of male felon admissions to the California State Prisons for every 100,000 persons in the 18-to-49 age group. The chart indicates that the commitment rate has increased from a low of 43 admissions per 100,000 in 1973-74, to a high of 116 admissions per 100,000 for 1981-82. In comparison, the commitment rate for the entire United States was 139 commitments per 100,000 in 1980, with the highest rate being in the District of Columbia (426 per 100,000) and the lowest rate being in North Dakota (28 per 100,000 population). Based on current California law, the Department of Corrections expects the commitment rate to continue increasing for another three years, when it will stabilize at approximately 146 commitments per 100,000.

**The Department of Corrections' Response to Prison Capacity Problems**

The issues pertaining to California's prison population began to surface when determinate sentencing became law. Several studies were undertaken at that time to determine the impact of this new law on correctional institutions in California. At the same time, the Department of Corrections was concerned about its aging maximum-security facilities at Folsom and San Quentin.

**Initial Plan Was Based On Renovations and Replacement.** In 1978, the Legislature appropriated \$7.6 million for architectural planning of additional maximum-security facilities and possible razing of San Quentin and Folsom. Utilizing a portion of the 1978 funds, the department contracted with architectural firms to (1) develop detailed program information for new facilities, (2) develop schemes for remodeling existing prisons to meet current program and code requirements, and (3) analyze options to accommodate overcrowding until the new institutions were constructed. This effort gave rise to the Department of Corrections' Facilities Requirement Plan, which was issued in March 1980. This plan called for an expenditure of \$400 million for new facilities and \$900 million for renovation and/or replacement of existing facilities. Based on this master plan, the Legislature appropriated over \$18 million in the 1980 Budget Act for planning new maximum-security facilities and construction of temporary housing and camp facilities.

**New Capacity Becomes the Priority.** As population projections continued to increase, the department reevaluated its plan of renovating existing facilities, and determined that the more pressing need was additional capacity to meet the projected population of the 1980s. The 1981 Budget Act subsequently, appropriated \$25 million for (1) partial construction of the new Southern Maximum-Security Complex at Tehachapi, (2) planning funds for a new medium security prison in San Diego County and (3) planning funds for a new maximum-security prison at Folsom.

In all, the department's programs included \$775 million for construction of 10,500 new beds plus numerous projects to alleviate the overcrowding of existing correctional institutions.

With the dramatic increase in projected prison population, the Legislature enacted the \$495 million New Prison Construction Bond Act Program of 1981, which was approved by voters in June 1982. The 1982 Budget Act included \$123 million from the bond fund for planning and construction of additional prison capacity. As is obvious, however, the \$495 million in bonds authorized in the bond act will not be sufficient to fund the cost of the department's capital outlay program, and the balance of funds will have to come from other sources.

### **Inadequate Implementation of Approved Projects**

As of January 1983, the Department of Corrections' had not made substantial progress in implementing the projects the Legislature funded in the 1982 Budget Act. Despite the increasing need for additional capacity, most of the projects have been delayed. *At the time this Analysis was written, not a single one of the projects approved by the Legislature in the 1982 Budget Act were under construction.* The current status of the projects approved by the Legislature in the 1982 Budget Act is summarized below. The amount shown for each project represents the 1982 Budget Act appropriation for that project.

- **Unidentified Southern California site (Adelanto)—\$3,600,000.** Chapter 1548, Statutes of 1982 authorizes the department to establish a prison at this site. In enacting this measure, however, the Legislature imposed certain conditions on the department regarding the selected site. These conditions have resulted in some delay in completing the acquisition phase of the project. In accordance with Ch 1548/82, the department has been reevaluating the siting of the prison. Under the term of Ch 1548/82, however, this reevaluation should have been

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

completed by January 1, 1983, and the project as approved by the Legislature should have already proceeded into the planning phase.

*No funds are included in the 1983-84 Budget Bill to continue this project.*

- **Folsom Maximum-Security Prison—\$12,500,000.** After some delay in adapting the Tehachapi prototype design to the Folsom site, this project is now proceeding and construction of some site development (utilities and roads) should occur in the current year.

The 1983-84 Budget Bill contains \$134 million for construction.

- **Medium-Security Prison San Diego—\$2,000,000.** The department recently selected a site, and is now conducting additional environmental impact studies which should be completed in February 1983. The project is behind schedule because land acquisition has taken more than two years.

*No funds are included in the 1983-84 Budget Bill to continue this project.*

- **Southern Maximum-Security Complex, Tehachapi—\$69,100,000.** At the direction of the Legislature, this project was redesigned in order to reduce over-all staff requirements, for a savings of over \$500,000 per year. At budget hearings last year, the department indicated that this redesign would result in a four-month delay. The redesign, however, has consumed more than seven months. Construction on this portion of the project is now anticipated to begin in the Spring of 1983.

The 1983-84 Budget Bill contains \$4.5 million for equipment needed for the new prison.

- **Temporary Housing—\$2,000,000.** These funds were approved by the Legislature for acquisition of modular housing units which had been used at state hospitals while the hospitals were being renovated. At hearings, the department indicated that these facilities could be occupied by December 1982. At the time this *Analysis* was prepared, the department had not acquired any of the temporary housing units, and none of the site preparation needed to accept the facilities had been completed. Occupancy of units planned for Vacaville and San Quentin is now tentatively planned for May 1983, the units proposed at Tracy and Jamestown are expected to be occupied in September 1983.
- **Reactivate Mens Colony, West Facility—\$2,700,000.** These funds were for the second 450-bed phase of the department's plan to reactivate the California Mens Colony, West Facility, to provide 900 additional beds. The department issued a notice of completion of a draft environmental impact report (EIR) in November 1981. Subsequently, a suit was filed challenging the adequacy of the EIR. A writ of mandate ordered preparation of a new EIR. The department, however, only recently initiated the required new EIR, and the scheduled occupancy date of June 30, 1983 for phase two has been revised to May 1984.
- **Contract Management—\$800,000.** The department has hired a firm to function as a capital program management team for the entire new prison construction program. The funds have been used to fund a portion of the services proposed for 1982-83.

*No funds are included in 1983-84 to continue these services.* The Legislature was a party to the decision to use contracted management services in administering this massive prison construction program. In our judgment, the department would not be able to plan, monitor and

execute its construction program without the assistance of the management team. Consequently, we continue to recommend that funding for these services be included in the budget. Prior to budget hearings, the Departments of Corrections and Finance should identify the specific services and associated costs to continue this management effort throughout 1983-84.

- **Medium-Security Facility 1—\$6,600,000.** These funds were appropriated for land acquisition and initial planning. The department indicates that the funds will be used to establish a new medium-security complex in Los Angeles County, as authorized by Ch 1549/82. The department's schedule indicates that a site must be selected by July 1983 if the proposed new facilities are to be completed by the target occupancy date of May 1987.

*No funds are included in the budget to continue this project in 1983-84.*

- **Medium-Security Facility 2—\$6,600,000.** These funds were appropriated for site acquisition and initial planning. The department indicates that this project is to be located in Riverside County, as authorized by Ch 1549/82. A proposed site must be selected by July 1983 in order to meet the target completion date of April 1987.

*No funds are included in the budget to continue this project in 1983-84.*

- **Relocatable Prisons, CMF Vacaville, DVI Tracy, and Unidentified Site—\$7,760,000.** The 1982 Budget Act contained funds to establish three new "relocatable" 500-bed prisons, with two to be located adjacent to existing institutions and one to be located at an unspecified site in Southern California. The department anticipated that by using modular construction, it could occupy the new facilities at the two existing sites by June 1983, and at the unidentified Southern California site by June 1984. By January 1983, however, the department had abandoned this proposed program, and now proposes to construct new *permanent* facilities at the three sites. Based on optimum timing of environmental studies and land acquisition, the department expects the facilities at existing institutions to be occupied by March 1985 and the facilities at the unidentified site to be occupied by July 1985.

The 1983-84 Budget Bill contains \$21.2 million for construction/equipment at each of the existing sites—Vacaville and Tracy—but no funds are included for Southern California.

- **New Camp Facilities—\$7,750,000.** These funds were for construction of three 100-bed camp facilities at various sites statewide. The project was to construct housing units using the modular type facilities already designed for the department's "satellite" facilities. This would have allowed occupancy by December 1983. Inmate labor was to be used to construct other support buildings after the housing units were occupied.

*Apparently the department has abandoned this project because no work has been done and it is not included on the most recent schedules for new capacity.*

- **Special Housing Unit, CIW Frontera—\$1,550,000.** These funds were for construction of a 50-bed special housing unit at the California Institution for Women, Frontera. The department determined that a prefabricated metal modular building would meet special housing needs at this location. Consequently, occupancy of the 50-bed unit was

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

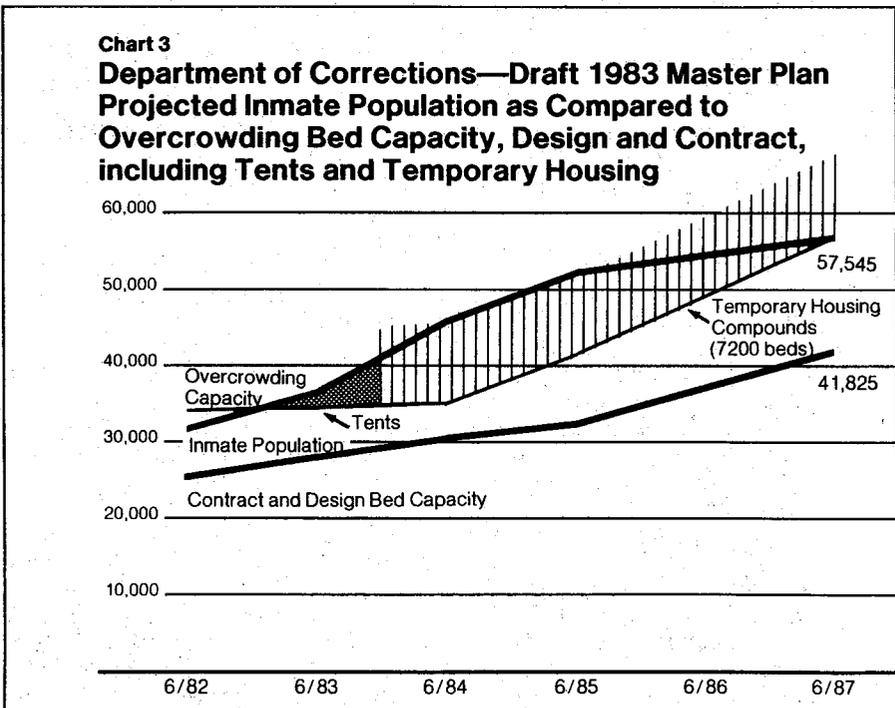
anticipated by June 1983. No work however, has been done on the project and the expected completion date is now June 1984.

**New 1983 Master Plan Will Be Costly**

The department is revising the Facilities Master Plan, based on its most recent projections of California's prison population. The master plan anticipates:

- Completing new permanent facilities which have been authorized by the Legislature (\$758 million).
- Increasing the prison bed capacity by 7,200 beds through construction of 2,400-bed prison compounds at three existing institutions—Vacaville, Soledad and Chino (\$65 million).
- Meeting additional needs through 1992 by constructing permanent capacity not yet reviewed or approved by the Legislature (\$1,050 million).

*In total, the 1983 master plan envisions capital expenditures of \$1.9 billion (1983 cost base) over the amounts previously appropriated. A total of \$518 million would be required in 1983-84 to implement the first year of the master plan. This compares to \$346 million remaining unappropriated in the New Prison Construction Fund, and \$244.5 million requested in the 1983 Budget Bill. Consequently, if the Legislature approved all elements in the 1983 plan, the budget for 1983-84 would have to be augmented by \$273.5 million, of which \$172 million would have to be appropriated from sources other than the New Prison Construction Fund. This*



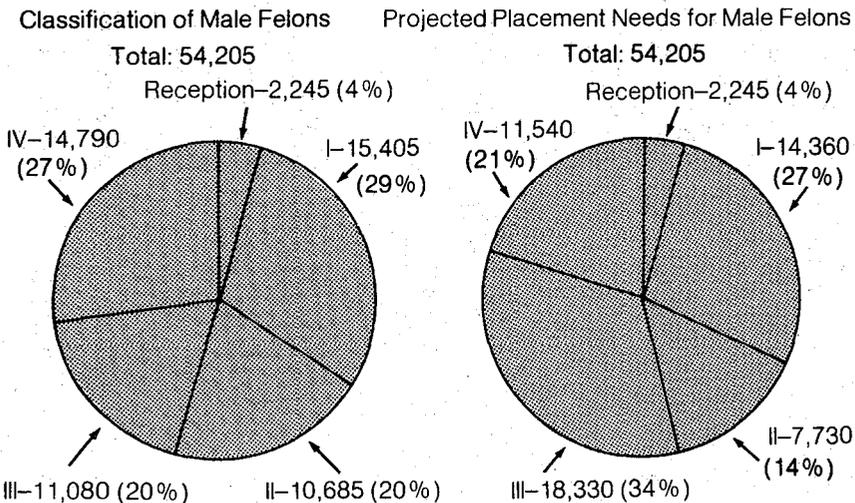
would leave \$1.4 billion in additional financing needed to complete the plan during the next eight years, which would also have to come from sources other than the 1982 bond act.

**New Directions in Master Plan.** Our review of the master plan indicates that this latest plan differs substantially from the previous master plans submitted to the Legislature. The following are the highlights of the department's master plan.

**Double-Celling Option Limited.** Until now, the department's plans assumed that it could accommodate all inmates using some temporary facilities and double-celling some existing facilities until new prison construction was completed. The department has proposed that tents be used at existing institutions as a temporary housing measure for one-to-two years to house the projected population. These tents would be replaced by "temporary" housing compounds, which would be constructed at three existing institutions. These compounds would cost \$63.6 million, and would provide 7,200 beds of additional capacity for an indefinite period of time.

Chart 3 shows the projected inmate population compared to (1) overcrowding capacity (that is, the maximum number of inmates that can be accommodated by double-celling and other measures designed to house the largest number of inmates in existing facilities), and (2) overcrowding capacity as augmented by the proposed tents and temporary compounds. The new master plan, however, anticipates that, when new prisons are occupied, overcrowding will be reduced by (1) eliminating overcrowding at San Quentin and the old Folsom State Prison, and (2) controlling overcrowding at Level III and Level IV new prisons to 20 percent over design capacity. Thus, the department's plan indicates that continued occupancy of the 7,200 beds in compounds is preferable to continuing a higher percentage of double-celling.

