

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Melissa Mark-Viverito
Speaker of the Council

Hon. Elizabeth Crowley
Chair, Committee on Fire and Criminal Justice Services



Report of the Finance Division on the
Fiscal 2018 Preliminary Budget and the
Fiscal 2017 Preliminary Mayor's Management Report for the
Department of Correction

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Department of Correction Overview

The Department of Correction (DOC or the Department) provides for the care and custody of inmates 16 years of age and older, who are accused of crimes or convicted to terms of one year or less. The Department manages all city correctional facilities including 14 correctional facilities, with ten on Rikers Island; four borough jails (Brooklyn, the Bronx, Queens, and Manhattan); court pens in each of the five boroughs; and two hospital prison wards. Additionally, the Department provides for the transportation of inmates between the courts and correctional institutions, and maintains buildings and structures under its jurisdiction. DOC processes over 64,000 admissions and releases annually and manages an average daily inmate population of approximately 9,800 individuals. (see Appendix C for details on inmate population)

This report provides a review of DOC's Preliminary Budget for Fiscal 2018 and the Fiscal 2017 Preliminary Mayor's Management Report (PMMR). The first section presents significant highlights of the \$1.4 billion Fiscal 2018 Preliminary Budget, miscellaneous revenue, and other areas of focus such as uniform overtime and headcount. The report follows with a presentation of the Department's budget by program area and reviews relevant sections of the PMMR for Fiscal 2017. This report then reviews the Fiscal 2017-2020 Preliminary Capital Commitment Plan. Finally, the appendices present budget actions in the November and Preliminary Financial Plans, DOC's Contract Budget, and a reconciliation of program areas to unit of appropriation. Included in this report are two Terms and Conditions, one of which can be found on page 6 (Civilianizable Positions) and the other on page 12, Uniform Demographics, for more details.

Fiscal 2018 Preliminary Budget Highlights

The City's Preliminary Fiscal 2018 Budget is \$84.7 billion, \$2.6 billion more than the Fiscal 2017 Adopted Budget of \$82.1 billion. The Fiscal 2018 Preliminary Budget includes \$61.6 billion in City tax-levy funding and \$23.1 billion in non-City funds.

DOC Expense Budget						
	2015	2016	2017	Preliminary Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	2017	2018	2017 - 2018
Personal Services	\$1,023,614	\$1,139,493	\$1,203,793	\$1,192,617	\$1,280,526	\$76,733
Other Than Personal Services	138,507	168,140	188,488	209,851	160,246	(28,242)
TOTAL	\$1,162,121	\$1,307,633	\$1,392,281	\$1,402,468	\$1,440,771	\$48,491

**The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The Department of Correction's Fiscal 2018 Preliminary Budget totals \$1.4 billion (including City and non-City funds); this represents approximately two percent of the City's total Budget. The DOC's Fiscal 2018 Preliminary Budget is \$48.5 million more than the Fiscal 2017 Adopted Budget of \$1.39 billion, an increase of four percent. The \$48.5 million increase is due to an increase of \$76.7 million in the Personal Services (PS) budget, offset by a \$28.2 million decrease in Other Than Personal Services (OTPS) budget. Of the Department's \$1.4 billion Fiscal 2018 Preliminary Budget, 88 percent is comprised of PS funding.

The Fiscal 2017 Adopted Budget for the DOC as presented in the Fiscal 2018 Preliminary Plan shows an increase of approximately \$10.2 million or 0.7 percent. (see Appendix A for a list of all the changes to the Fiscal 2017 and 2018 Budgets since Adoption.)

The following are major budget changes included in the Fiscal 2018 Financial Plan.

- **Uniformed Overtime.** The Fiscal 2018 Preliminary Plan includes baseline funding of \$52 million beginning in Fiscal 2018 to align the uniform overtime budget to the projected uniform overtime spending. According to the Administration, the revised overtime budget represents a more accurate level of spending. (see page 12)
- **Discharge Planning Services Contract Increase.** The Fiscal 2018 Preliminary Plan includes a one-time new need of \$3.3 million in Fiscal 2017 for a discharge planning services contract increase. (see page 17)
- **Enhanced Supervision Housing Units.** The Fiscal 2018 Preliminary Plan includes a new need of \$2.1 million in Fiscal 2017 and baseline funding of \$4.2 million in Fiscal 2018 and in the outyears for 46 positions and \$3.9 million in the outyears for additional uniform staff for the Enhanced Supervision Housing (ESH) Units. (see page 12)
- **Mobile Chiller and Vent Work.** The Fiscal 2018 Preliminary Plan includes a one-time new need of \$2 million in Fiscal 2017 to provide a mobile chiller and perform vent work at CUNY's John Jay College to support new recruit training. (see page 20)

Financial Plan Summary

DOC Financial Summary						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services	\$1,023,614	\$1,139,493	\$1,203,793	\$1,192,617	\$1,280,526	\$76,733
Other Than Personal Services	138,507	168,140	188,488	209,851	160,246	(28,242)
TOTAL	\$1,162,121	\$1,307,633	\$1,392,281	\$1,402,468	\$1,440,771	\$48,491
Budget by Program Area						
Administration-Academy and Training	\$23,729	\$41,836	\$25,192	\$24,858	\$21,066	(\$4,127)
Administration-Mgmt & Administration	51,002	78,357	72,747	89,596	74,318	1,571
Health and Programs	14,763	29,552	50,601	55,466	47,215	(3,385)
Jail Operations	963,198	1,035,658	1,159,269	1,141,472	1,213,503	54,234
Operations-Hospital Prison Ward	18,936	19,764	13,535	13,535	13,536	1
Operations-Infrastructure & Environmental Health	49,101	57,770	38,769	44,722	38,541	(229)
Operations-Rikers Security & Ops	41,390	44,695	32,168	32,818	32,593	426
TOTAL	\$1,162,121	\$1,307,633	\$1,392,281	\$1,402,468	\$1,440,771	\$48,491
Funding						
City Funds	\$1,148,369	\$1,293,463	\$1,381,623	\$1,389,702	\$1,430,505	\$48,882
Other Categorical	2,548	2,365	0	489	0	0
Capital- IFA	678	870	776	776	778	3
State	918	830	1,109	1,109	1,109	0
Federal - Other	7,777	9,180	8,680	9,324	8,286	(395)
Intra City	1,831	925	93	1,069	93	0
TOTAL	\$1,162,121	\$1,307,633	\$1,392,281	\$1,402,468	\$1,440,771	\$48,491
Budgeted Headcount						
Full-Time Positions - Uniform	8,756	9,832	10,336	10,336	10,420	84
Full-Time Positions - Civilian	1,418	1,569	2,182	2,188	2,172	(10)
TOTAL	10,174	11,401	12,518	12,524	12,592	74

**The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The Department's Fiscal 2018 Preliminary Plan of \$1.4 billion is \$48.5 million more than its Fiscal 2017 Adopted Budget of \$1.39 billion. Since the Fiscal 2017 Adopted Budget, the Financial Plans have introduced several changes to DOC's Fiscal 2017 and 2018 Budgets. For Fiscal 2017 these include \$21.9 million in new needs, offset by a decrease of \$11.7 million in other adjustments due to a delay in civilian hiring. For Fiscal 2018, changes include \$56.3 million in new needs, of which \$52 million is for uniform overtime, offset by a decrease of \$1.4 million in other adjustments. Over 90 percent of the funding is City tax-levy funding for Fiscal 2018. The above actions reconcile DOC to its current budget of \$1.4 billion for Fiscal 2017 and \$1.4 billion for Fiscal 2018. (see Appendix A, on page 25)

The increase in the Fiscal 2018 Preliminary Budget is almost entirely due to DOC's revised overtime budget, which is reflected in the Jail Operations program area. For Fiscal 2018, DOC's other program areas reflect only modest increases when compared to the Fiscal 2017 Adopted Budget. (see Appendix D for reconciliation of program areas to Units of Appropriation)

Budgeted uniform headcount for Fiscal 2018 increased by 84 positions, or 0.8 percent, to 10,420, and civilian headcount decreased by 10 positions to 2,172, for a total headcount increase of 74, or 0.6 percent, since the Fiscal 2017 Adopted Budget. For uniform staff, a majority of the new headcount is related to adding additional staff for the Enhanced Supervision Housing (ESH) Units within the Jail Operations Program Area.

Miscellaneous Revenue

The Department of Correction collects revenue from jail commissary operations, vending machines and surcharges on inmate telephone calls. Commissary funds are generated by the sale of commissary goods. The revenue is recognized in the Miscellaneous Budget (Agency 098) and is not included in the “funding” section of DOC’s Financial Plan Summary on page 3.