**Chart 4**  
**Department of Corrections—Draft 1983 Master Plan**  
**Comparison of Classification and Placement of**  
**Inmates June 1987**

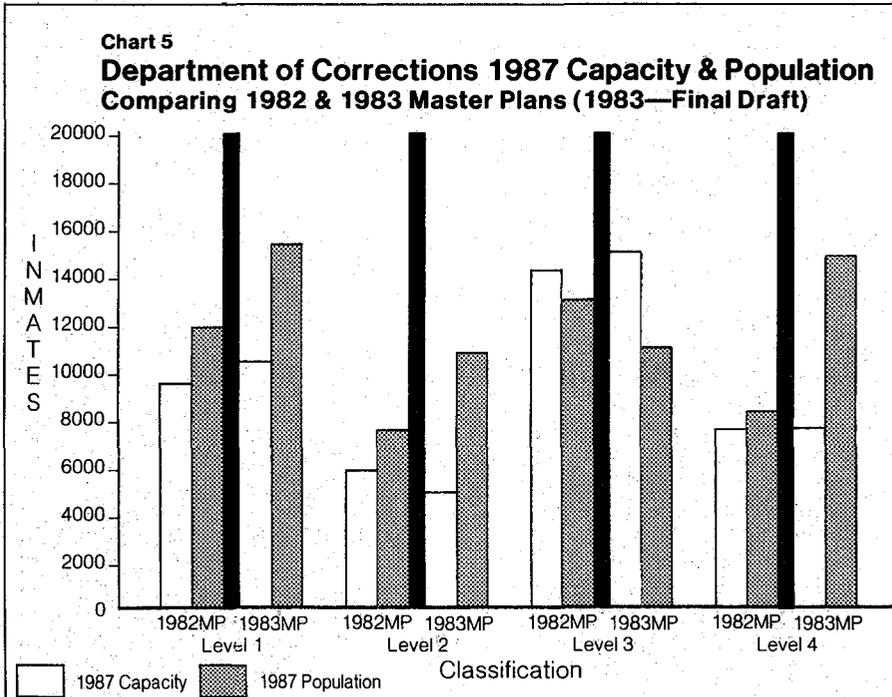


**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

*Projected Placement Needs Not Consistent with Classification of Inmates.* The master plan indicates that by June 1987 the total male/female inmate population will reach 57,545, with a male felon population of 54,205. Under the department's security classification system, there are four levels of security, with Level I being the least restrictive (minimum security) and Level IV being the most restrictive (maximum security).

Chart 4 compares the department's projected security classification of the 54,205 male inmates with the department's master plan for the number of beds needed for each classification level. This comparison clearly shows that the projected placement *does not match* the anticipated classification of inmates. As shown in Chart 4, the greatest disparity is in Level III security. The department's master plan shows that about 20 percent of the population will be classified as Level III (11,080), yet the department projects a need to place 34 percent (18,330) of the inmates in Level III beds. Thus, the master plan would provide 65 percent more beds than the projected number of inmates in Level III classification.

In our judgment, the department has made a significant error in projecting the number of beds by classification of inmates. It has done so because its planning assumptions have failed to take into account the department's present inability to house inmates in appropriate classification levels. This has occurred because most of the existing prisons are classified as security Level III. Consequently, many inmates are assigned to a Level III bed, even though the inmate is classified as requiring a security level of I, II, or IV. These mis-assignments have been carried through to the 1987 placement plan.



**Projected Inmate Classification Mix is Questionable.** Chart 5 shows the changes in the department's projected 1987 capacity and population—by security level—as presented in the 1982 Master Plan (left side of dark bar) and the 1983 Master Plan (right side of dark bar). The capacity and population in the reception centers are excluded. We have revised the 1983 Master Plan population data to reflect the department's inmate classification, rather than projected inmate placements.

Chart 5 reveals that:

1. The planned capacity (light bars) for 1987 proposed in the 1983 Master Plan is about the same for each classification level as was proposed in the 1982 Master Plan.
2. The planned population (shaded bars) for 1987 has changed significantly between 1982 and 1983. The 1987 total population projection was 41,300 and is now 52,000, an increase of 26 percent. The change between 1982 and 1983 for each classification level is as follows:
  - Level I projected population has increased about 3,400 inmates (29 percent)
  - Level II projected population is up 3,100 inmates (41 percent)
  - Level III population has been revised from 13,200 to about 11,100, a reduction of 2,100 inmates (16 percent)
  - Level IV projected population has increased from about 8,300 inmates to 14,800, an increase of 6,500 inmates (78 percent).

The changes in population by classification, are difficult to understand and the department's master plan offers no explanation. Moreover, we question the reasonableness of the projected increase in Level IV populations. The department consistently has maintained that the major portions of the population increases is the result of more felons receiving prison terms rather than terms in the county jail or probation. If this is so, the department's projections would imply that many of these "new" inmates are being classified Level IV. Thus, it appears that persons who previously would have been housed in county jails or placed on probation are now considered by the Department of Corrections to require the state prison systems' highest level of security. Prior to budget hearings, the department should provide an explanation of this substantial increase in level IV inmates.

3. The 1983 plan does not address adequately the housing needs of the projected classification of inmate population.

**Classification Impact Should be Restudied.** Because of the discrepancies involving classification between the 1982 and 1983 master plans and the population data provided by the department, it appears that the classification system is not being adequately taken into account in evaluating long-term facilities needs. Clearly, the Legislature needs a more thorough evaluation of the application of the classification system to judge the adequacy of the department's current plans. Consequently, we recommend that prior to budget hearings, the department submit a report addressing the classification issues. While this may not cause significant changes in the immediate plans for constructing new prisons, it could have a major impact on subsequent projects. Moreover, the Legislature will need this information in considering the administration's proposal to transfer Youth Authority facilities to the CDC.

## DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued

**Governor's Budget Implements Only a Portion of Master Plan Projects**

The budget includes \$244.5 million from the New Prison Construction Program Fund for planning and construction of new permanent facilities, and for construction of "temporary" housing to alleviate overcrowding of existing institutions. *This amount, however, is not adequate to continue construction of projects which have either been approved by the Legislature or are scheduled in the department's master plan.* Except for the proposed 7,200 "temporary" housing units, all prisons proposed in the department's 1983-84 program have been approved by the Legislature.

Table 2 compares the department's 1983-84 program with the program funded in the budget. This table reveals that while the Legislature has authorized construction of new prisons in Adelanto and in San Diego, Riverside and Los Angeles Counties, the budget does not provide funds for continued planning or construction of any of these facilities. Moreover, it is unclear as to what projects the administration plans to continue. The budget indicates that some portion of the \$149.2 million appropriated by the Legislature in the current year may not be expended, and consequently *the administration will, prior to budget hearings, propose funding changes for both the current and budget year.* In sum, it is not clear what the prison construction plan set forth in the budget means. At best, it is incomplete. At worst, it is not relevant to the department's true intentions and the issues with which the Legislature will be faced in acting on the budget.

**Table 2**  
**Department of Corrections**  
**Comparison of 1983-84 Funding Levels**  
**1983 Draft Master Plan vs. Governor's Budget**  
**(in thousands)**

<i>Project Title</i>	<i>Location</i>	<i>Phase<sup>a</sup></i>	<i>Planned Date of Occupancy per Master Plan</i>	<i>1983 Draft Master Plan Require- ment</i>	<i>Budget Bill Amount</i>
<i>New Facilities—Existing Sites:</i>					
1,000 Beds, Level IV .....	CCI—Tehachapi	e	1/85	\$4,500	\$4,500
1,500 Beds, Level IV—200 Beds, Level I .....	CSP—Folsom	c	1/86	134,000	134,000
500 Beds, Level III Relocatable Prison .....	CMF—Vacaville	ce	9/85	21,200	21,200
500 Beds, Level III Relocatable Prison .....	DVI—Tracy	ce	11/85	21,200	21,200
7,200 Beds, Level I and II Temporary Housing..	CMR—Vacaville CIM—Chino CTF—Soledad	pwc e	1/84-4/84	64,800	63,600
<i>New Facilities—New Sites:</i>					
1,000 Beds, Level IV—150 Beds, Level I .....	Unidentified Site (Adelanto)	c	10/86	87,000	0
1,500 Beds, Level III—200 Beds, Level I .....	San Diego	c	3/86	150,200	0
1,500 Beds, Level III—200 Beds, Level I .....	Los Angeles County	pw	5/87	6,300	0
1,500 Beds, Level III—200 Beds, Level I .....	Riverside County	pw	4/87	6,300	0
500 Beds, Level III Relocatable Prison .....	Unidentified Site	ce	11/85	21,200	0
Northern California Women's Facility—400 Beds	San Joaquin Co.	pw	5/86	2,000	0
Totals .....				\$518,700	\$244,500

<sup>a</sup> Phase symbols indicate: p = preliminary plans, w = working drawings, c = construction, e = equipment.

**Transfer of Youth Training School to CDC.** The budget proposes to transfer the California Youth Authority's Youth Training School (YTS) in Chino to the Department of Corrections, in order to increase the state's prison capacity. The proposed transfer would increase prison capacity by approximately 1,200 beds. This proposal anticipates that the Youth Authority will reassign wards to other institutions and camp facilities. The Department of Corrections' master plan shows this capacity available in 1984. The budget also includes \$1.3 million to upgrade YTS to a Level III institution for occupancy in the budget year.

This transfer has a major impact on the need for temporary housing facilities proposed in the department's 1983 master plan. If it is not approved, an additional 1,200 temporary beds will be needed in the budget year.

#### **Projects Proposed for Funding in the 1983-84 Budget Bill**

The budget proposes a total of \$244.5 million for capital outlay funded from the New Prison Construction Fund (bonds). Our analysis of the individual projects follows.

#### **Southern Maximum-Security Complex—Tehachapi**

*We recommend deletion of Item 5240-301-723(1), \$4.5 million for equipment related to the new prison facility at Tehachapi, because the request is premature.*

The Legislature has appropriated over \$90 million for the planning and construction of two 500-bed maximum-security facilities to be located at the existing site of the California Correctional Institution at Tehachapi. Based on the most recent schedule provided by the Department of Corrections, construction of the two 500-bed units should begin in April 1983. The scheduled occupancy date for the new facilities is January 1985. The \$4.5 million proposed in the budget would pay for moveable equipment needed to operate the facility.

We have not received any information to substantiate the amount of funds requested for equipment related to the new Tehachapi facilities. Moreover, the new facilities are not planned to be occupied before January 1985. Therefore funds for equipment will not be needed until the 1984-85 fiscal year. Appropriation of funds in the 1984-85 budget would give the department six months' lead time for purchase and delivery of the equipment.

If the department determines that this amount of time is not sufficient for the long-lead time equipment purchases, the Legislature may wish to consider adoption of a control section which would allow the department to order such equipment if the equipment is proposed for funding in the 1984-85 budget. This procedure for early order of long-lead time equipment has been used for many years in higher education, and by the California Highway Patrol.

In any event, the requested amount for equipment has not been justified, and at this time the request is premature. Consequently, we recommend deletion of Item 5240-301-723(1), a reduction of \$4,500,000.

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued****New State Prison—Folsom**

*We withhold recommendation on Item 5240-301-723(2), working drawings and construction funds for a new maximum-security prison at Folsom, pending receipt of the construction bids on the new maximum-security prison at Tehachapi.*

The budget proposes \$134 million for working drawings and construction of three 500-bed maximum-security (Level IV) units and a 200-bed minimum-security (Level I) service facility at Folsom. The Legislature has previously appropriated \$15.3 million for project planning and construction of site improvements. Preliminary plans for the facility are scheduled to be completed in February 1983. According to 1982 Budget Act language, the plans must be submitted to the legislative committees for review prior to State Public Works Board approval of working drawing funds for the project. The total estimated project cost for the new Folsom Prison is \$153.8 million (including \$4.5 million for equipment), with occupancy planned for January 1986.

In approving funds for the design of the new Folsom facilities, the Legislature adopted Budget Act language specifying that the design of the maximum-security units at Tehachapi was to be used as the prototype design for the new units at Folsom (and for all other maximum-security prisons). Use of the Tehachapi design—which represents “state-of-the-art” maximum-security prison design—should result in reduced fees for architectural services as well as expedite design and construction. Thus, the amount proposed in the budget for construction of the new Folsom facilities is based on the architect’s current estimate of facilities essentially identical in design to the Tehachapi facility.

The Tehachapi project will be advertised for construction bids prior to legislative hearings on the 1983–84 budget. Consequently, the department and the Legislature will have an opportunity to evaluate the Tehachapi construction bids and more accurately determine the estimated construction cost for the project at Folsom. Accordingly, we withhold recommendation on Item 5240-301-723(2), pending receipt of construction bids for the new Tehachapi facilities.

**Temporary Housing Proposed to Meet the Shortage in Bed Space**

*We recommend deletion of Item 5240-301-723(3), \$63.6 million to install temporary housing at various institutions, because the department has not provided sufficient information to demonstrate that this proposal can be implemented successfully to relieve overcrowding of existing institutions.*

The budget includes \$63.6 million for a project to construct three 2,400-bed “temporary” compounds to hold inmates for up to 60 days. Neither the budget nor the Budget Bill identify the location of these compounds. The Department of Corrections however, indicates that a 2,400-bed compound will be located at Vacaville, Chino, and Soledad.

These compounds would not be “temporary”. If the assumptions included in the department’s master plan are realized, these “temporary” facilities will be needed for a long period of time (over 20 years). Thus, these compounds apparently would be used indefinitely in order to increase the department’s capacity by 7,200 beds.

Each compound would be divided into four units of 600 beds each. The 600-bed unit would contain four pre-engineered metal warehouse-type

dormitory buildings. These dormitory buildings—about one-half the size of a football field—would house 150 inmates each. Visiting space would be provided but there would be no space for industry or education.

The master plan indicates that in order to commence construction of the temporary housing compounds, emergency legislation is needed to:

- Provide full funding for the project
- Waive environmental impact report (EIR) requirements
- Waive State Contract Act requirements
- Waive review and approval requirements of the State Public Works Board
- Waive review and approval of legislative committees

If such legislation were passed, the three 2,400 bed compounds would, according to the department, be occupied in September 1983, December 1983, and March 1984, respectively. Our analysis indicates, however, that if these compounds are funded in the 1983 Budget Act, as the administration proposes, the units cannot be occupied before mid-1984, assuming (1) no major obstacles are encountered in the EIR process and (2) the department can expedite the project faster than past experience would indicate it is capable of doing.

***Feasibility of Compounds is Questionable.*** The Department of Corrections has not provided any information to indicate that the proposal to construct "temporary" compounds to house inmates is feasible. The department has not provided any basis for the \$63.6 million request. Moreover, the utility and service components of the existing sites have not been evaluated for their capability to absorb such a major addition. For example, the proposed compound at CMF Vacaville, coupled with other temporary facilities, will result in a 100 percent increase in bed capacity at this location.

***Other Alternatives Should be Considered.*** Given the serious problems associated with the projected prison population, the need for capacity, and the cost to construct and operate the additional capacity, the Legislature needs to consider all options. Some of the options available to the Legislature include:

- ***Administrative Control of Prison Population.*** One alternative that would reduce overcrowding of existing prisons and the need to construct compounds is to implement measures allowing the administration to control, within limits, the number of inmates in the state prison system. This alternative (which is contained in SB 50, now pending before the Legislature) would allow the Director of Corrections to advance the release dates of certain prisoners by 30 days if the state prison population exceeds 120 percent of the rated capacity for a continuous period of 60 days. If this authority were granted to the director, it would result in cost avoidance related to (1) construction of compounds and (2) support costs needed to supervise the increased population.
- ***Early Occupancy of New Facilities.*** Presently, the department's plan assumes that new facilities at Tehachapi, San Diego, Folsom, and Adelanto will require 22–24 months for the construction phase. Other states, however, have been able to occupy new facilities more quickly by expediting construction of the housing units and assigning inmates to those units before the remaining program and administrative spaces are completed. One advantage of this process is that it also allows use of inmate labor to perform some of the work needed in the

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

later phase of construction (landscaping, painting, etc.).

- **Expand Planned New Prison to Maximum Site Capacity.** The department's current plans include some expansion capabilities at the proposed new prison sites. For example, the new prison proposed at San Diego will include three 500-bed institutions, with the capability of accommodating a fourth 500-bed unit. Given *current* needs, it would seem that the fourth unit should be built *now*. Other existing authorized sites could also be developed to provide the *maximum* capacity permitted by law, and thus reduce the number of new sites needed now and in the future.

Our analysis indicates that the department and the Legislature should evaluate these and other alternatives for accommodating the number of prisoners being assigned to the correctional system. In any case however, the \$63.6 million proposed for holding compounds has not been justified, and the viability of the proposal is questionable. For these reasons, we recommend deletion of the \$63.6 million proposed in Item 5240-301-723 (3).

We recognize that there may be a need for an appropriation of this magnitude in the budget year if the Legislature decides to increase the prison system capacity. The department, however, must first provide feasible, cost-efficient proposals before an appropriation of funds should be considered. The department must demonstrate that the proposal can be implemented in a practical cost-effective manner. Accordingly, we strongly urge the department to reassess this plan, and submit a suitable proposal that would warrant legislative consideration.

**Relocatable Prisons—California Medical Facility, Vacaville and Deuel Vocational Institution, Tracy**

*We recommend deletion of Items 5240-301-723 (4) and (5), \$43 million for construction of and equipment for relocatable prisons at two existing institutions, because these projects, which would provide permanent (not relocatable) facilities, should be located on sites in Southern California rather than on the grounds of existing correctional facilities.*

The budget includes a total of \$42.4 million (\$21.2 million for each site) for construction and equipment of two 500-bed "relocatable prisons" to be constructed on the existing site of the California Medical Facility (CMF) at Vacaville and the Deuel Vocational Institution (DVI) at Tracy. The department indicates that these 500-bed Level III (medium-security) beds would include housing facilities plus space for education and industries work programs. Funds (\$860,000) were included in the 1982 Budget Act for programming, preliminary plans and working drawings to develop a prototype design of the 500-bed relocatable prison. In addition, \$600,000 was included for architectural studies related to adapting the prototype design to the sites at CMF and DVI. The current scheduled occupancy date for the project is optimistically set for November 1985.

At the time the Legislature approved funds for the relocatable prisons, the department indicated that these facilities would be of a temporary nature, and would be occupied by July 1983, thus relieving some of the overcrowding at existing institutions. The department (contrary to the 1983-84 Budget) apparently has changed its plans for these relocatable prisons, and now proposes construction of *permanent* facilities with a full complement of inmate programs independent of other institutions for

support. The department's master plan, however, continues to propose construction of these facilities at existing institutions as though they were still considered temporary and dependent upon the existing institution.

Our analysis indicates that the latest plans developed for these 500-bed units are not consistent with the Legislature's directive that new *permanent* prisons be located in the southern portion of the state. The facilities proposed in the budget are permanent—not temporary or relocatable—facilities, and appropriate sites for these prisons should be identified and proposed to the Legislature for approval.

Regardless of the location of these proposed new prisons, the department should identify the proposed design to be used. The Legislature has directed that the design of the Medium Security Prison at San Diego be used as a prototype for all future medium security prisons. Accordingly, the new prisons proposed for funding in this item *must* be the San Diego design. The department, however, has not indicated that it intends to use the San Diego design for these units.

As we previously indicated, the department's plan includes an excessive number of Level III beds. Accordingly, we recommend that the department reconsider its construction plans and replace new Level III projects with less costly Level II facilities. The department should use the San Diego Level III design as a prototype for the lower security Level II prisons by making the appropriate changes in security, hardware and other elements.

We recommend deletion of the proposed funds for new 500-bed prisons at CMF, Vacaville and DVI, Tracy. The department should reevaluate this proposal to (1) utilize the proposed design of the new San Diego medium-security prison and (2) identify new or existing sites available in Southern California.

There is a demonstrated need for new *permanent* prison capacity. Accordingly, the department should submit a proposal which is consistent with (1) the Legislature's stated intent that new permanent facilities be located at specific sites in the southern portion of the state and (2) the capacity needs based on projected inmate classification. Such a proposal would warrant legislative consideration.

### **PROJECTS FOR IMPROVEMENTS TO EXISTING INSTITUTIONS**

The budget proposes a total of \$14,793,000 for general improvement projects at existing institutions, to be funded from the General Fund, Special Account for Capital Outlay. The requested projects and our recommendation on each are summarized in Table 3.

#### **Transfer to the General Fund**

*We recommend that the savings resulting from our recommendations on Item 5240-301-036 (\$8,052,000) be transferred from the Special Account for Capital Outlay to the General Fund, in order to increase the Legislature's flexibility in meeting high-priority needs statewide.*

We recommend reductions amounting to \$8,052,000 in the Department of Corrections' capital outlay proposal from the Special Account for Capital Outlay (SAFCO). Approval of these reductions, which are discussed individually below, would leave an unappropriated balance of tideland oil revenues in the SAFCO which would be available only to finance programs and projects of a specific nature.

Leaving unappropriated funds in special purpose accounts limits the Legislature's options in allocating funds to meet high-priority needs. So that the Legislature may have additional flexibility in meeting these needs, we recommend that any savings resulting from approval of our recommendations be transferred to the General Fund.

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

**Table 3**  
**Department of Corrections**  
**General Improvement Projects 1983-84**  
**Special Account for Capital Outlay**  
**Item 5240-301-036**  
**(in thousands)**

<i>Project Title</i>	<i>Location</i>	<i>Phase<sup>a</sup></i>	<i>Budget Bill Amount</i>	<i>Analyst's Proposal</i>	<i>Estimated<sup>b</sup> Future Cost</i>
Item 5240-301-036					
(1) Upgrade primary electrical distribution and emergency generator system ..	Frontera	c	\$1,433	pending	—
(2) South facility food service building .....	Soledad	c	2,162	pending	—
(3) Vocational building.....	Soledad	e	512	—	—
(4) Complete land acquisition	Soledad	a	60	pending	—
(5) Renovate locking devices—east facility .....	Chino	c	2,179	2,161	—
(6) Replace boiler #3 .....	San Quentin	c	264	—	—
(7) Waste water treatment facility .....	San Quentin	c	635	—	—
(8) Renovate primary electrical system .....	Folsom	c	1,875	—	—
(9) Install water storage tank	Jamestown	pwc	907	—	—
(10) Upgrade sewage treatment facility.....	Jamestown	pwc	241	—	—
(11) Install stand-by electrical power.....	Jamestown	pwc	350	—	—
(12) Replace sewage line collector .....	San Luis Obispo	pwc	1,013	—	—
(13) Milk processing facility ....	Tracy	c	862	—	—
(14) Security modifications—Youth Training School.....	Chino	pwc	1,300	—	—
(15) Minor capital outlay .....	Statewide	pwc	1,000	pending	—
Total.....			\$14,793	pending	—

<sup>a</sup> Phase symbols indicate: a=acquisition; c=construction; p=preliminary plans; and w=working drawings.

<sup>b</sup> Department estimate.

**Funds Budgeted for Architectural/Engineering Services Exceed Legislatively Approved Level**

*We recommend that prior to legislative hearings on the budget, the Department of Finance provide information justifying the amounts budgeted for architectural/engineering services in excess of the amount previously approved by the Legislature.*

In our *Analysis of the 1981-82 Budget Bill*, we recommend that funds budgeted for architectural/engineering (A/E) services and contingencies for a number of projects assigned to the Office of State Architect be

reduced to a level not to exceed (1) 18 percent of the estimated contract costs for new construction projects and (2) 20 percent for alteration projects. During legislative hearings on the Budget Bill, the Department of Finance indicated that the recommended reductions in the A/E portion of the budget were appropriate.

Our review of a number of projects proposed for construction funds in the 1983-84 budget indicate that the fee for A/E services exceeds the amount which the Legislature approved last year when preliminary plans and working drawings for these projects were approved. Apparently, the Department of Finance has not limited funding for A/E services to the amounts that it previously advised the Legislature were appropriate.

In those cases where we have recommended that a project proceed in the budget year, we have recommended an adjustment to reflect the appropriate A/E fee level. We have, however, withheld recommendations on several projects, and the issue of the proper level of fees for these projects will have to be addressed after updated project cost estimates have been received. If these estimates include an amount for A/E fees above the level approved by the Legislature, the Department of Finance should provide specific justification for the additional amount.

**Upgrade of Primary Electrical System—California Institution for Women (CIW), Frontera**

*We withhold recommendation on Item 5240-301-036(1), construction funds to upgrade the primary electrical system to meet code requirements at CIW, Frontera, pending receipt of completed preliminary plans.*

The budget includes \$1,433,000 for construction to upgrade the primary electrical system at CIW, Frontera. Preliminary plans and working drawing funds (\$75,000) for this project were appropriated in the 1982 Budget Act. The legislatively approved project is to correct *code deficiencies* and to increase reliability of the electrical distribution system by changing the radial system to loop systems.

Preliminary plans for this project have not been completed. The amount proposed in the Budget Bill is based on the estimated project cost proposed last year, adjusted for inflation. Consequently, the proposed construction funds may represent the amount needed if it is determined that all the work proposed last year is required by code.

We recommend that prior to legislative hearings on the budget, the consulting engineer assigned to this project certify that the proposed improvements—other than the provision for a loop distribution system—are required by current code. Pending receipt of the completed preliminary plans and the engineer's certification, we withhold recommendation on the amount requested for construction.

**Replace Food Service Building—Correctional Training Facility (CTF), Soledad, South Facility**

*We withhold recommendation on Item 5240-301-036(2), \$2,162,000 for construction of a new food service building at CTF, South Facility, pending receipt of completed preliminary plans and cost estimate.*

The budget includes \$2,162,000 for construction of a food service facility to replace the kitchen/dining facilities at the CTF, Soledad, South Facility. The proposed project would replace a quonset hut building which has been used for approximately 35 years. This facility has a capacity to adequately serve 200 inmates. This area of the prison, however, has a design capacity of 410 inmates, and currently houses over 530 inmates. The

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

proposed facility will be designed to easily serve the design capacity of the South Facility. Preliminary plans and working drawing funds (\$90,000) for the project were appropriated in the 1982 Budget Act.

The preliminary plans for this facility have not been completed. Consequently, adequate information is not available to substantiate the requested construction funds. Furthermore, our analysis of the amount included in the budget indicates that it is based upon the estimate provided last year for consideration of preliminary plans and working drawing funds. It does not reflect the Legislature's reduction of architectural/engineering fees. Pending receipt of completed preliminary plans, and an updated cost estimate reflecting the Legislature's prior action on this project, we withhold recommendation on the construction funds requested in Item 5240-301-036(2).

**Convert Warehouse to Vocational Complex—Correctional Training Facility (CTF), Soledad**

*We recommend Item 5240-301-036(3), \$512,000 for equipment for new vocational facilities at CTF, Soledad, be deleted because the request is premature.*

The budget includes \$512,000 for equipment related to conversion of a warehouse at CTF, Soledad, to provide additional vocational education space for instruction in welding, carpentry, plumbing, electrical work and the like. This space is needed because of the overcrowding at this prison. The 1982 Budget Act includes \$954,000 for construction of the proposed alterations. Our analysis indicates that this project has not proceeded because of the Department of Finance's uncertainty regarding the availability of funds in the Special Account for Capital Outlay. This delay in the construction of the facility will delay occupancy of the building until August of 1984, at the earliest. On this basis, the proposed equipment is not needed in 1983-84, and we recommend deletion of the requested \$512,000.

Regardless of the fiscal year in which the Legislature appropriates equipment funds for this facility, additional information is needed to justify the requested equipment. Specifically, the department has requested \$60,000 for audio-visual equipment, including ten overhead projectors (\$3,000), ten slide/sound projectors (\$9,000), four high speed cassette duplicators (\$8,700), two portable color video cassette ensembles (\$18,800) and miscellaneous items (\$20,500). The department has provided no justification for this extensive array of audio-visual equipment for vocational programs in welding, carpentry, plumbing, and electrical work. Accordingly, any subsequent request for equipment should provide detailed justification for the requested equipment.

**Land Acquisition for Waste Water Treatment Ponds—Correctional Training Facility (CTF), Soledad**

*We withhold recommendation on Item 5240-301-036(4), land acquisition at CTF, Soledad, pending receipt of additional information clarifying the estimated value of the property to be acquired.*

The budget includes \$60,000 to augment funds appropriated in the 1980 Budget Act for acquisition of 32 acres of land near the CTF, Soledad. The 1980 appropriation (\$66,000) was for acquisition of land which has been the site of the CTF sewage treatment plant percolation ponds since 1958,

under an informal, uncompensable arrangement with the property owner. Because of the need to construct substantial improvements to these ponds, the department requested State Public Works Board approval to purchase the land through condemnation proceedings. An order for prejudgment possession was filed by the Office of Attorney General in March 1982, which allowed construction of the needed improvements while an appropriate acquisition settlement was pursued through the courts.

The Department of General Services (DGS) now indicates that new market data reveals that the state's appraisal is not valid, and in order to settle at a "fair market value", an additional \$60,000 is needed. This request is in addition to the \$66,000 appropriated in 1980, and the \$13,000 augmentation provided by the State Public Works Board at the time condemnation was authorized. Consequently, the estimated cost (\$139,000) to acquire the land is more than double the amount the Legislature initially appropriated for acquisition in 1980.

The need for additional funding is dependent upon verification of the facts which have led to the determination of a new land value by DGS. The information provided by the Department, however, is unclear and we cannot determine the reason for the cost increase. We recommend, therefore, that prior to budget hearings, the department submit additional information to justify the increased valuation. Pending receipt of this information, we withhold recommendation on the requested \$60,000.