The chart below provides actual revenue for Fiscal 2015 and 2016 and projected revenue for Fiscal 2017 and 2018. The DOC plans to collect approximately \$21.7 million in miscellaneous revenue in Fiscal 2017 and \$20.5 million in Fiscal 2018. Of the approximately \$7 million in “Other” miscellaneous revenue projected for Fiscal 2018, \$5 million, or 75 percent, is expected to be collected from inmate telephone fees. The Department collected \$22.4 million in Fiscal 2016, an eight percent increase when compared to Fiscal 2015.

DOC Miscellaneous Revenue Budget Overview						
<i>Dollars in Thousands</i>						
Revenue Sources	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Vending Machine	\$322	\$361	\$660	\$660	\$660	\$0
Commissary Funds	11,892	13,591	13,000	13,000	13,000	0
Other	8,537	8,493	8,036	8,036	6,874	(1,162)
TOTAL	\$20,751	\$22,446	\$21,696	\$21,696	\$20,534	(\$1,162)

**The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

2017-2018 State Executive Budget Highlights

New York State’s age of criminal responsibility is currently 16. As a result, 16 and 17-year-old children are prosecuted in the criminal rather than the Family Court system and are detained with the adult population in local jails while awaiting trial. DOC houses adolescents separately from adults. If convicted as adults, these adolescents are then placed into the greater adult prison population. To address this issue, the Governor again proposed legislation in the State Executive Budget, to raise the age of criminal responsibility from age 16 to 18 by January 1, 2020. In the meantime, the City has considered moving adolescents off Rikers Island and housing them instead in one of the two juvenile detention facilities now operated by the Administration for Children’s Services (ACS). The capital budget includes \$170 million in Fiscal 2017-2020 for an adolescent facility to move adolescents off Rikers Island permanently. DOC has implemented further reform measures, including introducing specialized programs geared toward younger offenders. The Governor’s proposed legislation has no impact on the Department’s budget until it is passed.

14-Point Anti-Violence Reform Agenda

Pursuant to the 2015 *Nunez v. City of New York* settlement, the DOC launched a 14-Point Plan to reform Rikers to combat violence and promote a culture of safety on Rikers Island. At the core of the 14-Point Plan are five major initiatives to reduce violence and nine additional initiatives to help move DOC toward a culture of safety by creating and expanding common-sense managerial and operational practices to strengthen performance, accountability, ownership and transparency.

The November Financial Plan added \$13.7 million for the 14-Point Plan, bringing the 14-Point Plan budget to a total of \$38.1 million for Fiscal 2017. This increase is largely attributed to a McKinsey

contract increase of \$9.9 million. The Fiscal 2018 Preliminary Budget includes \$13.8 million for the Plan. The chart below shows funding for the 14-Point Plan across several fiscal years.

DOC's 14-Point Plan Reform Agenda					
<i>Dollars in Thousands</i>					
	Fiscal 2017		Fiscal 2018	Fiscal 2019	Fiscal 2020
14-Point Plan Initiatives	Adopted	Current			
Idleness reduction	\$14,537	\$14,502	\$10,955	\$10,955	\$10,955
Targeted Training	5,157	4,036	1,236	1,208	1,178
Classification	2	2	2	2	2
Consulting Fees*	699	13,922	0	0	0
Emergency Service Unit	823	959	150	150	150
Entry Point	322	172	112	112	112
Investigations Division	214	186	186	186	186
Leadership & Culture	1,823	1,823	0	0	0
Operational Performance	7	7	7	7	7
Project Management	7	7	7	7	7
Public Relations	51	135	42	42	42
Recruitment & Hiring	58	668	668	668	668
Staff Performance Management*	384	1,384	197	197	197
Supplies & Inventory	259	259	259	259	259
TOTAL	\$24,343	\$38,061	\$13,821	\$13,793	\$13,763

**Items that were enhanced in the Fiscal 2017 November Plan*

According to a representative from the Office of Management and Budget (OMB) during the November Plan Hearing on December 14, 2017, violence was down approximately 70 percent in the GRVC Model Facility units in 2016 with McKinsey's support. DOC is now replicating the core components of the Model Facility concept throughout the jails. The consulting contract with McKinsey is due to terminate in April 2017.

Department of Correction Workforce

The Fiscal 2018 Preliminary Budget supports a workforce of 12,592 positions, up 74 positions when compared to the Fiscal 2017 Adopted Budget. This includes 10,420 uniform positions and 2,172 civilian positions, with uniform positions comprising 83 percent of the total budgeted headcount. As of January 2017, the actual headcount is 10,181 for uniform positions and 1,655 for civilian positions. Of note, 9,186 or 90 percent of uniform staff, is correction officers.

Uniform Workforce & Overtime

The chart below provides DOC's budgeted uniform staff by rank for Fiscal 2017. This compares Fiscal 2017 budgeted headcount to actual headcount as of January 2017. Of note, DOC does not provide budgeted headcount by rank for the Fiscal 2018 Preliminary Plan.

Uniform Staff	Budgeted FY17 as of FY18 Preliminary Plan	Actual as of January 2017
Correction Officer	9,180	9,186
Captain	968	824
Assistant Deputy Warden	123	97
Deputy Warden	38	38
Deputy Warden in Command	6	11
Warden	21	25
Total	10,336	10,181

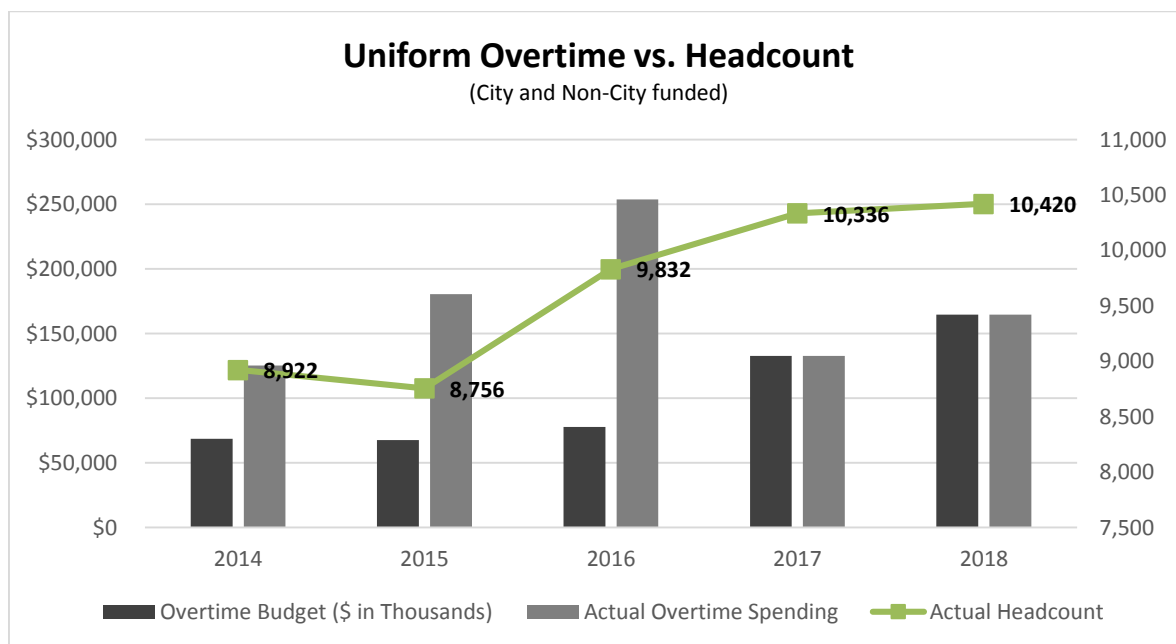
Source: Department of Correction

*DOC does not provide budgeted uniform staff by rank for Fiscal 2018

DOC's current budgeted uniform headcount is 10,336 positions and as of January 2017, there are 155 vacancies. The current uniform vacancy rate is 1.5 percent. The Department's Correction Officer headcount as of January 2017 is six positions above its budgeted headcount of 9,180 for Fiscal 2017.

The following chart provides details on DOC's actual uniform overtime spending in relation to actual uniform headcount. For Fiscal 2017 and 2018, overtime and headcount numbers are planned as of the Preliminary Plan. The chart indicates that when actual headcount is below the budgeted headcount, overtime spending increases. For Fiscal 2017 and Fiscal 2018, the chart suggests that once the Department reaches its expected headcount, overtime spending will remain steady due to sufficient staff. The DOC expects to reach its budgeted headcount halfway through Fiscal 2018.

The Department's Correction Officer headcount as of January 2017 is six positions above its budgeted headcount of 9,180 for Fiscal 2017 as of the Fiscal 2018 Preliminary Plan. As of January 2017, the Department is 155 uniform positions below its Fiscal 2017 budgeted headcount of 10,336 as of the Fiscal 2018 Preliminary Plan.



Source: OMB and DOC

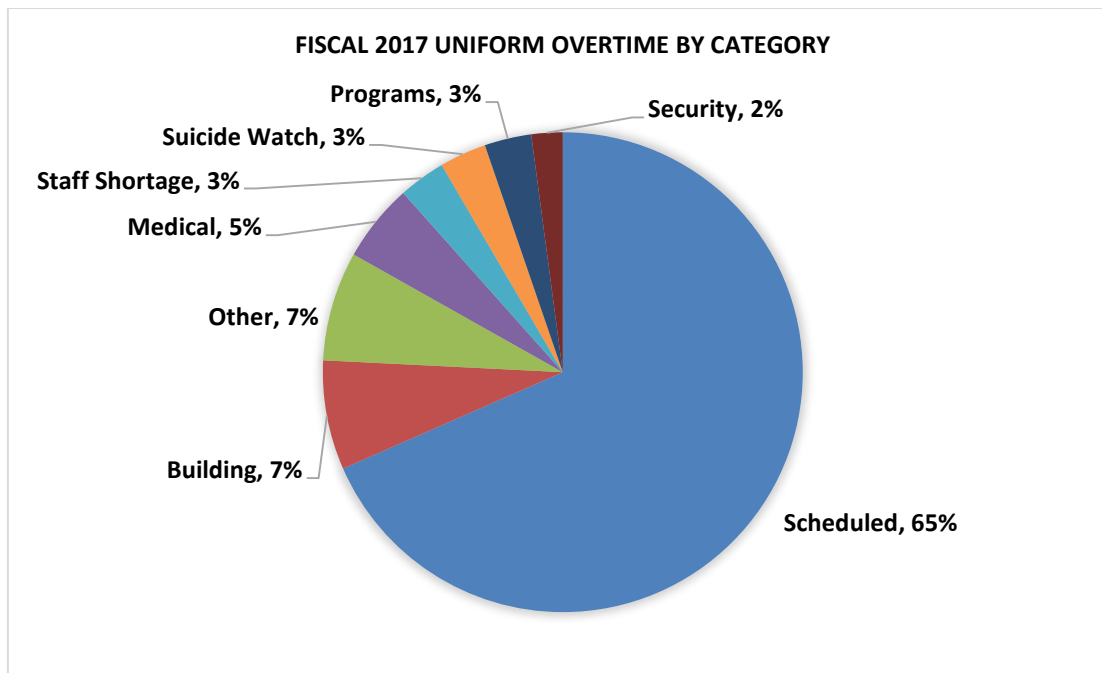
Fiscal 2017 and Fiscal 2018 overtime and headcount are projected as of the Fiscal 2018 Preliminary Budget

Historically, the DOC's budget for uniform overtime has been an inaccurate projection of the Department's actual year-end uniform overtime expenditures. Uniform overtime expenditures often increase due to DOC's inability to staff all of its fixed posts on straight time. The Fiscal 2018 Preliminary Budget includes an adjustment to City-funded uniform overtime starting in Fiscal 2018, by adding \$52.1 million in Fiscal 2018 and \$28.7 million in Fiscal 2019 and in the outyears.

The budget for overtime for Fiscal 2018 now totals \$158.3 million in City funds, and \$164.6 million in all funds.

In the past, DOC under budgeted uniform overtime spending, and then moved accrued funds from full-time normal gross (FTNG) codes into its overtime codes. With the revised baseline budget, the Department should not need to move large amount of funds from FTNG going forward. According to OMB, however, this is an estimate and still may fluctuate based on unplanned events and changes. It is anticipated that with its current academy class size of 929, DOC will reach its budgeted headcount halfway through Fiscal 2018. The revised overtime budget represents the level at which the agency will be expected to maintain its city-funded uniform overtime spending.

The top four reasons for overtime spending are "scheduled" (65 percent), "building" (seven percent), "other" (seven percent), and "medical" (five percent). Scheduled is defined as overtime caused by backfilling regularly scheduled posts; building is for uniform or civilian overtime due to maintenance, construction, or construction escorts; other is all overtime that does not fit into the other defined categories; and medical is for hospital runs, clinic, and outposts. The chart below provides in detail uniform overtime reasons by category.

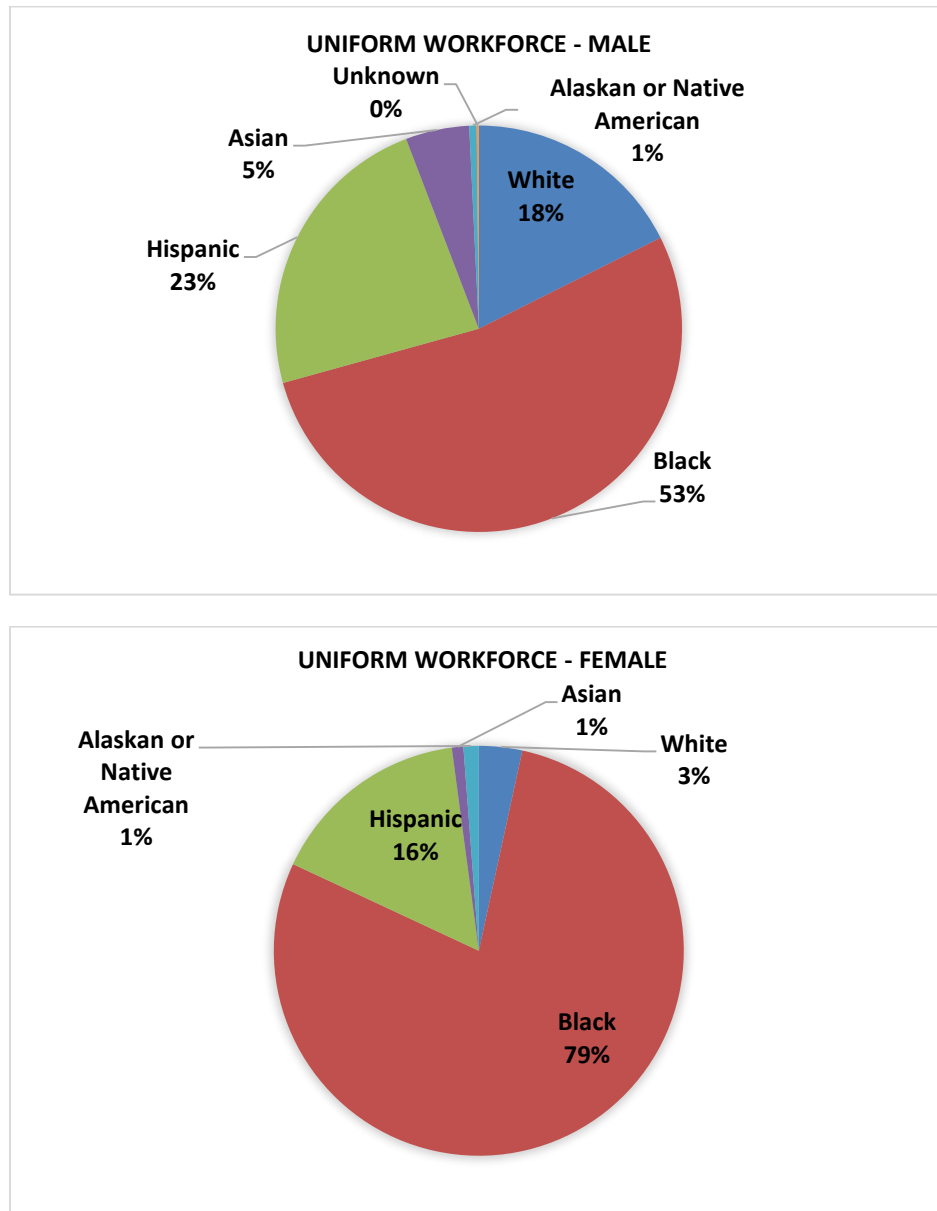


Source: Department of Correction

*For Fiscal 2017 as of the Fiscal 2018 Preliminary Plan

Uniform Demographics

Pursuant to a terms and conditions in the Fiscal 2017 Budget, the Department submits reports detailing the demographics of uniformed personnel, including gender and race. The most recent uniform demographic report indicates a diverse workforce as of November 2016.



Of the total uniform staff, males account for 56 percent of the workforce, and females account for 44 percent. The most commonly held rank is Correction Officers for both men and women, with 89 percent in this rank.