#### **Renovate Locking Devices—California Institution for Men (CIM), Chino, East Facility**

*We recommend Item 5240-301-036(5), construction funds to renovate locking devices at the CIM, Chino, East Facility, be reduced to eliminate overbudgeting, for a savings of \$18,000.*

The budget includes \$2,179,000 in construction funds to renovate the locking devices at the CIM, Chino, East Facility. The department indicates that the existing locking devices are inadequate because some of the mechanisms are worn and inmates can manipulate the locks and open cell doors. Because of the serious maintenance problems with the locking system, the department has placed many cells out of service, thereby reducing the prison's capacity. Funds (\$31,000) for preliminary plans and working drawings for this project were previously appropriated.

Our analysis indicates that the proposed project is needed if the department is to operate this facility at its design capacity and with adequate security. Accordingly, we recommend approval of the project. However, our review of the project estimate, which is based on completed preliminary plans, indicates that the project is overbudgeted. The estimated total project cost is \$2,192,000. Since \$31,000 has already been appropriated for planning and working drawings, the balance needed for construction is \$2,161,000. Based on this estimate, we recommend that the construction funds proposed in the budget (\$2,179,000) be reduced by \$18,000 to eliminate the overbudgeting.

#### **Replace Boiler Number 3—San Quentin State Prison**

*We recommend Item 5240-301-036(6), \$264,000 for construction to replace boiler number 3 at San Quentin, be deleted, because this project is a maintenance responsibility which should be funded in the support budget.*

The budget includes \$264,000 for construction funds to replace boiler

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

number 3 at San Quentin State Prison. The boiler plant at San Quentin has four boilers and boiler number 3 has been inoperable since 1977. The proposed project consists of installing a new package boiler with a fuel-to-steam efficiency of 80 to 90 percent. The department indicates that the repair/maintenance cost of existing boilers has been excessive, and installation of a new boiler would result in cost savings due to increased efficiency and reduced maintenance cost.

The department requested preliminary plans and working drawing funds for this project in the 1982-83 budget. The Legislature denied that request because the department had not substantiated the energy savings, and because the project was more appropriately a special repair project. The Legislature took this action with the understanding that the department would evaluate the need for boiler replacement in priority with other special repair needs funded from the department's support budget.

The department has not substantiated any energy savings related to this project and the project's status has not changed. The project is a special repair item, and if replacement is a high priority with the department, it should be funded using a portion of the \$3,739,000 included in the department's support budget for special repairs. Consequently, we recommend deletion of the proposed construction funds, for a savings of \$264,000.

**Waste Water Treatment Facility—San Quentin**

*We recommend Item 5240-301-036(7), \$635,000 in additional funds for construction of a waste water treatment facility at San Quentin State Prison, be deleted because the department has not justified the requested additional funds for this project.*

The budget includes \$635,000 to supplement funds previously appropriated to provide the San Quentin State Prison's share of the cost to develop the regional waste water treatment plant.

Based on a 1981 agreement with the Marin County Sanitation District, San Quentin was to provide approximately \$940,000 for its share of the \$31 million regional facility. The 1979 Budget Act provided \$215,000 for the department's share of working drawings for the project. The 1980 Budget Act appropriated \$600,000 for construction, and an augmentation of \$150,000 approved in the 1981 Budget Act brought the total amount appropriated to \$965,000. This amount included the \$940,000 required by the agreement plus \$25,000 for services provided by the State Architect's Office.

The department now indicates that another augmentation (\$635,000) is needed to complete the project. This would bring the total cost to \$1,575,000—a 63 percent increase since 1981. Table 4 compares San Quentin's cost of various components of the project, as outlined in the 1981 agreement, compared to the most recent information supplied by the department.

The 1981 agreement with the Sanitation District stipulates that *when costs are known*, the agreement will be amended, *subject to the availability of funds*. The department, however, has provided neither an accounting of the project costs nor a justification for the cost increases shown in Table 4. Consequently, we have no basis to recommend approval of a second augmentation for this project. We therefore recommend deletion of the \$635,000 augmentation request.

**Table 4**  
**Department of Corrections**  
**San Quentin Waste Water Treatment**  
**San Quentin's Cost of Regional Project**  
**(in thousands)**

<i>Project Element</i>	<i>1981 Agreement</i>	<i>1983 Estimate</i>
Treatment plant .....	\$396	\$775
Bay outfall.....	88	185
Land acquisition .....	190	210
Tunnel to plant .....	42	90
San Quentin force main .....	42	90
San Quentin pump station.....	182	225
Totals, project costs .....	\$940	\$1,575
State Architect services.....	25	15
Totals .....	\$965	\$1,590

**Waste Water Project Includes a Rifle Range.** The initial cost sharing formula for this project indicated that the Department of Corrections would receive a credit for an easement granted to the district for sewer lines crossing the San Quentin site. Based on this credit, the amount of capital outlay funds appropriated to the department for its share in the project was reduced by approximately \$100,000. The department now indicates that there is no monetary credit available for the easement. Rather, the department revised the project to include construction of a new rifle range at San Quentin, in lieu of the monetary credit to the project. This change was not approved by the State Public Works Board, and it was not reported to the Joint Legislative Budget Committee as required by Section 8.00 of the Budget Act.

The Department of Finance should monitor projects to ensure that changes such as the rifle range are not implemented without appropriate administrative approval and legislative review.

Moreover, the department indicates that it was advised by the Department of Finance staff that this entire project *did not require Public Works Board approval*. Consequently, the department has spent over \$400,000 for progress payments without Public Works Board authorization. Clearly Section 8.00 of the Budget Act specifies that all funds appropriated for construction must be approved by the board, even if construction is through another governmental agency. This exemplifies some of the problems with the administration of the capital outlay program which we have discussed in detail in *The Budget for 1983-84: Perspectives and Issues*.

#### **Renovate Primary Electrical System—Folsom State Prison**

***We recommend Item 5240-301-036 (8), renovate the primary electrical system at Folsom, be deleted because this project is a maintenance responsibility and should be funded from the support budget, for a savings of \$1,875,000.***

The budget proposes \$1,875,000 to renovate the primary electrical distribution system at Folsom State Prison. In 1980, an Office of State Architect (OSA) evaluation of the electrical distribution system revealed that the transformers and distribution lines were overloaded. The department has allocated \$160,000 from the 1982-83 support budget to OSA for preparation of preliminary plans and working drawings for this project.

We have not received adequate information on which to evaluate the requested funds. Moreover, this project is a special repair item and should

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

be funded in priority with other special repair items from the department's support budget. The department has spent \$160,000 of current-year support funds for this project, and the balance of the project cost can and should be funded from the same source. Accordingly, we recommend that Item 5240-301-036(8) be deleted, for a reduction of \$1,875,000.

**Water Storage Tanks—Sierra Conservation Center (SCC), Jamestown**

*We recommend Item 5240-301-036(9), preliminary plans, working drawings, and construction to install additional water storage tanks at SCC, Jamestown, be deleted for a savings of \$907,000.*

The budget proposes \$907,000 for preliminary plans, working drawings, and construction for additional domestic water storage tanks, installation of two water wells and associated piping/electrical improvements. The department indicates that water for the institution and water rights to neighboring ranchers is provided from two 500,000 gallon storage tanks. In 1981, during the peak water demand, the institution required about 431,000 gallons per day. This occurred when the population of the institution was approximately 1,300 inmates. The institution currently houses over 1,600 inmates, and according to the department's master plan, the population will increase to 1,886 inmates after installation of a 250-bed modular housing facility and existing dormitories are crowded further.

Based on this planned population, and using the department's consulting engineer's factor of 265 gallons per day per inmate for designing water systems for new prisons, the water needs at this facility should not exceed 500,000 gallons per day. Consequently, the existing system of 1 million gallons should be adequate. On this basis, we recommend deletion of Item 5240-301-036(9), for a savings of \$907,000.

**Upgrade Sewage Treatment Facility—Sierra Conservation Center (SCC), Jamestown**

*We recommend Item 5240-301-036(10), \$241,000 for preliminary plans, working drawings, and construction to upgrade the sewage treatment facility at SCC, Jamestown, be deleted because the proposed improvements are too costly.*

The budget includes \$241,000 for preliminary plans, working drawings, and construction to upgrade the sewage treatment facility at the Sierra Conservation Center at Jamestown. The project includes improvements recommended by the Office of Local Environmental Health of the Department of Health Services. These improvements include relocating the laboratory/office to allow installation of equipment which has already been purchased and is needed to handle the present and projected plant flows. The project also includes additional electrical capacity for the new equipment and provisions for emergency power.

According to the OSA cost estimate, the cost for the 792 square foot laboratory/office building is \$105,000, excluding architectural and engineering services. This represents a unit cost of *over \$132 per square foot*. The department should reject this design and direct that OSA use more conventional construction or even a modular-type building to house these functions. The project as proposed is simply too costly.

On this basis, we recommend deletion of Item 5240-301-036(10), for a savings of \$241,000.

**Emergency Generators—Sierra Conservation Center (SCC), Jamestown**

*We recommend Item 5240-301-036(11), \$350,000 to install emergency generators at SCC, Jamestown, be deleted because the department has not identified the proposed work or verified the requested amount.*

The budget proposes \$350,000 for preliminary plans, working drawings, and construction to install additional emergency electrical power generators at SCC, Jamestown. Currently, the institution is served by one standby power plant which provides emergency electrical service for yard lights and the boiler plant. In addition, wall mounted battery operated lights are used for interior lighting throughout the facility. The department indicates these units do not meet code requirements because they are not permanently fixed in-place, and are connected by flexible cord. Finally, the department indicates that a departmental security survey recommended increasing emergency power to provide an adequate level. The amount included in the Budget Bill to correct the deficiencies is based on an estimate developed by the department.

The department has not provided *any* detail of the work to be accomplished if the requested funds are approved. Further, the department has advised us that the Department of Finance has not authorized the Office of State Architect (OSA) to proceed with development of supporting detail for this project. If the administration believes this is a priority project, the Department of Finance should allocate adequate planning funds to the OSA for preparation of budget plans and estimates for this project. The scope of work, however, should be limited to providing emergency electrical power to those circuits which are critical because of life safety or security.

Under the circumstances, we have no basis on which to recommend approval of either the requested amount or the proposed work. Therefore we recommend deletion of Item 5240-301-036(11), a savings of \$350,000.

**Replace Sewage Line Collector—California Mens Colony (CMC), San Luis Obispo**

*We recommend Item 5240-301-036(12), preliminary plans, working drawings, and construction, to replace sewer lines at CMC, San Luis Obispo, be deleted because the Legislature has already provided funds to correct the problem, for a savings of \$1,013,000.*

The budget proposes \$1,013,000 for preliminary plans, working drawings, and construction to replace the sewer collector system at CMC, San Luis Obispo. According to the department, the existing sewer lines have deteriorated and must be replaced. The department proposes to replace 18,000 linear feet of collector lines, repair 120 existing manholes, and replace 10 manholes.

In 1981, the sewage plant was remodeled using a combination of state and federal clean water grant funds, at a cost of over \$3,000,000. At that time, it was determined that an excessive amount of runoff water was infiltrating the system, and the existing sewer lines needed to be repaired/replaced so that the plant would operate efficiently. This project was funded in the 1980 Budget Act in the amount of \$184,000.

In our *Analysis of the 1980-81 Budget Bill*, we noted that the proposed project to rehabilitate a portion of the sewage collector system at CMC was not clearly defined. This was based on the fact that the department had submitted a request for \$112,500, the institution had estimated a cost of \$817,000 and the 1980-81 Budget Bill as introduced proposed \$324,200.

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

At budget hearings, the department indicated that \$184,000 would remedy the excess infiltration problems identified in the studies associated with upgrading of the sewage treatment plant. Accordingly, the Legislature appropriated the requested funds. Bids were opened for this project on February 25, 1981. The low bid was about \$100,000 and the project was anticipated to be completed in 100 working days.

Given the fact that the Legislature previously provided sufficient funds for the project as requested by the department, we recommend deletion of the funds proposed in Item 5240-301-036(12), for a savings of \$1,013,000.

**Milk Processing Facility—Deuel Vocational Institution (DVI), Tracy**

*We recommend Item 5240-301-036(13), construction funds, for a new milk processing facility at DVI, Tracy, be deleted because recently enacted legislation permits the Prison Industry Authority to use non-state funds for projects of this type, for a savings of \$862,000.*

The budget proposes \$862,000 in construction funds for a new dairy facility at DVI, Tracy. The project consists of a new processing facility with cold storage rooms, equipment room, and loading dock. The project also includes \$350,000 for new milk processing equipment.

The project was funded (\$52,500) for preliminary plans and working drawings in the 1980 Budget Act. Preliminary plans have been completed and working drawings are underway. Budget Bill language stipulates that the funds for this project are to be considered a loan, to be repaid by the Correctional Industries Revolving Fund at an interest rate equivalent to the pooled money investment account rate. Identical language was included with the prior appropriations for this project.

Our analysis indicates that the funding of this project from the Special Account for Capital Outlay is not appropriate. The Legislature has enacted Ch 1549/82 (SB 1574) which establishes the Prison Industry Authority. The statute, which became effective January 1, 1983, indicates that the purpose of the authority is (1) to develop and operate the industrial and agricultural services enterprises which employ prisoners in institutions, (2) to create and maintain more productive working conditions and (3) to operate a work program for prisoners which will ultimately be *self-supporting by generating sufficient funds from the sale of products and services to pay all the expenses of the program*. The Authority assumed jurisdiction over the operation of all industries which were formerly under the Correctional Industries Commission.

The new law grants certain authority to the Prison Industry Board, which is the policy making body for the Prison Industry Authority. This includes authority for the board to borrow money for the purpose of (a) operating the business affairs of the authority, (b) purchasing the equipment, materials, and supplies, and (c) constructing new facilities, or repairing, remodeling, or demolishing old facilities. The law further provides that these funds may be borrowed from the state treasury or from private sources upon terms that the board deems appropriate.

Given the fact that new authority has the ability to use non-state funds to develop facilities for prison work programs, there is no need to devote limited state funds for these purposes. Accordingly, we recommend funds proposed in Item 5240-301-036(13) be deleted, for a savings of \$862,000.

**Security Modifications to Youth Training School, California Institution for Men (CIM), Chino**

*We recommend deletion of Item 5240-301-036 (14) \$1,300,000 for preliminary plans, working drawings, and construction of security modifications to the youth training school near CIM, Chino, because the department has not provided any justification for upgrading these facilities to meet requirements for a Level III (medium security) institution. Further, we recommend that budget language be adopted specifying that the Department of Corrections identify Level I and Level II inmates who could appropriately be placed in the YTS facility.*

Earlier in this analysis, we indicate that the prison population has increased dramatically to the extent that existing institutions will not be able to accommodate the projected increased population during 1983-84 and beyond. One of the administration's proposals for meeting the capacity needs of the system is to transfer jurisdiction of the Youth Training School (YTS) from the California Youth Authority to the Department of Corrections. Transfer of the facility to Corrections would provide an additional 1,200 beds to partially offset the 1983-84 shortfall in capacity.