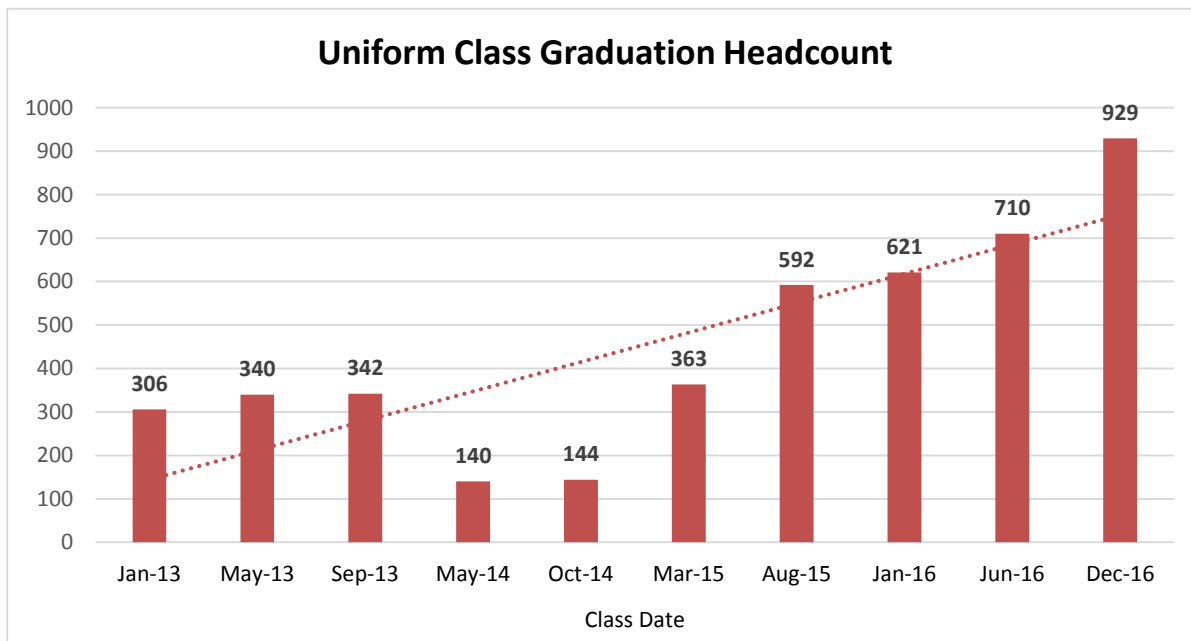
Male uniform workforce is comprised predominantly of black and Hispanic males at approximately 77 percent, 18 percent are white, five percent are Asian, 0.6 percent are Alaskan or Native-American, and 0.2 percent are Unknown. Female uniform workforce shows a similar pattern, with black and Hispanic females representing 94 percent, 3.4 percent white, 0.9 percent Asian, 1.2 percent Alaskan or Native-American, and 0.2 percent Unknown.

Class Size and Attrition

The DOC typically hires three to four classes of correction officers (CO) per year with class sizes of approximately 300 recruits or less. However, given the Department's massive on-going reform effort and substantial increase in uniform headcount in the last two fiscal years, the Department has increased its class size to a goal of approximately 600 recruits, twice per fiscal year. In May 2016, the Department graduated a class of 710 recruits, its largest class size ever. The class now in the academy has 929 recruits, and the DOC anticipates hiring 1,400 recruits for June 2017 class.

As of January 2017, DOC has 688 vacant positions (155 uniform and 533 civilian). The uniform vacancy rate has decreased significantly, with current rate at 1.5 percent or 6.8 percentage points below when compared to the November Plan. The Department's attrition rate is 11.1 percent for uniform officers and 12.84 percent for civilian employees. The Department's attrition rate for uniform staff has remained steady over the course of Fiscal 2017.

While increasing the Department's class size will aid in the Department's effort to reach its budgeted headcount, the Department will likely outgrow its current training academy and require a modern facility to meet its training needs. The chart below shows a growing uniform graduation headcount trend over the years.



Source: DOC

Note: The December 2016 number is the beginning class headcount; not graduation headcount.

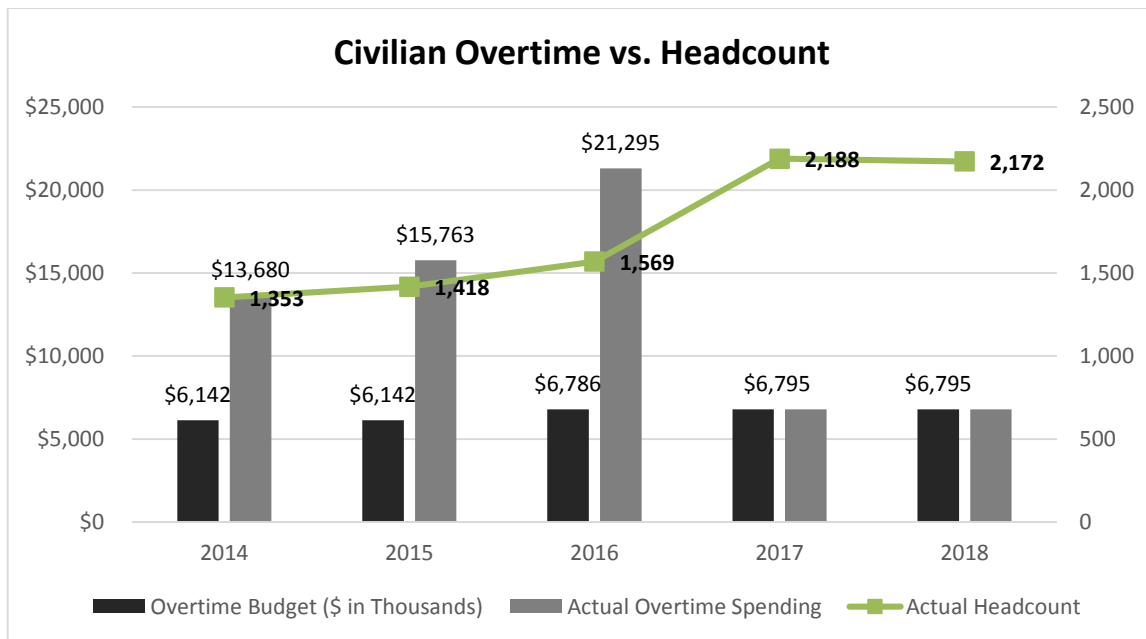
Civilianizable Positions

DOC consistently assigns uniform staff to administrative and clerical duties, rather than filling those positions with civilian employees. As a result, not all uniform officers supported in DOC's budget are available to staff security posts. Also, due to the large salary differential between uniform staff and civilian staff, DOC spends considerably more time on civilian tasks than it should. According to DOC, the Department has difficulty filling the various clerical and administrative positions, especially those that are located on Rikers Island.

To allow the Council to monitor civilian staff, the Council included a term and condition on the DOC's Fiscal 2017 Budget that required regular staffing reports. As of December 2016, 79 uniform staff were assigned to civilian jobs, representing less than one percent of the Department's 10,181 total uniform staff. (see <http://council.nyc.gov/budget/wp-content/uploads/sites/54/2016/06/Uniformed-Staff-Working-in-Civilian-Functions-July-1-2016-to-December....pdf> for details). In Fiscal 2016, there were 98 uniform staff performing civilian duties during the first three quarters of Fiscal 2016. This number decreased to 78 by the fourth quarter. The Department has seen a 20 percent decrease in uniform staff working civilian functions since Fiscal 2016. However, DOC has 533 civilian vacancies for 2,188 positions as of January 2016. The 24.4 percent vacancy rate raises a concern that DOC may be relying more heavily on uniform staff to complete administrative and non-security functions than the term and condition report shows.

Civilian Workforce & Overtime

The Department's civilian headcount as of January 2017 is 533 positions below its budgeted headcount of 2,188 for Fiscal 2017. Some of the most common position titles include cook, associate correctional counselor, community coordinator, electrician, investigator, and correction program specialist. Similar to the uniform headcount, the DOC's actual civilian headcount has consistently been under its budgeted headcount. Furthermore, the Department's budgeted civilian headcount has consistently increased over the years. This is the result of the 14-Point Plan and other operational needs. From Fiscal 2016 to Fiscal 2017, the DOC added 293 positions to its budgeted headcount, a 16 percent increase. The chart below indicates that the lower the civilian headcount, the bigger the overtime budget grows. For Fiscal 2017 and Fiscal 2018, given the current vacancy rate and historical spending, the \$6.8 million overtime allocation is insufficient.



Source: OMB and DOC

Fiscal 2017 and Fiscal 2018 overtime and headcount are projected as of the Fiscal 2018 Preliminary Budget

Program Areas

Jail Operations

Jail Operations includes funding for the operations of the jails on Rikers Island and in the boroughs, custody of inmates at the various court pens, and transportation of inmates from DOC facilities to and from court. Approximately 86 percent of the Department's total staff is budgeted in this program area. The object class categories additional gross pay, overtime, and fringe are budgeted centrally in the program area Jail Operations and moved to the respective program areas later in the year to reflect actual spending.

Jail Operations						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Full-Time Salaried - Uniformed	\$556,958	\$562,924	\$725,663	\$725,663	\$761,251	\$35,587
Full-Time Salaried - Civilian	39,793	40,288	72,481	58,847	72,401	(80)
Other Salaried and Unsalaries	2,917	4,431	3,199	3,297	3,213	13
Additional Gross Pay	82,608	78,886	102,581	102,581	102,581	0
Overtime - Uniformed	163,461	227,570	130,475	132,323	164,577	34,103
Overtime - Civilian	7,585	9,991	6,149	6,149	6,149	0
Fringe Benefits	21,421	22,775	24,088	24,088	24,088	0
Amounts to be Scheduled	0	0	104	104	113	8
Subtotal	\$874,743	\$946,865	\$1,064,740	\$1,053,052	\$1,134,373	\$69,633
Other Than Personal Services						
Supplies and Materials	\$41,313	\$45,794	\$49,591	\$42,089	\$40,579	(\$9,011)
Fixed and Misc. Charges	72	420	2,265	125	2,265	0
Property and Equipment	3,767	6,298	5,014	6,111	2,469	(2,545)
Other Services and Charges	33,881	25,536	25,012	24,786	24,574	(437)
Social Services	3,947	4,817	2,827	3,516	2,827	0
Contractual Services	5,476	5,928	9,820	11,793	6,415	(3,405)
Subtotal	\$88,455	\$88,793	\$94,529	\$88,419	\$79,130	(\$15,399)
TOTAL	\$963,198	\$1,035,658	\$1,159,269	\$1,141,472	\$1,213,503	\$54,234
Funding						
City Funds			\$1,149,874	\$1,130,686	\$1,204,108	\$54,234
Federal - Other			8,286	8,791	8,286	0
Intra City			0	886	0	0
State			1,109	1,109	1,109	0
TOTAL	\$963,198	\$1,035,658	\$1,159,269	\$1,141,472	\$1,213,503	\$54,234
Budgeted Headcount						
Full-Time Positions - Uniform	7,656	8,296	9,508	9,508	9,592	84
Full-Time Positions - Civilian	699	703	1,199	1,199	1,184	(15)
TOTAL	8,355	8,999	10,707	10,707	10,776	69

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department's Fiscal 2018 Preliminary Budget for Jail Operations shows growth of \$54.2 million, or 4.6 percent, when compared to the Fiscal 2017 Adopted Budget. The PS budget shows growth of \$69.6 million, but is offset by a decrease in the OTPS budget of \$15.4 million. The increase of \$69.6 million is attributable to an increase of \$35.6 million in full-time salaried positions and \$34.1 million in uniform overtime. The \$15 million decrease is primarily due to a reduction of \$9 million in supplies and materials and \$3.4 million for contractual services. The budgeted headcount shows growth of 69 positions from the Fiscal 2017 Adopted Budget.

Financial Plan Actions

- Uniformed Overtime.** The Fiscal 2018 Preliminary Plan includes a baseline adjustment to DOC's uniform overtime budget beginning in Fiscal 2018 by adding \$52 million, \$28.7 million in Fiscal 2019, \$37.3 million in Fiscal 2020, and \$47.9 million in Fiscal 2021. This adjustment is an attempt by OMB and the Department to right-size the Department's overtime budget. In the last four years, DOC has spent an average of \$175.1 million, but the Department has been below headcount. The increase was derived based on overtime spending the last time the Department was at or slightly above its budgeted headcount, and looked at actual expenditure during that period. The revised overtime budget represents the level at which the agency will be expected to maintain its city-funded uniformed overtime spending.
- Enhanced Supervision Housing Units.** The Fiscal 2018 Preliminary Plan includes baselined funding to support the DOC's Enhanced Supervision Housing units at Otis Bantum Correctional Center located on Rikers Island. The budget includes \$2.1 million in Fiscal 2017 and \$4.2 million and a headcount increase of 46 positions in Fiscal 2018. The amount of funding in Fiscal 2019 and in the outyears is approximately \$4 million. The Department expects to fill the 46 positions from the June 2017 academy class.

Performance Measures

According to the PMMR, one of DOC's goals is to ensure timely transport of inmates to courts throughout the City.

DOC Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
On-trial inmates delivered to court on-time (%)	94.20%	90.90%	84.00%	95.00%	95.00%	87.60%	98.30%

Source: Fiscal 2017 Preliminary Mayor's Management Report

- One of DOC's goals is to ensure timely transport of inmates to courts throughout the City. The number of on-trial inmates delivered to court on time increased to 98.3 percent during the four-month reporting period in Fiscal 2017, compared to 87.6 percent in Fiscal 2016. The Department exceeded its target for Fiscal 2017 by 3.3 percent through improved monitoring of on-trial inmates and communication with facility managers, surveillance of on-trial inmates and more buses. Of note, the Fiscal 2017 PMMR does not provide information on the number of inmates delivered to court or the number of video booth visits, compared to the Fiscal 2016 PMMR.

Operations – Rikers Security and Operations

This program area is responsible for providing operational security throughout all of the Department's facilities. It includes the Emergency Service Unit, the tactical team on call 24 hours a day for critical situations; the Tactical Search Operation to assist in maintaining order and retrieving inmate contraband; and the Rapid Response Team, for heightened security alerts on Rikers Island such as inmate escape attempts or potential riot situations.

Operations-Rikers Security and Operations						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Full-Time Salaried - Uniformed	\$21,641	\$20,597	\$23,464	\$23,464	\$23,852	\$388
Full-Time Salaried - Civilian	2,188	2,807	4,153	4,171	4,215	61
Other Salaried and Unsalariad	0	1	0	0	0	0
Additional Gross Pay	3,513	4,121	0	0	0	0
Overtime - Uniformed	9,700	12,275	287	287	0	(287)
Overtime - Civilian	384	466	0	0	0	0
Fringe Benefits	126	115	0	0	0	0
Subtotal	\$37,551	\$40,381	\$27,904	\$27,922	\$28,067	\$162
Other Than Personal Services						
Supplies and Materials	\$2,689	\$3,533	\$2,134	\$2,644	\$2,348	\$214
Property and Equipment	363	278	611	607	611	0
Contractual Services	787	502	1,518	1,645	1,567	49
Subtotal	\$3,839	\$4,313	\$4,263	\$4,896	\$4,526	\$263
TOTAL	\$41,390	\$44,695	\$32,168	\$32,818	\$32,593	\$426
Funding						
City Funds			32,168	32,818	32,593	\$426
TOTAL	\$41,390	\$44,695	\$32,168	\$32,818	\$32,593	\$426
Budgeted Headcount						
Full-Time Positions - Uniform	255	259	300	300	300	0
Full-Time Positions - Civilian	54	55	65	65	65	0
TOTAL	309	314	365	365	365	0

The Department's Fiscal 2018 Preliminary Budget for Operations – Rikers Security and Operations shows modest growth of \$426,000, or one percent, from the Fiscal 2017 Adopted Budget. Of this amount, \$263,000 or 62 percent, is due to an increase in OTPS budget. The budgeted headcount remains unchanged at 365 positions since the Adopted Budget.

Performance Measures

One of DOC's service area is to provide a safe and secure environment for inmates, staff and host communities. The performance indicators below pertain to this service, with the goal of ensuring the security and safety of inmates in DOC custody.