The budget proposes \$1.3 million to upgrade YTS to a Level III (medium security) correctional institution. This upgrading includes:

- construction of six guard towers and relocation of one existing guard tower (\$235,000)
- installation of an additional perimeter fence and installation of razor wire on the new and existing perimeter fence (\$369,000)
- construction of an entry building and armory (\$150,000)
- construction of sallyports at the administration and vocational training areas (\$100,000)
- alterations to the visiting area to provide for non-contact visiting and rooms for attorney visits (\$35,000)
- replacement of all cell light fixtures with security type fixtures (\$135,000)
- design and construction services and contingencies (\$205,000)
- unidentified purposes (\$71,000)

Our analysis of the projected inmate population indicates that additional capacity clearly is needed to accommodate the 1983-84 projected population, and that reassigning YTS to the Department of Corrections is a cost-efficient solution. The department, however, has not provided any information to substantiate the need to upgrade these facilities to meet Level III housing requirements. To the contrary, as we have indicated, the projected inmate classification does not correspond to the department's facilities plan.

As shown in Table 5, the department's plan indicates that the planned 1983 capacity is inadequate to meet the projected population in all custody levels, *except Level III*. Thus, conversion of YTS to Level III actually results in excess Level III capacity. Our analysis of the population data indicates that the Department of Corrections could operate YTS as a Level I or Level II institution, thereby eliminating the need for the \$1.3 million proposed for upgrading this institution. On this basis, we recommend deletion of the funds proposed in Item 5240-301-036 (14).

## DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued

Table 5  
Department of Corrections  
Population/Capacity  
Male Felons

Level	June 30, 1983		June 30, 1984	
	Population <sup>a</sup>	Capacity with Overcrowding <sup>b</sup>	Population <sup>a</sup>	Capacity with Overcrowding <sup>b</sup>
I .....	10,155	9,437	13,040	10,787
II.....	7,350	5,270	9,420	5,470
III.....	7,190	12,117 <sup>c</sup>	8,730	14,856 <sup>d</sup>
IV.....	8,065	6,575	9,820	6,575
Total .....	32,760	33,399	41,010	37,688

<sup>a</sup> Population per CDC, Offender Information Services, "Projected Classification of Male Felons", October 1982.

<sup>b</sup> Capacity per CDC 1983 Draft Master Plan Table D-1.

<sup>c</sup> Excludes YTS.

<sup>d</sup> Includes YTS—1,200 beds design capacity plus 1,200 double-cell beds and 339 additional contract beds.

## Minor Capital Outlay—Statewide

*We recommend Item 5240-301-036(15), minor capital outlay projects statewide, be reduced by \$75,000, by deleting one project which is not justified. Further, we withhold recommendation on \$249,000 for two projects, pending receipt of additional information on the proposed wastewater treatment plant improvements.*

The budget includes \$1,000,000 for minor capital outlay (\$150,000 or less per project) for the Department of Corrections. The request would fund 17 projects at various institutions. Table 6 summarizes, by descriptive category, our recommendations.

Table 6  
Department of Corrections  
Minor Capital Outlay 1983-84  
(in thousands)

Project Type	Number of Projects	Budget Bill Amount	Analyst's Proposal
Security Improvements .....	5	\$303	\$303
Fire Safety Improvements .....	1	105	105
Mitigate Overcrowding .....	4	112	112
Waste Discharge Compliance .....	2	249	pending
Program Improvements.....	5	231	156
Totals .....	17	\$1,000	pending

**Projects Recommended for Approval.** We recommend approval of 14 projects totaling \$676,000. These projects include (1) security improvements such as additional sallyport gates in housing units, upgrading of control rooms and installation of search lights, (2) a fire and life safety project to upgrade an exiting corridor to meet fire marshal requirements, (3) projects which would mitigate overcrowding of existing institutions by providing additional capacity for food storage facility and additional restroom facilities. The requested projects and associated costs appear reasonable and we recommend approval.

**Project Recommended for Deletion.** The budget includes \$75,000 to install two emergency electrical generators at Deuel Vocational Institution. One generator would be installed to serve the 108-man dormitory

which was constructed during 1982. The other generator would serve the main kitchen and dining complex. We recommend that funds for this project be deleted. Installation of an emergency power supply for the 108-man dormitory was considered during design of these facilities and the department determined that an emergency power source was not needed. The generator for the main kitchen area is not needed because a recent architectural study indicates that this area presently is served by battery-operated emergency lighting systems. Consequently installation of another emergency power supply would duplicate the installed system.

**Projects for Which Recommendation is Withheld.** The minor capital outlay program includes two projects to upgrade wastewater treatment facilities operated by the Department of Corrections. One \$149,000 project would install an additional sand filter at Tracy to augment the existing two filters installed at the institution's plant. Another \$100,000 project would install new brine ponds at Chino in order to accommodate wastewater generated by water softening equipment. The department indicates that the proposed upgrading of these two plants is needed because the overcrowded condition of the institutions has overtaxed these facilities.

The improvements proposed by the department are necessary in order for these wastewater treatment plants to operate efficiently. We are concerned, however, that the department has not identified all of the improvements necessary to meet increased demand. For example, the State Water Resources Control Board indicated several other deficiencies at Chino other than the inadequate brine ponds. The department has not indicated if these other deficiencies have been corrected. Moreover, the department is planning to construct a temporary 250-bed facility at DVI, Tracy, and a 2,400-bed compound at Chino. This additional capacity would increase sewage treatment demand. Accordingly, we recommend that a thorough evaluation of these two plants be conducted by the department to determine the total scope of work needed to meet the anticipated demand due to overcrowding of these two prisons.

### **Projects by Descriptive Category**

In *The Budget for 1983-84: Perspective and Issues*, we identify a number of problems that the Legislature will confront in attempting to provide for high-priority state needs within available revenues. To aid the Legislature in establishing and funding its priorities, we have divided those capital outlay projects which our analysis indicates warrant funding into the following seven descriptive categories:

1. Reduce the state's legal liability—includes projects to correct life threatening security/code deficiencies and to meet contractual obligations.
2. Maintain the current level of service—includes projects which if not undertaken will lead to reductions in revenue and/or services.
3. Improve state programs by eliminating program deficiencies.
4. Increase the level of service provided by state programs.
5. Increase the cost efficiency of state operations—includes energy conservation projects and projects to replace lease space which have a payback period of less than five years.
6. Increase the cost efficiency of state operations—includes energy conservation projects and projects to replace lease space which have a payback period of greater than five years.
7. Other projects—includes noncritical but desirable projects which fit

**DEPARTMENT OF CORRECTIONS—CAPITAL OUTLAY—Continued**

none of the other categories, such as projects to improve buildings to meet current code requirements (other than those addressing life-threatening conditions), utility/site development improvements and general improvement of physical facilities.

Individual projects have been assigned to categories based on the intent and scope of each project. These assignments do not reflect the priority that individual projects should be given by the Legislature.

We have recommended approval of a total of \$2,161,000 for one major capital outlay project to renovate the locking devices at Chino. This project falls under Category 1 because it is a critical security project. The balance of the amount recommended for approval (\$676,000) is for minor capital outlay projects which are described in Table 6. Our analysis indicates that the security related minor projects (\$303,000) fall in Category 1, the overcrowding projects (\$112,000) fall in Category 3, and the balance of the recommended projects (\$261,000) fall in Category 7.

**Youth and Adult Correctional Agency  
BOARD OF CORRECTIONS**

Item 5430 from the General  
Fund and various special  
funds

Budget p. YAC 32

Requested 1983-84 .....	\$108,455,000
Estimated 1982-83.....	17,410,000
Actual 1981-82 .....	34,699,000
Requested increase (excluding amount for salary increases) \$91,045,000 (+523 percent)	
Total recommended reduction .....	None

**1983-84 FUNDING BY ITEM AND SOURCE**

Item	Description	Fund	Amount
5430-001-001—Support		General	\$255,000
5430-001-170—Support		Corrections Training	921,000
5430-001-933—Support		County Jail Capital Expendi- ture	458,000
5430-101-170—Local Assistance		Corrections Training	7,279,000
5430-101-933—Local Assistance		County Jail Capital Expendi- ture	99,542,000
Total			\$108,455,000

**SUMMARY OF MAJOR ISSUES AND RECOMMENDATIONS**

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1. County Jail Construction Program. Recommend board report prior to budget hearings on the program's cash needs in 1983-84.

1238

## GENERAL PROGRAM STATEMENT

The Board of Corrections has three basic programs: (1) monitoring compliance with state standards for county jails and providing technical assistance to local governments, (2) awarding grants from the County Jail Capital Expenditure Fund for the construction and remodeling of county jails, and (3) establishing minimum standards for the recruitment, selection, and training of local corrections and probation officers and assisting local governments through grants from the Corrections Training Fund. Revenues to the Corrections Training Fund are derived from penalty assessments on traffic and criminal fines.

The board has a staff of 18.9 personnel-years in the current year.

## ANALYSIS AND RECOMMENDATIONS

The budget proposes several appropriations from various state funds totaling \$108,455,000 to support the Board of Corrections in 1983-84. This is an increase of \$91,045,000, or 523 percent, over estimated current-year expenditures. This amount will increase further by the amount of any salary or staff benefit increase approved for the budget year.

Table 1 indicates the board's expenditures, by program and funding source, for the past, current, and budget years.

**Table 1**  
**Board of Corrections**  
**Budget Summary**  
**(dollars in thousands)**

Funding	Actual 1981-82	Estimated 1982-83 <sup>a</sup>	Proposed 1983-84	Change from 1982-83	
				Amount	Percent
General Fund .....	\$40,320	\$254	\$255	\$1	0.4%
Corrections Training Fund .....	5,147	6,394	8,200	1,806	28.2
County Jail Capital Expenditure Fund	-10,768	10,762	100,000	89,238	829.2
Reimbursements .....	106	—	—	—	—
Totals .....	\$34,805	\$17,410	\$108,455	\$91,045	522.9%
<i>Programs</i>					
1. Compliance and technical assistance	\$320	\$254	\$255	\$1	0.4%
2. Jail construction .....	29,338	10,762	100,000	89,238	829.2
Administration .....	(327)	(379)	(458)	(79)	(20.8)
Local assistance .....	(29,011)	(10,383)	(99,542)	(89,159)	(858.7)
3. Standards and training program .....	5,147	6,394	8,200	1,806	28.2
Administration .....	(1,113)	(814)	(921)	(107)	(13.1)
Local assistance .....	(4,034)	(5,580)	(7,279)	(1,699)	(30.4)
Totals .....	\$34,805	\$17,410	\$108,455	\$91,045	522.9%

<sup>a</sup> The total estimated expenditure for 1982-83 does not reflect the 2 percent unallotment directed by Executive Order D-1-83.

The major program changes proposed for the budget year involve the county jail construction program and the standards and training program.

## STANDARDS AND TRAINING PROGRAM

The board requests \$8,200,000 for the standards and training program in the budget year. This is an increase of \$1,806,000, or 28 percent, over estimated current-year expenditures. The higher funding level is requested due to projected increases in the number of law enforcement and

**BOARD OF CORRECTIONS—Continued**

probation departments participating in the training program during 1983–84.

The growth in program activity in the budget year will be made possible by Ch 1437/82 (SB 1463), which reestablished the allocation to the Corrections Training Fund from the Assessment Fund, beginning July 1, 1983. Under prior law, the Corrections Training Fund received revenues for only the first six months of 1982–83. The budget estimates that current-year resources will total \$6,980,000, consisting of one-half year revenues of \$4,107,000 plus a carry-over balance of \$2,873,000. The 1982 Budget Act appropriated \$586,000 of these revenues to the Department of Corrections, leaving \$6,394,000 available for programs administered by the board.

The board anticipates that the Corrections Training Fund will receive revenues of \$8,569,000 in 1983–84. Of this total, the board plans to spend \$8,200,000 in the budget year and carry over \$369,000 to 1984–85.

Due to the projected increase in program activity during 1983–84, the board requests funding for one new position to help administer the training program. Our analysis indicates that the position is justified on a workload basis.

**County Jail Construction**

The budget proposes expenditures of \$100 million for the county jail construction program in 1983–84. These expenditures will be financed by the issuance of general obligation bonds approved by the voters at the November 1982 election. The expenditure of these funds, however, cannot occur until the State Treasurer lifts the freeze he has imposed on the sale of state bonds. The Treasurer has indicated that he will not make any further bond sales until the state's fiscal condition improves.

The 1982 Budget Act appropriated \$100 million of bond funds for 1982–83, but due to the time required to prepare regulations and make funding decisions, the board proposes to delay the sale of the first \$100 million of bonds until 1983–84. As required by the ballot proposition, the Legislature will have the opportunity to review the program's funding guidelines before they are adopted.

**Cash Needs for Jail Construction Program Uncertain**

*We recommend that the board report to the fiscal committees prior to budget hearings on the amount of bonds that must be sold during 1983–84 in order to meet the cash requirements of the county jail construction program.*

As mentioned above, the board proposes to sell \$100 million in bonds to finance the county jail construction program in 1983–84. It is unlikely, however, that the board will need to distribute that much *cash* to counties during the budget year to support the projects approved for funding. Under the board's current schedule for awarding grants to the counties, contracts are not likely to be signed until December 1983. Therefore, counties would not be receiving funding for their projects until 1984. Furthermore, given the normal lag between project approval and the start of construction, it is not clear that the state would need to sell \$100 million of bonds during 1983–84 in order to meet the cash requirements of the program.

Because the Legislature must estimate the amount of bond debt service that will have to be paid in putting together a budget for 1983–84, it should

be given reliable information on the expected timing of bond sales so that it does not overbudget for interest payments on these bonds. Accordingly, we recommend that the board report to the fiscal committees prior to budget hearings on the amount of bonds that must be sold during 1983-84 in order to meet the cash requirements of the jail construction program.

### Youth and Adult Correctional Agency BOARD OF PRISON TERMS

Item 5440 from the General  
Fund

Budget p. YAC 36

Requested 1983-84 .....	\$6,639,000
Estimated 1982-83 .....	5,735,000
Actual 1981-82 .....	5,718,000
Requested increase (excluding amount for salary increases) \$904,000 (+15.8 percent)	
Total recommended reduction .....	\$320,000

#### SUMMARY OF MAJOR ISSUES AND RECOMMENDATIONS

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1. *Hearing Representatives. Reduce Item 5440-001-001 by \$267,000.* Recommend deletion of positions that are not justified by workload. 1240
2. *Court Reporter Services. Reduce Item 5440-001-001 by \$53,000.* Recommend deletion of funds to reflect operating efficiencies. 1240

#### GENERAL PROGRAM STATEMENT

The Board of Prison Terms:

- sets a determinate sentence and establishes the length and conditions of parole for felons originally sentenced under the Indeterminate Sentence Law;
- considers parole release for persons sentenced to life imprisonment with the possibility of parole;
- reviews, on appeal from an inmate, Department of Corrections decisions to deny the inmate "credits" for good behavior or program participation;
- decides whether and for how long a parolee should be returned to prison for violations of parole;
- reviews sentences of all felons committed to the Department of Corrections to ascertain whether specific sentences conform to those received by other inmates convicted for similar offenses; and
- advises the Governor on applications for clemency.