DOC Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Inmates in Security Risk Group (% ADP)	8.20%	11.80%	13.30%	*	*	12.40%	14.40%
Fight/assault infractions	8,827	9,424	11,240	*	*	3,562	4,518
Jail-based arrests of inmates	995	795	1,538	*	*	468	480
Searches	251,343	255,776	237,757	*	*	85,060	78,010
Weapons recovered	2,348	2,240	3,396	*	*	1,055	1,507
Violent inmate-on-inmate incidents (monthly rate per 1,000 ADP)	32.9	37.8	47.8	DOWN	DOWN	48.2	58.3

DOC Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Serious injury to inmate(s) as a result of violent inmate-on-inmate incidents (monthly rate per 1,000 ADP)	1.8	2.5	2.5	DOWN	DOWN	2.8	2.9
Inmate assault on staff (monthly rate per 1,000 ADP)	5.9	8.6	7.9	DOWN	DOWN	8.8	8.8
Serious injury to staff as a result of inmate assault on staff (monthly rate per 1,000 ADP)	0.39	0.35	0.2	DOWN	DOWN	0.31	0.38

Source: Fiscal 2017 Preliminary Mayor's Management Report

*Continuation from previous page

- DOC has continued to roll out reforms and trainings to improve responses to maladaptive behavior through crisis management and de-escalation. Through targeted training such as Cognitive Behavioral Therapy and Dialectical Behavior Therapy, the Department has achieved improved staff-inmate interactions in terms of crisis management, de-escalation, conflict resolution, and general communication. These have combined to stabilize inmate assaults on staff, as the rate of assaults on staff remained unchanged at 8.8 per 1,000 average daily population (ADP) during the first four months of Fiscal 2017.
- Jail-based arrests of inmates increased to 480 arrests, up three percent from last year. According to the PMMR, the most common reasons for jail-based arrests of inmates involved possession of contraband and assaults on staff.
- The Department conducted 78,010 weapons searches, a decrease of eight percent when compared to the same reporting period in Fiscal 2016. While searches for weapons decreased, 452 more weapons or 43 percent were recovered than Fiscal 2016.
- The Department faces challenges with regards to inmate-on-inmate incidents, with increase in stabbings and slashings by 21 percent and increase in inmate fights by 27 percent when compared to the same time period last year. The PMMR does not provide an explanation for increased inmate-on-inmate incidents.
- The percentage of the population in the Security Risk Group (SRG) increased to 14.4 percent, compared to 12.4 percent last year. According to the PMMR, SRG-associated inmates are historically involved in disproportionately more violent incidents and were involved in nearly 70 percent of jail incidents during the reporting period in Fiscal 2017. There has also been an increase in the use of difficult-to-detect titanium and ceramic blades, contributing to more stabbings and slashings.

Performance Measures

Another goal for DOC is to ensure that use of force is authorized and appropriate. Below are performance indicators related to this particular goal.

DOC Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Incidents of use of force - total	3,779	4,409	4,756	*	*	1,718	1,621
Incidents of use of force - adolescent inmates	624	378	594	*	*	189	282
Department use of force incidents with serious injury (rate per 1,000 ADP)	1.18	1.14	0.66	DOWN	DOWN	0.77	0.64
Department use of force incidents with minor injury (rate per 1,000 ADP)	13.23	15.59	15.4	*	*	18.29	14.91
Department use of force incidents with no injury (rate per 1,000 ADP)	13.19	19.14	24.42	*	*	25.25	26.04
Incidents and allegations of use of force	4,221	4,822	5,269	*	*	1,871	1,752

Source: Fiscal 2017 Preliminary Mayor's Management Report

- The total number of incidents of use of force decreased to 1,621 incidents or six percent, but incidents of use of force on adolescent inmates increased to 282 incidents or 49 percent. This is particularly alarming given the reform strategies the DOC has implemented in the last few years intended to reduce violence and use of force in adolescent facilities.
- The rate of uses of force with serious injury and uses of force with minor injury per 1,000 ADP declined by 17 percent and 18 percent, respectively. Uses of force with no injury per 1,000 ADP increased by three percent while total uses of force declined by six percent. According to the PMMR, the Department uses the least restrictive means possible to achieve compliance where force is warranted; notably, handheld chemical agents.

Operations – Infrastructure and Environmental Health

Funds budgeted in this program support the work of maintaining the infrastructure on Rikers Island. This includes building system improvements, facilities reconstruction, repair, and daily maintenance.

Operations-Infrastructure and Environmental Health						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Full-Time Salaried - Uniformed	\$3,570	\$5,785	\$2,845	\$2,845	\$2,845	\$0
Full-Time Salaried - Civilian	16,929	17,459	20,966	21,110	21,202	236
Other Salaried and Unsalared	6	0	0	0	0	0
Additional Gross Pay	1,198	1,415	0	0	0	0
Overtime - Uniformed	980	2,277	0	0	0	0
Overtime - Civilian	6,205	8,030	645	645	645	0
Fringe Benefits	41	71	0	0	0	0
P.S. Other	(313)	(298)	0	0	0	0
Subtotal	\$28,617	\$34,739	\$24,456	\$24,601	\$24,692	\$236
Other Than Personal Services						
Supplies and Materials	\$6,990	\$8,003	\$5,354	\$6,899	\$5,164	(\$190)
Fixed and Misc Charges	1,880	881	0	0	0	0
Property and Equipment	146	861	118	774	118	0
Other Services and Charges	0	0	0	243	0	0
Social Services	10	0	0	0	0	0
Contractual Services	11,458	13,285	8,841	12,205	8,566	(275)
Subtotal	\$20,484	\$23,032	\$14,313	\$20,121	\$13,848	(\$465)
TOTAL	\$49,101	\$57,770	\$38,769	\$44,722	\$38,541	(\$229)
Funding						
City Funds			\$38,769	\$44,253	\$38,541	(\$229)
Other Categorical			0	469	0	0
TOTAL	\$49,101	\$57,770	\$38,769	\$44,722	\$38,541	(\$229)
Budgeted Headcount						
Full-Time Positions - Uniform	69	73	35	35	35	0
Full-Time Positions - Civilian	206	205	233	233	233	0
TOTAL	275	278	268	268	268	0

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department's Fiscal 2018 Preliminary Budget for Operations – Infrastructure and Environmental Health decreased by \$229,000 or 0.7 percent, from the Fiscal 2017 Adopted

Budget. The PS budget shows a modest increase of \$236,000, but is offset by decrease in OTPS budget of \$465,000. The budgeted headcount remains unchanged at 268 positions year-over-year.

Health and Programs

This program area includes funding for programs ranging from discharge planning services to various correctional industries, including the baker, tailor shop, laundry, and print shop. These programs are designed to keep inmates healthy, as well as reduce recidivism.

Health and Programs						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Full-Time Salaried - Uniformed	\$2,207	\$3,977	\$2,014	\$2,014	\$2,014	\$0
Full-Time Salaried - Civilian	3,367	4,629	9,570	9,570	9,622	52
Other Salaried and Unsalariated	2	3	0	0	0	0
Additional Gross Pay	505	839	0	0	0	0
Overtime - Uniformed	547	1,208	0	0	0	0
Overtime - Civilian	349	584	0	0	0	0
Fringe Benefits	20	56	0	0	0	0
Subtotal	\$6,998	\$11,296	\$11,584	\$11,584	\$11,636	\$52
Other Than Personal Services						
Supplies and Materials	\$1,998	\$2,560	\$3,681	\$4,195	\$2,431	(\$1,250)
Fixed and Misc Charges	0	3	0	125	0	0
Property and Equipment	755	1,208	885	1,492	725	(160)
Other Services and Charges	0	0	11,372	10,392	11,372	0
Social Services	103	354	120	1,002	1,020	900
Contractual Services	4,909	14,132	22,960	26,676	20,032	(2,928)
Subtotal	\$7,765	\$18,256	\$39,017	\$43,882	\$35,579	(\$3,438)
TOTAL	\$14,763	\$29,552	\$50,601	\$55,466	\$47,215	(\$3,385)
Funding						
City Funds			\$50,113	\$54,841	\$47,122	(\$2,991)
Federal - Other			395	533	0	(395)
Intra City			93	93	93	0
TOTAL	\$14,763	\$29,552	\$50,601	\$55,466	\$47,215	(\$3,385)
Budgeted Headcount						
Full-Time Positions - Uniform	44	53	25	25	25	0
Full-Time Positions - Civilian	55	102	163	163	163	0
TOTAL	99	155	188	188	188	0

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department's Fiscal 2018 Preliminary Budget for Health and Programs decreased by \$3.4 million, or seven percent, from the Fiscal 2017 Adopted Budget. The decrease is reflected in the OTPS budget, largely due to a \$2.9 million, or 85 percent, decrease in contractual services as a result of programming procurement accruals identified in the November Financial Plan. The PS budget shows a modest growth of \$52,000 for civilian full-time salaries. The budgeted headcount remains unchanged at 188 positions since the Fiscal 2017 Adopted Budget.