The board has 102 authorized personnel-years in the current year.

#### ANALYSIS AND RECOMMENDATIONS

The budget proposes an appropriation of \$6,639,000 from the General Fund for support of the Board of Prison Terms in 1983-84. This is an increase of \$904,000, or 16 percent, over estimated current-year expenditures. This amount will increase by the amount of any salary or staff

**BOARD OF PRISON TERMS—Continued**

benefit increase approved for the budget year.

The board proposes to increase its staff to 116.6 personnel-years in the budget year, an increase of 14.6 personnel-years over the current-year level. The increase consists of 10 hearing representative positions to meet increased parole and parole revocation hearing workload, and 5.6 positions for the board's sentence review function. Offsetting part of the increase is the deletion of one attorney position.

**Hearing Representatives Not Supported by Workload**

*We recommend a reduction of five hearing representative positions that are not justified on a workload basis, for a General Fund savings of \$267,000 (Item 5440-001-001).*

Board of Prison Terms' hearings are conducted by nine board members who are appointed by the Governor and by civil service hearing representatives. As mentioned above, the board proposes to increase its current staff of 29.8 hearing representative positions by 10 partial-year positions, at a cost of \$627,000. The need for additional hearing representative positions is a direct result of the rising prison and parole populations. The board projects that the number of parole and parole revocation hearings will increase by about 18 percent during 1983-84.

Our analysis indicates that according to the board's own staffing standards, the increased workload justifies five, rather than 10, additional positions. We, therefore, recommend deletion of the five positions that are not supported by workload, for a General Fund savings of \$267,000.

**Overbudgeted Court Reporting Costs**

*We recommend deletion of overbudgeted court reporting costs, for a General Fund savings of \$53,000 (Item 5440-001-001).*

The board's budget includes \$255,000 to pay a contractor to prepare written transcripts of certain hearings. Due to a new procedure under which the reporters prepare the transcripts from tape recordings rather than from shorthand notes taken during the hearings, the board expects to save \$53,000 in the court reporting contracts. These savings, however, are not reflected in the board's budget request. Therefore, we recommend a \$53,000 reduction in General Fund support.

**Youth and Adult Correctional Agency  
YOUTHFUL OFFENDER PAROLE BOARD**

Item 5450 from the General  
Fund

Budget p. YAC 38

Requested 1983-84 .....	\$2,167,000
Estimated 1982-83.....	2,574,000
Actual 1981-82 .....	2,450,000
Requested decrease (excluding amount for salary increases) \$407,000 (-15.8 percent)	
Total recommended reduction .....	\$105,000

**SUMMARY OF MAJOR ISSUES AND RECOMMENDATIONS**

*Analysis  
page*

1. *Salary and Staff Benefit Costs. Reduce Item 5450-001-001 by \$105,000.* Recommend reduction to correct overbudgeting. 1242

**GENERAL PROGRAM STATEMENT**

The Youthful Offender Parole Board is responsible for paroling persons (wards) committed to the Department of the Youth Authority. In addition, it may:

- Revoke or suspend parole.
- Recommend treatment programs.
- Discharge persons from commitment.
- Return persons to the committing court for an alternative disposition.
- Return nonresidents committed to the department to their home states.

The board has seven members who are appointed by the Governor and confirmed by the Senate. It has 46.5 authorized positions in the current year.

**ANALYSIS AND RECOMMENDATIONS**

The budget proposes an appropriation of \$2,167,000 from the General fund for support of the Youthful Offender Parole Board in 1983-84. This is a decrease of \$407,000, or 16 percent, from estimated current-year expenditures. The decrease, however, makes no allowance for any salary or benefit increase that may be approved by the Legislature for the budget year.

The budget proposes funding for a support staff of 29.5 positions. This is 11 positions less than the number authorized for the current year.

**Workload Is Declining**

Proposition 8, the Victim Bill of Rights, which was approved by the voters in June 1982, eliminates the option of committing to the Youth Authority certain categories of persons found guilty in the criminal courts. As a result, there will be fewer criminal court commitments to the Youth Authority and the hearing workload of the Youthful Offender Parole Board will decline accordingly. The budget proposes to reduce the board's staffing by 10 professional positions and 1 clerical position, to reflect the decline in the board's workload. Accordingly, the budget proposes to

**YOUTHFUL OFFENDER PAROLE BOARD—Continued**

reduce support of the board by \$525,000, consisting of \$99,000 in operating expenses and equipment and \$426,000 in personal services. Our review indicates that, given the board's workload projections, the staffing reduction is warranted.

**Salary and Staff Benefit Costs Overbudgeted**

*We recommend that funds budgeted for salaries and staff benefits in excess of the amount needed to support the number of budgeted positions be deleted, for a General Fund savings of \$105,000 (Item 5450-001-001).*

Our analysis of the salaries earned by those filling positions that are proposed for deletion indicates that salary and benefit costs should have been reduced by more than the amount reflected in the budget. This is because most of the incumbents are being paid at the top step of the salary range, rather than at the lower steps used in calculating the proposed reduction. Based on the actual salaries being paid to the incumbents, deletion of 11 positions should result in a savings of \$531,000, rather than the \$426,000 reflected in the budget. Therefore, we recommend that the budget of the Youthful Offender Parole Board be reduced by \$105,000 (Item 5450-001-001).

**Youth and Adult Correctional Agency  
DEPARTMENT OF THE YOUTH AUTHORITY**

Item 5460 from the General  
Fund

Budget p. YAC 40

Requested 1983-84 .....	\$231,076,000
Estimated 1982-83.....	233,905,000
Actual 1981-82 .....	234,064,000
Requested decrease (excluding amount for salary increases) \$2,829,000 (-1.2 percent)	
Total recommended reduction .....	121,000
Recommendation pending .....	\$10,789,000

**1983-84 FUNDING BY ITEM AND SOURCE**

Item	Description	Fund	Amount
5460-001-001—	Department Support	General	\$166,300,000
5460-101-001—	Local Assistance	General	64,776,000
5460-001-890—	Department Support	Federal	(889,000)
<b>Total</b>			<b>\$231,076,000</b>

**SUMMARY OF MAJOR ISSUES AND RECOMMENDATIONS**

*Analysis  
page*

1. Population Plan. Withhold recommendation on \$10,789,000 for interim placement of wards, pending receipt of reports addressing (a) plans for housing ward population in excess of physical capacity and (b) problems associated with the transfer of Youth Training School to the Department of Corrections.

1245

2. Use Wards at Fire Camps. Recommend Youth Authority wards replace California Conservation Corps members at fire camps. 1247
3. County Justice System Subvention Program (CJSSP). Recommend legislation to (a) separate mandated reimbursements from subvention program and (b) focus the balance of the subvention funds on local alternatives to state incarceration. 1251
4. CJSSP Cost-of-Living Adjustment. Recommend technical adjustment to remove subvention funds from department's support budget. 1251
5. *Mental Health Services. Reduce Item 5460-001-001 by \$121,000.* Recommend deleting funds to correct for overbudgeting. 1251

### GENERAL PROGRAM STATEMENT

The responsibility of the Department of the Youth Authority, as stated in the Welfare and Institutions Code, is ". . . to protect society from the consequences of criminal activity and to such purpose training and treatment shall be substituted for retributive punishment and shall be directed toward the correction and rehabilitation of young persons who have committed public offenses." The department endeavors to carry out this mandate through five programs: (1) Prevention and Community Corrections, (2) Institutions and Camps, (3) Parole Services, (4) Planning, Research, Evaluation and Development, and (5) Administration.

The department has 4,490.7 authorized personnel years in 1982-83.

### ANALYSIS AND RECOMMENDATIONS

The budget proposes an appropriation of \$231,076,000 from the General Fund for support of the Department of the Youth Authority in 1982-84. This is \$2,829,000, or 1.2 percent, *below* estimated General Fund expenditures in the current year. The reduction, however, makes no allowance for the cost of any salary or staff benefit increase that may be approved for the budget year.

According to the budget, the department will house a population of 5,303 wards at the end of the budget year, which is 295 (5.3 percent) *below* the current-year estimate. The department's population projections are shown in Table 1, and are discussed later in this analysis.

Parole caseload on June 30, 1984 is estimated at 6,603, or 260 (3.8 percent) *less* than the number anticipated at the end of the current year.

**Table 1**  
**Population of Youth Authority**  
**Institutions, End of Year**

	<i>Actual</i> 1981-82	<i>Estimated</i> 1982-83	<i>Projected</i> 1983-84
Wards (male and female) in reception centers.....	742	650	650
Male wards in institutions .....	4,798	4,736	4,441
Female wards in institutions .....	223	212	212
Totals .....	5,763	5,598	5,303
Change from prior year .....	-3	-165	-295

Table 2 shows staffing and expenditures for the prior, current, and budget years, by program.

## DEPARTMENT OF THE YOUTH AUTHORITY—Continued

Table 2  
Department of the Youth Authority  
Budget Summary  
(dollars in thousands)

Funding	Actual 1981-82	Estimated <sup>a</sup> 1982-83	Proposed 1983-84	Change	
				Amount	Percent
General Fund .....	\$234,064	\$233,905	\$231,076	-\$2,829	-1.2%
Reimbursements .....	10,184	12,298	12,579	281	2.3
Federal funds .....	496	841	889	48	5.7
Totals.....	\$244,744	\$247,044	\$244,544	-\$2,500	-1.0%
<i>Programs</i>					
Prevention and community cor- rections.....	\$69,649	\$67,843	\$69,497	\$1,654	2.4%
Personnel-years .....	65.7	53.2	51.9	-1.3	-2.4
Institutions and camps .....	147,972	152,333	146,632	-5,701	-3.7
Personnel-years .....	3,784.7	3,784.4	3,137.1	-647.3	-17.1
Parole services .....	24,398	24,855	26,676	1,821	7.3
Personnel-years .....	427.0	408.6	407.6	-1.0	-0.2
Planning, research, evaluation, and development.....	2,725	2,013	1,739	-274	-13.6
Personnel-years .....	56.9	40.6	36.6	-4.0	-9.9
Administration .....	(9,083)	(9,116)	(10,454)	(1,338)	14.7
Personnel-years .....	209.6	203.9	206.9	3.0	1.5
Totals.....	\$244,744	\$247,044	\$244,544	-\$2,500	-1.0%
Personnel-years .....	4,543.9	4,490.7	3,840.1	-650.6	-14.5%

<sup>a</sup> Estimated expenditures for 1982-83 do not reflect the two percent unallotment directed by Executive Order D-1-83.

The most significant change reflected in the budget for 1983-84 is the proposed transfer of the department's Youth Training School (YTS) to the Department of Corrections, effective July 1, 1983. To implement the transfer the budget proposes (1) a \$28,911,000 (General Fund) reduction in the Department of the Youth Authority's budget and deletion of 684.1 positions (its entire YTS staff) and (2) a \$10,798,000 appropriation from the General Fund to the department to provide for the interim placement of the wards currently occupying YTS. We discuss the proposed transfer of this facility in detail later in this analysis.

Other changes include (1) the deletion of 23.1 positions (and \$771,000 from the General Fund) to reflect the cancellation of previously authorized modular detention units and the fact that other bed space has not been activated as planned, (2) the proposed establishment of 18 positions in the budget year, at a cost of \$1,230,000 to the General Fund, to activate a new dormitory to house an additional 80 wards at the Oak Glen Conservation Camp, and (3) continuation of 46.8 positions which were added administratively during the current year and are funded from reimbursements. Thirty of these positions serve as entry-level group supervisors under the WIN/COD program, and 16.8 positions serve as volunteer foster grandparents under a federal grant program.

Funding for the department's local assistance program is shown in Table 3. The table reflects \$1,884,000 for a three percent cost-of-living adjustment for the County Justice System Subvention Program. These funds are included erroneously in the department's support item, instead of its local assistance item.

**Table 3**  
**Local Assistance Program**  
**Department of the Youth Authority**  
**(dollars in thousands)**

	Actual 1981-82	Estimated 1982-83	Proposed 1983-84	Change	
				Amount	Percent
Chapter 690, Statute of 1979 <sup>a</sup> .....	\$1,347	—	—	—	—
Delinquency prevention .....	1,531	\$1,500	\$1,500	—	—
County justice system subvention .....	63,370	62,812	64,696	\$1,884	3.0%
Transportation of wards.....	46	50	50	—	—
Detention of parolees <sup>b</sup> .....	389	414	414	—	—
Totals.....	\$66,683	\$64,776	\$66,660	\$1,884	2.9%

<sup>a</sup> Appropriated additional funds needed for reimbursing local governments for costs incurred during fiscal years 1976-77 and 1977-78 pursuant to Ch 1071/76 (AB 3121).

<sup>b</sup> For reimbursing counties for detention of Youth Authority parole violators.

### More Wards Than Beds

*We recommend that the Department of Finance report to the fiscal committees, prior to budget hearings, on problems associated with transferring the Youth Training School to the California Department of Corrections by July 1, 1983. We further recommend that the Department of the Youth Authority report to the fiscal committees, prior to budget hearings, on how ward population in excess of bed capacity will be accommodated. We withhold recommendation on \$10,789,000 requested for housing these wards, pending receipt of the requested report.*

As shown in Table 1, ward population in Youth Authority institutions is expected to decline from 5,598 on July 1, 1983 to 5,303 by the end of the budget year. This decline is expected to result from Proposition 8 (June 1982), the so-called Victims' Bill of Rights, which eliminates the option of committing to the Youth Authority certain categories of persons found guilty in the criminal courts. Under Proposition 8, such persons will be sentenced either to the California Department of Corrections (CDC) or receive a local disposition (as authorized under existing law). It is anticipated that a substantial number of young adults who, prior to Proposition 8, would have been committed to the Youth Authority, now will be sentenced to state prison.

The budget proposes transferring the 1,200-bed Youth Training School (YTS) from the Youth Authority to CDC, effective July 1, 1983, in order to recognize the impact of Proposition 8 and to partially alleviate severe overcrowding at the CDC institutions. This transfer, however, will result in 10 to 18 percent overcrowding in Youth Authority institutions.

**The Budget Proposes Funds But No Plan to House Wards in Excess of Capacity.** The budget requests \$10,789,000 to provide funding to accommodate the ward population in excess of capacity that is expected to result from the transfer of the YTS facility to CDC. The budget, however, gives no indication of how or where these wards will be housed. Moreover, the request is based on the following two questionable assumptions:

1. That all but 456 wards can be accommodated in remaining Youth Authority facilities.
2. That full per capita cost of \$23,659 will be required to accommodate these wards.