Financial Plan Actions

- **Discharge Planning Services Contract Increase.** The Preliminary Plan includes one-time funding of \$3.3 million in Fiscal 2017 to increase contracts with the Osborne Association and Fortune Society. The two organizations provide discharge planning services through DOC's I-CAN program, a jail-based community reentry program that helps reduce recidivism through vocational and educational programs and job placement assistance. This increase will allow services to be available for all adult inmates. According to DOC, this is a one-time need due to a contract registration delay. As a result, the Department had to rely on current I-CAN program providers to handle the increase in services in Fiscal 2017.
- **PREA Training Contract.** The November Plan included \$2 million in one-time funding for Fiscal 2017 to extend the Prison Rape Elimination Act (PREA) training contract so correction personnel are fully trained to achieve PREA compliance. PREA is a federally-funded program intended to address the detection, prevention, reduction, and prosecution of sexual harassment and sexual assault in all correctional facilities across the country. This grant supports the Department's effort to become PREA compliant.

Performance Measures

One of DOC's service goal for Health and Programs is to provide inmates with timely access to health services.

DOC Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Inmates with a mental health diagnosis (% ADP)	38.00%	41.00%	42.00%	*	*	42.00%	42.00%
Inmates with a serious mental health diagnosis (% ADP)	10.20%	11.10%	11.00%	*	*	10.90%	11.00%
Inmate health clinic visits	77,825	81,873	78,499	*	*	28,084	27,345
Average clinic waiting time (minutes)	41	34	28	DOWN	DOWN	33	25

Source: Fiscal 2017 Preliminary Mayor's Management Report

- The number of inmate health clinic visits decreased by 27,345 or 2.6 percent from the same time period last year, but the average clinic waiting decreased by 24 percent, from 33 minutes to 25 minutes. This decrease in clinic waiting time is attributed to the implementation of daily shift meetings between DOC and NYC Health + Hospitals (H + H) that enable the communication of priorities as well as the staffing support required, with the goal of identifying the individuals that need to be seen and ensuring they are seen as quickly as possible.

Performance Measures

Of the two service areas identified by the PMMR, one of its goals is to prepare as many inmates as possible for successful release through participation in skills-building programs, including educational opportunities, jobs training, behavioral interventions and mental health services.

DOC Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
I-CAN Referrals	4,117	3,588	6,194	*	*	1,363	NA
I-CAN Enrollments	2,408	2,321	4,278	*	*	1,019	2,106
I-CAN Workshops	1,580	2,065	6,505	*	*	1,522	3,238

Source: Fiscal 2017 Preliminary Mayor's Management Report

- I-CAN is a jail-based community re-entry program designed to reduce recidivism through targeted discharge planning that supports inmates in obtaining high school equivalency, finding employment and treating substance abuse issues. As part of the its reform agenda, the Department, in collaboration with the Fortune Society and Osborne Association, expanded the I-CAN program in October 2015. This expansion has resulted in a 107 percent increase in enrollments and a 113 percent increase in workshops when compared to the same reporting period last year. Of note, the PMMR does not provide recidivism rates for the program.

Performance Measures

Another goal identified is to reduce idleness by increasing inmate participation in mandated and other programs, services and activities.

DOC Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Average daily number of inmates in vocational skills training programs	216	256	226	*	*	239	605
Average daily attendance in school programs	526	330	256	*	*	255	230
Inmates participating in skills-building activities/discharge planning (%)	10.30%	10.50%	8.70%	10.00%	10.00%	NA	NA

Source: Fiscal 2017 Preliminary Mayor's Management Report

DOC, in collaboration with the Department of Education (DOE) and community-based organizations, work with all adolescents to ensure that they receive appropriate education and job skills training, in addition to improving their decision-making and problem solving skills.

- The average daily number of inmates in vocational skills training programs increased to 605, a 153 percent increase when compared to the first four months of Fiscal 2016. According to the PMMR, this is attributed to the I-CAN expansion as well as two new departmental initiatives – Industry Recognized Training (IRT) and Trading Futures. IRT offers adolescents and young adults certification courses such as Occupational Safety and Health Administration (OSHA), food handler and CPR, while Trading Futures offers inmates introductory courses in various trades such as carpentry, cosmetology, and culinary arts.
- The average daily attendance in school programs decreased to 230, a 10 percent decrease when compared to the first four months of Fiscal 2016. The PMMR does not report the number of adolescents required to attend school or the attendance rate.

Operations – Hospital Prison Ward

The Department maintains secure facilities in two H+H hospitals, including the Elmhurst Hospital Prison Ward for female inmates requiring acute psychiatric care, and the Bellevue Hospital Prison Ward for male inmates requiring psychiatric or medical care. The majority of the funding in this program area is in PS spending and supports uniform personnel.

Operations-Hospital Prison Ward						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Full-Time Salaried - Uniformed	\$14,161	\$13,822	\$13,479	\$13,479	\$13,479	\$0
Full-Time Salaried - Civilian	52	47	56	56	57	1
Additional Gross Pay	2,244	2,094	0	0	0	0
Overtime - Uniformed	2,276	3,621	0	0	0	0
Fringe Benefits	204	180	0	0	0	0
Subtotal	\$18,936	\$19,764	\$13,535	\$13,535	\$13,536	\$1
TOTAL	\$18,936	\$19,764	\$13,535	\$13,535	\$13,536	\$1
Funding						
City Funds			13,535	13,535	13,536	\$1
TOTAL	\$18,936	\$19,764	\$13,535	\$13,535	\$13,536	\$1
Budgeted Headcount						
Full-Time Positions - Uniform	179	169	178	178	178	0
Full-Time Positions - Civilian	1	1	1	1	1	0
TOTAL	180	170	179	179	179	0

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department's Fiscal 2018 Preliminary Budget for Operations – Hospital Prison Ward remains virtually unchanged at \$13.5 million since the Fiscal 2017 Adopted Budget. This program area is funded solely with City-funds. The budgeted headcount remains unchanged at 179 since the Fiscal 2017 Adopted Budget.

Administration – Academy and Training

This program area includes funding for the Training Academy, including salaries for academy staff and Correction Officer Recruits.

Administration-Academy and Training						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Full-Time Salaried - Uniformed	\$17,905	\$31,408	\$14,208	\$14,208	\$15,398	\$1,190
Full-Time Salaried - Civilian	756	952	1,207	1,210	1,217	10
Other Salaried and Unsalaries	0	23	459	457	1,835	1,376
Additional Gross Pay	1,573	1,540	0	0	0	0
Overtime - Uniformed	2,615	5,341	0	0	0	0
Overtime - Civilian	27	101	0	0	0	0
Fringe Benefits	114	139	0	0	0	0
Subtotal	\$22,990	\$39,504	\$15,873	\$15,875	\$18,450	\$2,577
Other Than Personal Services						
Supplies and Materials	\$102	\$159	\$464	\$484	\$158	(\$307)
Property and Equipment	1	1,477	757	737	642	(115)

<i>Dollars in Thousands</i>	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Other Services and Charges	\$0	\$0	\$880	\$2,000	\$0	(\$880)
Contractual Services	635	697	7,218	5,763	1,816	(5,402)
Subtotal	\$739	\$2,333	\$9,319	\$8,984	\$2,615	(\$6,704)
TOTAL	\$23,729	\$41,836	\$25,192	\$24,858	\$21,066	(\$4,127)
Funding						
City Funds			\$25,192	\$24,858	\$21,066	(\$4,127)
TOTAL	\$23,729	\$41,836	\$25,192	\$24,858	\$21,066	(\$4,127)
Budgeted Headcount						
Full-Time Positions - Uniform	493	894	185	185	185	0
Full-Time Positions - Civilian	11	15	18	18	18	0
TOTAL	504	909	203	203	203	0

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

*Continuation from previous page

The Department's Fiscal 2018 Preliminary Budget for Health and Programs decreased by \$4.1 million or 16 percent, compared to the Fiscal 2017 Adopted Budget. The PS budget increased by \$2.6 million, but is offset by a decrease of \$6.7 million in OTPS budget. The decrease in the OTPS budget is largely due to a \$5.4 million decrease in contractual services spending. The budgeted headcount remains unchanged at 203 since the Adopted Budget. Budgeted uniform headcount is significantly less when compared to actual headcount of Fiscal 2015 and Fiscal 2016. This is attributed to not having factored in DOC's officer recruits for Fiscal 2017 and Fiscal 2018. For Fiscal 2016, actual uniform headcount is significantly more than Fiscal 2015, because a large class size of 646 officers graduated during Fiscal 2016.