**DEPARTMENT OF THE YOUTH AUTHORITY—Continued**

**Bed Shortage Will Exceed 456.** Table 4 shows the manner in which the department derived its estimate of the excess ward population—456. Our analysis indicates that the department's estimate understates the magnitude of the problem, for two reasons. First, it does not reflect the fact that 50 beds at the YTS clinic would be transferred to CDC and, thus, would not be available to the Youth Authority in the budget year. Second, it assumes that *all* bed capacity will be available for general use, including 152 beds reserved for hospital purposes, 144 beds reserved for detention purposes and 87 bed spaces traditionally held vacant in order to provide for the operation of special programs, such as intensive treatment and specialized counseling. While a portion of hospital or detention unit beds could be used to accommodate wards on a daily basis, it is not feasible to plan on using all of these beds in this manner.

**Table 4**  
**Average Daily Excess Ward Population in 1983-84**  
**as Assumed in Governor's Budget**

Estimated average daily ward population in 1983-84.....		5,450
Present number of beds at Youth Authority institutions and camps.....	6,096	
Less number of beds at YTS (excluding YTS clinic) .....	-1,222	
Plus additional beds expected to be available due to proposed program changes .....	120	
Number of beds assumed to be available for 1983-84 .....		<u>4,994</u>
Average ward population in excess of beds available .....		456

Requiring the Youth Authority to use *all* of its available bedspace on a daily basis, as implied in the budget, would result in *additional* unbudgeted costs to the department in certain situations. For example, more security staff might be needed if all of the beds in a hospital unit are occupied on a regular basis. On the other hand, daily usage of certain beds for the general ward population could preclude the continuation of special programs authorized previously by the Legislature, and *reduce* staffing requirements. For example, several Youth Authority institutions limit the number of wards occupying specified living units in order to administer intensive treatment and counseling programs. If any or all of these special programs are eliminated, certain positions such as psychologists and counselors, could be deleted from the budget.

If adjustments are made to (1) exclude the 50 beds at the YTS clinic and (2) exclude from general daily use *all* hospital and detention unit beds and *all* bed space held vacant to provide for special programs, the estimated ward population in excess of capacity would be 889, or 433 (95 percent) more than the 456 excess population assumed in the budget.

Moreover, it should be noted that although the *average* ward population in 1983-84 is estimated at 5,450, *the institutional population as of July 1, 1983, is estimated at 5,598*. Based on this estimate and assuming that the YTS and its clinic will be transferred by July 1, 1983, the ward population in excess of physical capacity at the start of 1983-84 will fall between:

- 654, which assumes that *all* hospital and detention unit beds and bed space currently held vacant to facilitate the operation of special programs is available for general use, and
- 1,037, which assumes that *no* such beds are used on a general, daily basis.

**Budget Assumes Full Per Capita Cost.** The amount of funds needed to provide for the Youth Authority's excess ward population will depend not only on the *magnitude* of the population excess, but to a very significant extent on the *manner* in which it is housed. For example, providing for an additional ward through the overcrowding of existing facilities without the addition of staff costs approximately \$2,300 per year, whereas a full per capita cost approximating \$24,000 will be incurred if additional, separate facilities are used.

Because the budget does not provide the Legislature with the information it needs to make decisions regarding the nature and amount of resources required to provide for this ward population, we withhold recommendation on the \$10,789,000 requested to provide interim placement of these wards and, instead, recommend that the Department of the Youth Authority submit to the fiscal committees, prior to budget hearings, a report specifying its plans and budgetary requirements for handling this population. The report should include, but not be limited to, the following information:

1. The amount of bed capacity available (both with and without overcrowding) at each Youth Authority facility.
2. The extent to which hospital and detention unit beds—along with bed space currently held vacant to permit special programs to operate—will be used for housing wards on a general, daily basis.
3. An identification of special programs which are to be eliminated in order to accommodate the excess ward population. The report should identify the number of staff and the funding for these programs which could be eliminated if the programs were terminated.
4. The number and types of additional staff and the amount of additional funds needed to handle the excess ward population.

**Is it Feasible to Transfer YTS in July 1983?** At the time this analysis was prepared, 1,090 Youth Authority wards were housed at the Youth Training School. While we believe there is merit in the proposal to transfer this institution to the Department of Corrections in order to relieve acute overcrowding in the state prisons, we are concerned as to whether it will be feasible to accomplish this transfer in an orderly manner by July 1, 1983, as proposed by the budget. Accordingly, we recommend that the Department of Finance submit to the Legislature a report which (1) identifies and addresses the main problems associated with the transfer and (2) includes a plan indicating the major steps involved in the transfer and the dates by which these steps are to be completed.

#### **Use Wards to Replace California Conservation Corpsmembers at Fire Camps.**

*We recommend that the administration consider replacing CCC corps members with Youth Authority Wards.*

The California Conservation Corps (CCC) operates 26 base centers, including six fire centers which it operates jointly with the California Department of Forestry (CDF). The budget proposes to reduce the number of CCC corpsmembers by 200, permitting the closure of three centers. It does not, however, specify which of the 26 centers are to be closed.

The primary mission of the fire centers is to provide hand crews to augment CDF fire crews. This mission is similar to that of eight conservation camp programs which are operated jointly by the CDF and the Youth Authority. In fact, the six CCC/CDF fire centers originally were designed, constructed, and operated as Department of Corrections inmate conservation camps.

**DEPARTMENT OF THE YOUTH AUTHORITY—Continued**

Pursuant to a recommendation in the 1982-83 *Analysis*, the Department of Corrections reviewed the feasibility of replacing CCC corpsmembers with its inmates and found that three of the six fire centers were suitable for this purpose.

In view of the excess Youth Authority ward population anticipated in the budget year, and because the budget is proposing that the CCC close three of its existing centers, we recommend that the administration consider replacing corpsmembers at three of the CCC/CDF fire centers with Youth Authority wards.

**County Justice System Subvention Program**

Chapter 461, Statutes of 1978 (AB 90), as modified by Chapter 464, replaced the Local Probation Subsidy program and the subsidy programs authorized for the construction and operation of juvenile homes, ranches, and camps with the County Justice System Subvention Program (CJSSP). Under the CJSSP, counties are eligible to receive either (1) a per capita grant or (2) an amount equal to the sum of payments received in 1977-78 from the repealed subsidy programs plus any reimbursement for costs imposed by Ch. 1071/76 (AB 3121), whichever is greater. (AB 3121 made major changes in the way juveniles are processed by the criminal justice system at the local level.) For purposes of calculating subsidies under the CJSSP, all counties are considered to have a population of at least 20,000.

In order to receive state funds under the CJSSP, counties are required to maintain their juvenile and criminal commitment rates at or below their "base" commitment rate. Generally, the base rate is the average number of new commitments to the Departments of the Youth Authority and Corrections per 100,000 population for fiscal years 1973-74 through 1976-77. Commitments for specified violent offenses (murder in the first or second degree, or certain arsons, robberies, rapes and assaults, for example) and of certain repeat felons are excluded from the counties' "funding year" commitment rates but not from their base rate calculations.

**Legislative Intent in Establishing the CJSSP.** The stated intent of the Legislature in enacting the CJSSP was to protect society from crime and delinquency by:

1. Assisting counties in maintaining and improving local criminal justice systems.
2. Encouraging greater selectivity in the kinds of juvenile and adult offenders retained in the community.
3. Assisting counties in reducing the number of offenders reentering the local criminal justice system.

In addition, the CJSSP was intended to fund programs for "status offenders"—that is, minors who are in need of services as a result of truancy, running away, and being beyond the control of their parents.

**Services Eligible for Support with CJSSP Funds.** Under existing law, the Department of the Youth Authority administers subventions to counties under the CJSSP for the following program categories:

1. Improving local justice system offender-centered services offered by probation departments, law enforcement agencies, the courts, and various public and private agencies.
2. Establishing and maintaining public and private adult correctional programs and facilities, including county jail programs, correctional

rehabilitation centers, work furlough programs, vocational training programs, job placement services, pre-release planning services, and half-way houses.

3. Operating local crime and delinquency prevention programs, including the establishment and maintenance of youth service bureaus.

4. Providing public education and information regarding crime and delinquency prevention.

5. Operating nonsecure facilities, sheltered care facilities, crisis resolution homes, counseling and education centers, and home supervision programs for juveniles.

6. Establishing and maintaining juvenile homes, ranches, camps, forestry camps, schools, day care centers, and group homes for wards of the juvenile court.

7. Funding those services and programs mandated by AB 3121, including services and programs provided by courts, district attorneys, probation officers, and public defenders.

**Administration of the CJSSP.** Subvention monies are paid to counties in advance of each quarter. County advisory groups, consisting of justice system and community representatives, are responsible for soliciting and evaluating requests for CJSSP funds, and for recommending to the Board of Supervisors how CJSSP funds should be allocated.

The Department of the Youth Authority is authorized to withhold all or part of a county's subvention, or require repayment of amounts previously subvented, when a participating county exceeds, or is about to exceed, its commitment limit and after the department disapproves the county's plan for reducing commitments. Although counties, on occasion, exceed their commitment limits, the department has never withheld or demanded repayment of subvention funds on this basis.

**Evaluation of the CJSSP.** AB 90 directed the Department of the Youth Authority to (1) contract with an independent agency for an evaluation of the effectiveness of the CJSSP and (2) report to the Legislature on the results of the evaluation by January 1, 1983. The Legislature is to assess the impact of the program by December 31, 1983. AB 90 also provides that if the CJSSP is terminated, counties are to continue being reimbursed for costs mandated by AB 3121.

The Department of the Youth Authority, through a competitive process, selected a private consulting firm (Arthur D. Little, Inc.) to evaluate the CJSSP. The evaluation covered the 42-month period from January 1979 through June 1982. According to the consultant's final report:

- Few new programs were initiated with CJSSP funds and few existing programs or facilities were expanded. Instead, the main impact of the CJSSP has been to provide funds needed for the continuation of local status offender and delinquency prevention programs and other community-based correctional services for both adults and juveniles, in the face of declining county resources due to the impact of Proposition 13 and cutbacks in federal funding.
- Local justice planning and decisionmaking processes have improved significantly as a result of the county advisory groups required by AB 90, because the groups have provided a systematic process for assessing needs, establishing priorities, improving interagency coordination and reducing unnecessary duplication.
- The multipurpose nature of the CJSSP dilutes its potential for increasing sentencing alternatives and encouraging increased selectivity, whereby local jurisdictions work with selected, less serious offenders

**DEPARTMENT OF THE YOUTH AUTHORITY—Continued**

rather than sending them to overcrowded correctional facilities.

- The CJSSP "performance" provisions (requiring counties to maintain their juvenile and adult commitment rates below their calculated "base" commitment rate) have been ineffective in limiting state commitments.
- The rate of commitments to state correctional facilities continues to increase.
- A declining percentage of CJSSP funds is being allocated to those program categories which affect local sentencing alternatives.

**Recommendations for Improving the CJSSP.** The consultant's final report includes a number of recommendations for improving the CJSSP. In particular, it recommends that the Legislature clarify the purpose of the CJSSP, establish clear priorities and specify clearly state and county criminal and juvenile justice financial responsibilities. Specifically, the consultant recommends that:

- More emphasis be placed on reentry and reintegration (parole and after-care activities).
- "Status offenders" and other non-criminal justice offenders be viewed as a local responsibility and, therefore, excluded from the CJSSP.
- The program category which authorizes use of CJSSP funds for providing public education and information regarding crime and delinquency prevention be eliminated.
- The merits of the current "performance" mechanisms (whereby counties are required to keep their commitment rates to state institutions below "base" rate levels) be reviewed, and that a withholding penalty, rather than a payback penalty, be applied in cases where counties exceed their commitment limits.
- Counties be required to provide data on the alternative sentencing impact of projects they support using CJSSP funds.
- The Legislature encourage counties to establish local program evaluation and monitoring capabilities, and jointly develop regional sentencing alternatives.

**Action Taken by the Legislature in 1982.** Last year, the budget requested \$66,540,000 for the CJSSP in 1982-83. This amount included funds for a 5 percent cost-of-living increase. In acting on the department's budget, the Legislature:

- Eliminated funds for the proposed cost-of-living increase.
- Deleted (1) \$442,000 to eliminate state staffing and (2) \$558,000 to reflect local staff savings from reduced CJSSP administrative requirements.
- Adopted Budget Act language providing that counties must allocate CJSSP funds among program categories in the same proportion as they did in 1981-82.

**The Proposed Budget for 1983-84.** The budget proposes expenditures of \$64,696,000 for the CJSSP in the current year, which is 3 percent (\$1,884,000) more than the amount appropriated for the current year. The budget also proposes that CJSSP funds be allocated to counties in the form of a block grant. The companion measure to the Budget Bill would authorize counties to make application for funds under the CJSSP to the Secretary of the Youth and Correctional Agency. The secretary would then make block grants to the counties, allowing them to use the funds for any purpose specified in AB 90.

### **CJSSP Should Focus on Reducing Commitments to State Correctional Facilities**

*We recommend that legislation be enacted to:*

1. *Separate AB 3121 reimbursements from the CJSSP and put these reimbursements under the administration of the State Controller.*
2. *Focus the balance of funds appropriated under the CJSSP on local alternatives to state incarceration.*

We have reviewed the reports prepared by the consultant along with information provided by the Department of the Youth Authority to determine how the CJSSP could be improved.

**Reimbursement for Mandated Costs.** As discussed earlier, one of the purposes of the CJSSP is to reimburse counties for costs imposed by AB 3121. This differs from the usual way in which reimbursements for mandated costs are provided. Generally, the State Controller is responsible for reimbursing local governments for their costs in complying with state mandates. Given the experience and expertise of the Controller's staff in reviewing and approving claims for these reimbursements, we recommend that the Legislature enact legislation separating the AB 3121 reimbursement provisions from the CJSSP, and transferring responsibility for providing these reimbursements to the State Controller. The department estimates that total reimbursements pursuant to AB 3121 will approximate \$15.2 million in 1983-84.

**Severe Overcrowding in the State Prisons.** At the present time, the California prison system is severely overcrowded. This problem is certain to become progressively worse in the months ahead. The budget indicates that the number of state prison inmates will increase from 37,800 in the current year to 46,300 by the end of the budget year. In its efforts to accommodate the influx of inmates, the Department of Corrections will increase prison bed space through the use of double-celling, tents and temporary housing. As noted above, CJSSP programs affect the number of felons committed to state *adult* correctional facilities, as well as the number of wards sent to CYA facilities.

In order to help minimize the extent of overcrowding in the state's correctional facilities, we recommend that legislation be enacted requiring the counties to use CJSSP funds in such a way as to maximize the number of felons charged with less-serious offenses that are processed through the local criminal justice system, rather than sent to overcrowded state correctional facilities.

### **CJSSP Funds Should be Eliminated from Department's Support Item**

*We recommend that if the Legislature approves a cost-of-living increase for the CJSSP, the funds for this purpose be included in the department's local assistance item.*

As mentioned earlier, both the Governor's Budget and the Budget Bill, as introduced, erroneously include funds for the three percent cost of living adjustment (\$1,884,000) in the department's support item, instead of in the department's local assistance item. We recommend that this error be corrected by including any CJSSP cost-of-living increase in the department's local assistance item.

### **Overbudgeting for Mental Health Services**

*We recommend a General Fund reduction of \$121,000 (Item 5460-001-001) to correct for overbudgeting of funds for mental health services.*

The Department of Mental Health (DMH) provides mental health care

**DEPARTMENT OF THE YOUTH AUTHORITY—Continued**

services to emotionally disturbed Youth Authority wards. Historically, funds for providing these services have been included in the DMH's budget support item. The budget for 1983-84, however, includes these funds in the Department of the Youth Authority's support item for transfer to the DMH.

The DMH expects to spend \$3,413,000 on Youth Authority wards in the budget year. The Department of the Youth Authority, however, has budgeted \$3,534,000 for this purpose, or \$121,000 more than the amount needed. Therefore, we recommend that the Department of the Youth Authority's budget be reduced by \$121,000, to eliminate this overbudgeting (Item 5460-001-001).

**DEPARTMENT OF THE YOUTH AUTHORITY—CAPITAL OUTLAY**

Item 5460-301 from the General Fund, Special Account for Capital Outlay

Budget p. YAC 55

Requested 1983-84 .....	\$1,073,000
Recommended approval .....	289,000
Recommended reduction .....	784,000

**SUMMARY OF MAJOR ISSUES AND RECOMMENDATIONS**

*Analysis page*

1. Transfer to General Fund. Recommend that total recommended reductions of \$784,000 to Item 5460-301-036 be transferred from the Special Account for Capital Outlay to the General Fund, to increase the Legislature's flexibility in meeting high-priority needs statewide. 1253
2. *Oak Glen Camp, Phase II. Reduce Item 5460-301-036(a) by \$473,000.* Recommend deletion because proposed project is not based on operating experience at expanded capacity, and adequate cost information is not available. 1253
3. *Renovation of Older Boys Reception Center. Reduce Item 5460-301-036(b) by \$100,000.* Recommend deletion of proposed funds because anticipated transfer of correctional facility to the Youth Authority is not likely to occur in near future, and adequate cost and scope information is not available. 1254
4. *Minor Capital Outlay. Reduce Item 5460-301-036(c) by \$211,000.* Recommend deletion of funds proposed for unnecessary or unjustified minor projects. 1255

**ANALYSIS AND RECOMMENDATIONS**

The budget includes \$1,073,000 from the General Fund, Special Account for Capital Outlay, for two major capital outlay projects and 19 minor projects for the Department of the Youth Authority. Specifically, the budget requests \$473,000 for the second phase of the Oak Glen Conservation Camp expansion, \$100,000 for planning for renovation of the Older Boys Reception Center in Chino, and \$500,000 for minor projects.

**Transfer to General Fund**

*We recommend that the savings resulting from our recommendations on Item 5460-301-036—\$784,000—be transferred from the Special Account for Capital Outlay to the General Fund, in order to increase the Legislature's flexibility in meeting high-priority needs statewide.*

We recommend reductions amounting to \$784,000 in the Department of the Youth Authority's capital outlay proposal. Approval of these reductions, which are discussed individually below, would leave an unappropriated balance of tideland oil revenues in the Special Account for Capital Outlay, where it would be available only to finance programs and projects of a specific nature.

Leaving unappropriated funds in special purpose accounts limits the Legislature's options in allocating funds to meet high-priority needs. So that the Legislature may have additional flexibility in meeting these needs, we recommend that any savings resulting from approval of our recommendations be transferred to the General Fund.

**Oak Glen Conservation Camp, Phase II**

*We recommend that Item 5460-301-306(a), Oak Glen Camp, Phase II, be deleted because the request is not based on operating experience at increased capacity, and adequate cost information is not available on the project.*

Item 5460-301-036(a) includes \$473,000 for modifications to the Oak Glen Conservation Camp. The department is proposing the following projects to support an increased population at Oak Glen:

1. Modify the kitchen/dining/commissary building.
2. Construct a new storage warehouse/maintenance shop.
3. Provide space in the bus barn for two additional buses.
4. Upgrade the electrical distribution system.

**Expansion Proposal.** The 1980 Budget Act appropriated \$110,000 to prepare preliminary plans and working drawings for a new 80-person barracks, and to demolish the existing barracks which were in poor condition. Anticipating that funding would be provided for construction of the new facility, the Youth Authority remodeled an existing warehouse at Oak Glen to house 52 wards on a temporary basis, and vacated the old dormitory. The department now plans to retain the remodeled warehouse as a 50-bed dormitory after the new dormitory is completed. When the warehouse capacity is combined with the new 80-person dormitory, the population of the camp will be increased to 130. The funds proposed for the budget year would make modifications which the department believes are needed to operate the camp at the increased capacity.

**Previous Legislative Action on Proposal.** The 1982-83 budget included funds for both the new dormitory and the expanded facilities at Oak Glen. The Legislature chose to appropriate only the funds necessary for construction of the new barracks building. At that time, the Legislature indicated that the Youth Authority should occupy the new building, thereby increasing the camp population to 130, and assess the operations and deficiencies of the support facilities before requesting funds to make modifications.

Construction of the new dormitory building will not be completed until November 1983, and the department probably will not occupy the building until December 1983 at the earliest. Because the building is not yet completed and occupied by the department, the department's request is

**DEPARTMENT OF THE YOUTH AUTHORITY—CAPITAL OUTLAY—Continued**

not based on actual experience indicating the camp's ability to support a population of 130. The department should first occupy the completed facility and then submit a program to correct deficiencies, if any exist. The Legislature could then consider the need for additional funding in the 1984-85 fiscal year.

Given the Legislature's prior action, the department's request is premature and we recommend that the proposed funds be deleted.

**Inadequate Supporting Information.** At the time this *Analysis* was prepared, the OSA had not been authorized to begin preparation of budget schematics or cost estimates for this project. Schematics and estimates were prepared in support of the 1982-83 budget request. The scope of the project, however, has been changed since that time. Consequently, there is no cost information on which to judge the adequacy of the proposed amount.

**Older Boys Reception Center—Renovation**

*We recommend that Item 5460-301-036(b), planning, Older Boys Reception Center renovation, be deleted because the anticipated transfer of the facility to the Youth Authority is not likely to occur in the near future.*

The budget includes \$100,000 in planning funds under Item 5460-301-036(b) for renovation of the Older Boys Reception Center in Chino.

The Older Boys Reception Center (California Institution for Men—East Facility) is currently under the control of the Department of Corrections (CDC). The budget indicates that this 400-bed facility will be transferred to the Youth Authority at some future date, in return for the Youth Training School (1200 beds) which is proposed for transfer to the CDC on July 1, 1983. The budget states that this exchange of facilities will be made in order to effectively utilize limited correctional institutions to accommodate the impact of the Victims' Bill of Rights on the institutional populations under the two agencies. The Victims' Bill of Rights, which was approved by the voters in June 1982, will result in a substantial reduction of criminal court commitments to the Youth Authority and an increase in commitments to the CDC. Thus, the Youth Authority's population will be decreasing, while the CDC's population will increase.

The proposed funds would be used for planning of renovations which the Youth Authority believes are necessary to make the Older Boys Reception Center appropriate for Youth Authority occupancy. The Youth Authority estimates that a total of \$6.3 million will be required to alter this facility—which originally was designed for the Youth Authority—to meet the Youth Authority program requirements. The department proposes to:

1. Upgrade the security sound system,
2. Install security screens,
3. Construct a kitchen and commissary warehouse,
4. Construct a plant maintenance building and general warehouse,
5. Construct an addition for classrooms and shops, and
6. Install additional fencing.

The department also indicates that several minor projects (\$150,000 and less per project) will also have to be accomplished before the facility can be occupied by Youth Authority wards.

We recommend deletion of the proposed funds because (1) it is highly unlikely that the Older Boys Reception Center will be transferred from the Department of Corrections to the Youth Authority in the near future,

and (2) we have no information to support the funding level proposed in the budget.

**Transfer of Facility Unlikely.** While the budget indicates that the Older Boys Reception Center will be transferred to the Youth Authority at some future date, other documents submitted by the administration fail to reflect this transfer within the next decade. The Department of Corrections' 1983 Facilities Master Plan indicates that by June 1992, the projected inmate population will exceed the department's design and contract bed capacity by 11,600. This is based on the assumption that the department will construct all of the proposed new prison capacity *and retain* the Older Boys Reception Center. If the center is transferred to the Youth Authority, the Department of Corrections' prison bed shortage would increase to 12,000.

Given the prison population/capacity problem and the declining population at Youth Authority facilities, we believe it is highly unlikely that the Older Boys Reception Center will be transferred to the Youth Authority in the near future.

Moreover, the budget proposes an appropriation of \$2,179,000 in the capital outlay budget for the Department of Corrections to renovate the locking devices at the Older Boys Reception Center to meet the Department of Corrections' needs. If this facility were to be transferred to the Youth Authority, it seems unlikely that the administration would choose to fund a capital outlay project of this magnitude to alter the facility so as to meet Corrections' needs.

Because the requested funds would be used to plan for an event which in all likelihood will not occur within the next decade, we recommend that the funds be deleted.

**Inadequate Cost Information.** At the time this *Analysis* was prepared, the Office of State Architect had not been authorized to prepare budget schematics or cost estimates for this project. Consequently, there is no basis for the budget amount.

**Minor Capital Outlay**

*We recommend that Item 5460-301-036(c), minor capital outlay, be reduced by \$211,000 to eliminate funding for unnecessary and unjustified projects.*

The budget proposes \$500,000 under Item 5460-301-036(c) for 19 minor projects for the Department of the Youth Authority. These projects are summarized by category in Table 1. With the exception of eight projects, we recommend approval.

**Table 1**  
**Department of the Youth Authority**  
**1983-84 Minor Capital Projects by Category**  
**(in thousands)**

Category	Budget Bill Amount
Correct fire and life safety deficiencies.....	\$40
Improve institution and camp security .....	218
Improve and expand existing facilities .....	226
Provide recreation area .....	16
Total .....	\$500

**Community Residential Center Alterations.** The budget includes \$15,000 to alter the kitchen/dining area of the community residential center

**DEPARTMENT OF THE YOUTH AUTHORITY—CAPITAL OUTLAY—Continued**

in Los Angeles, and \$22,000 to remodel two group homes which are adjacent to the center. The department is proposing to redesign the serving counter area of the center, lower the ceiling, and install a door between the dining area and a classroom to allow overflow dining in the classroom. The department is also proposing to remodel each group home to provide individual ward rooms, an additional restroom facility, and a supervisor's station.

We recommend that the funds for the two projects be deleted. These facilities are not owned by the state, and any remodeling should be done by the lessor. Consequently, we recommend that the \$37,000 be deleted.

**Disciplinary Recreation Area.** The budget includes \$16,000 to provide a fenced recreation area for the disciplinary detention facility at O.H. Close School in Stockton. Departmental policy provides that wards housed in this facility for temporary detention, dispositional lockup, and parole detention are allowed 30 minutes of recreation outside their individual rooms for each 24 hours of detention. The activities currently take place in the dayroom of the building. The department is proposing to fence off an outside area to allow outdoor activities.

Wards generally are housed in this facility for short periods of time, for disciplinary action. According to the department, the average length of stay in the facility is 23.9 hours. The dayroom should provide sufficient exercise space for the wards in this detention facility. The proposed expenditure is unwarranted, and we recommend the funds be deleted.

**Dining Modifications—DeWitt Nelson School.** The minor projects item includes \$50,000 for various modifications to the dining area at DeWitt Nelson School. The proposal includes enclosing the serving area to prevent contact between serving and dining wards, dividing the two 100-person dining areas into four 52-person areas, and installation of fixed furniture.

The department indicates that daily conflicts between the servers and wards result from the amounts served or methods employed. Installation of an eight-foot wall will do little to solve this problem. Further, the department fails to identify a specific problem to be solved by dividing the dining areas and installing fixed furniture. For these reasons, we recommend that the funds for the project be deleted, for a savings of \$50,000.

**Security Projects with No Identified Problem.** The budget includes funds for the following four security projects, where the department has identified neither a specific problem nor any cost savings:

- Perimeter Fence Detection System, Phase I—Karl Holton School (\$35,000).
- Perimeter Fence Security Alarm, Fred C. Nelles School (\$25,000).
- Perimeter Fence Detection System, O. H. Close School (\$25,000).
- Security Perimeter Lighting, Oak Glen Camp (\$23,000).

We recommend that the \$108,000 proposed for the work be deleted.

**Projects by Descriptive Category**

In *The Budget for 1983-84: Perspectives and Issues*, we identify a number of problems that the Legislature will confront in attempting to provide for high-priority state needs within available revenues. To aid the Legislature in establishing and funding its priorities, we have divided those capital outlay projects which our analysis indicates warrant funding into the following seven descriptive categories:

1. Reduce the state's legal liability—includes projects to correct life threatening security/code deficiencies and to meet contractual obligations.
2. Maintain the current level of service—includes projects which if not undertaken will lead to reductions in revenue and/or services.
3. Improve state programs by eliminating program deficiencies.
4. Increase the level of service provided by state programs.
5. Increase the cost efficiency of state operations—includes energy conservation projects and projects to replace lease space which have a payback period of less than five years.
6. Increase the cost efficiency of state operations—includes energy conservation projects and projects to replace lease space which have a payback period of greater than five years.
7. Other projects—includes noncritical but desirable projects which fit none of the other categories, such as projects to improve buildings to meet current code requirements (other than those addressing life-threatening conditions), utility/site development improvements and general improvement of physical facilities.

Individual projects have been assigned to categories based on the intent and scope of each project. These assignments do not reflect the priority that individual projects should be given by the Legislature.

The Youth Authority minor projects (\$289,000) fall under category seven.

### DEPARTMENT OF EDUCATION

Item 6100 from the General  
Fund and various funds

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Requested 1983-84 .....	\$7,806,652,000
Estimated 1982-83 .....	7,669,743,000
Actual 1981-82 .....	7,400,756,000
Requested increase (excluding amount for salary increases) \$136,909,000 (+1.8 percent)	
Total recommended reduction .....	\$68,629,664
Recommendation pending .....	\$464,149,000

#### 1983-84 FUNDING BY ITEM AND SOURCE

Item	Description	Fund	Amount	<i>Analysis page</i>
6100-001-001—Main support		General	\$25,706,000	1439
6100-001-140—Environmental education ad- ministration		Environmental License Plate	101,000	1446
6100-001-178—School bus driver instruction		Driver Training Penalty Assessment	254,000	1359
6100-001-305—Private postsecondary educa- tion		Private Postsecondary Administration	986,000	1447
6100-001-344—School capital outlay		State School Building Lease-Purchase	495,000	1439
6100-001-680—Surplus property agency		Surplus Property Re- volving	26,337,000	1404
6100-001-890—Federal support		Federal Trust	(31,297,000)	1439