Financial Plan Actions

- Mobile Chiller and Vent Work.** The Fiscal 2018 Preliminary Plan includes \$2 million in one-time funding in Fiscal 2017 to provide a mobile chiller and perform vent work at the City University of New York's John Jay College of Criminal Justice to prepare the space where correction officer (CO) recruit training will take place. DOC currently doesn't have the capacity to accommodate the large recruit class. This will alleviate the capacity issue by holding recruit training classes at John Jay. The mobile chillers will support the academy class during warm months, and vent work will ensure air quality.

Administration – Management and Administration

This program area includes funding for central administrative services.

Administration-Mgmt and Administration						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Full-Time Salaried - Uniformed	\$4,470	\$6,339	\$7,095	\$7,095	\$9,572	\$2,477
Full-Time Salaried - Civilian	25,611	35,136	38,591	38,939	40,183	1,592
Other Salaried and Unsalaries	51	125	0	0	0	0
Additional Gross Pay	1,464	1,575	0	0	0	0
Overtime - Uniformed	920	1,571	0	0	0	0
Overtime - Civilian	1,213	2,123	0	0	0	0
Fringe Benefits	49	75	0	0	0	0
Amounts to be Scheduled	0	0	14	14	16	2
Subtotal	\$33,778	\$46,944	\$45,700	\$46,048	\$49,771	\$4,071

<i>Dollars in Thousands</i>	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Other Than Personal Services						
Supplies and Materials	\$1,124	\$1,601	\$625	\$1,095	\$625	\$0
Property and Equipment	1,339	3,469	4,287	4,407	2,223	(2,064)
Other Services and Charges	10,292	11,443	11,490	13,534	12,380	890
Contractual Services	4,439	14,807	10,602	24,470	9,276	(1,326)
Fixed and Misc Charges	30	93	42	42	42	0
Subtotal	\$17,224	\$31,413	\$27,047	\$43,548	\$24,547	(2,500)
TOTAL	\$51,002	\$78,357	\$72,747	\$89,596	\$74,318	\$1,571
Funding						
City Funds			\$71,972	\$88,711	\$73,539	\$1,568
Other Categorical			0	20	0	0
Capital - IFA			776	776	778	3
Intra City			0	90	0	0
TOTAL	\$51,002	\$78,357	\$72,747	\$89,596	\$74,318	\$1,571
Budgeted Headcount						
Full-Time Positions - Uniform	60	88	105	105	105	0
Full-Time Positions - Civilian	392	488	503	509	508	5
TOTAL	452	576	608	614	613	5

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

*Continuation from previous page

The Department's Fiscal 2018 Preliminary Budget for Administration – Management and Administration shows an increase of \$1.6 million or two percent, when compared to the Fiscal 2017 Adopted Budget. The increase is related to a \$4.1 million increase in PS budget for uniform full-time salaries, but is offset by a decrease of \$2.5 million in OTPS budget. The overall decrease is due to a decrease in contractual services and property and equipment. The budgeted headcount shows growth of five positions from the Fiscal 2017 Adopted Budget.

Financial Plan Actions

- **Consulting Fees.** The November Plan included \$9.9 million in one-time funding for Fiscal 2017 to extend the Department's current consulting contract with the McKinsey Group, which is assisting DOC with the development and implementation of the 14-Point Plan. According to OMB, the Department expects the contract with McKinsey to end in April 2017.
- **Division of Transitional Services.** The November Plan included \$245,000 and five positions for Fiscal 2017 and \$490,000 in Fiscal 2018 and in the outyears to comply with Local Law 103 of 2016 that requires the DOC to establish an office of reentry services which will create a coordinated system of reentry services, including housing assistance, job training, and public benefits for people discharged from correctional facilities.
- **Investigations Case Management.** The November Plan included \$2.3 million in one-time funding for Fiscal 2017 for the Department's case management system as mandated under the *Nunez* settlement. The case management system will create a central database that tracks the investigation of inmates and staff, equal employment opportunity complaints, inmate telephone recordings, and video surveillance. This funding will allow the DOC to track more cases and investigations, and extend the system's terms of scope.

Capital Program

Capital Budget Summary

The Fiscal 2018 Preliminary Capital Commitment Plan includes \$2.1 billion in Fiscal 2017-2020 for the Department of Correction (including City and Non-City funds). This represents approximately three percent of the City's total \$64 billion Preliminary Commitment Plan for Fiscal 2017-2020. DOC's Preliminary Commitment Plan for Fiscal 2017-2020 is three percent more than the \$2 billion scheduled in the Adopted Commitment Plan, an increase of \$59.8 million. In addition, the Preliminary Ten-Year Capital Strategy for the Department totals \$1.9 billion over ten years.

The majority of the capital projects span multiple fiscal years and it is therefore common practice for an agency to roll unspent capital funds into future fiscal years. In Fiscal 2016, the Department committed only \$80.8 million or 18 percent of its annual capital plan. DOC is not likely to commit \$579.9 million this year; most of these planned commitments will be rolled into Fiscal 2018, and increasing the size of the Fiscal 2018-2021 Capital Plan. Since adoption last June, the citywide total Capital Commitment Plan for Fiscal 2017 has increased from \$19.2 billion in the September Capital Commitment Plan to \$20 billion in the Preliminary Capital Commitment Plan, an increase of \$785 million or 4.1 percent.

DOC 2017-2020 Capital Commitment Plan: Adopted and Preliminary Budget					
<i>Dollars in Thousands</i>					
	FY17	FY18	FY19	FY20	Total
Adopted Capital Plan	\$573,841	\$935,866	\$481,577	\$77,564	\$2,068,848
Preliminary Capital Plan	\$579,830	\$989,767	\$481,577	\$77,564	\$2,128,738
Change	\$5,989	\$53,901	\$0	\$0	\$59,890
Percentage Change	1%	6%	0%	0%	3%

Capital Program Goals

The Department of Correction manages fourteen jails, with ten facilities on Rikers Island and four borough facilities. The Department's capital program goals are to ensure sufficient capacity is available to meet the security, programmatic, health, and safety needs of the inmate population; to replace aging modular and sprung housing units with new permanent housing facilities; to upgrade existing support areas to provide sufficient space for educational, health and administrative services to improve kitchen facilities and fire/life safety systems; to maintain appropriate replacement cycles of vehicles, security equipment, fencing, and communication equipment; and to maintain existing infrastructure and building systems.

Preliminary Budget Highlights

The Preliminary Capital Plan for the Department of Correction for Fiscal 2017-2020 has increased by \$59.9 million to a total of \$2.1 billion, an increase of three percent when compared to the Department's Adopted Commitment Plan. Of the total increase, \$53.9 million or 90 percent is for projects in Fiscal 2018. The increase for Fiscal 2018 is primarily due to the project associated with meeting Americans with Disabilities Act (ADA) compliance at various facilities. The ADA compliance capital project has a budget of \$30.4 million, which accounts for 51 percent of the \$59.9 million increase for Fiscal 2017-2020. The majority of the increase is currently shown as city-funded commitments.

Major changes in the Preliminary Capital Plan for Fiscal 2017-2020 that resulted in the three percent increase includes the following:

- **New Rikers Island Facility.** The 2018 Preliminary Capital Commitment Plan includes \$102.5 million in Fiscal 2017 and \$398.4 million in Fiscal 2018 for construction of a new jail on Rikers Island. The total amount budgeted for this project is \$501.2 million, with approximately 80 percent of the funding in Fiscal 2018. According to the Department, this project is currently on hold and is still in its design phase. The Administration does not expect to finalize plans until the Independent Commission on New York City Criminal Justice and Incarceration Reform releases its report, expected in April 2017. The Rikers Commission is an independent panel formed by the City Council to study the possibility of closing Rikers Island and reducing the jail population.
- **Adolescent Facility.** The 2018 Preliminary Capital Commitment Plan includes \$17 million in Fiscal 2017 and \$153 million in Fiscal 2018 for construction of an adolescent facility, in collaboration with the Department of Design and Construction and the Administration for Children's Services. The study for this project is concluding, and is expected to start and finish in four years since it is a high priority project for DOC.
- **Americans with Disabilities Act (ADA) Compliance for NIC, Central Visits, Facility Visit Areas.** The 2018 Preliminary Capital Commitment Plan includes \$30.4 million in Fiscal 2018 to meet ADA standards for handicapped wheelchair ramp slope access. This increase is specifically for North Infirmery Command (NIC), central visit, and facility visit areas to meet ADA compliance.
- **Vehicle Replacement.** The 2018 Preliminary Capital Commitment Plan includes \$4.7 million in Fiscal 2017 and \$4 million in Fiscal 2018 and in the outyears to replace heavy duty vehicles such as inmate buses, vans, dump trucks, and box trucks. The Department procured 15 vehicles since 2015, and there are another 15 still pending Department of Citywide Administrative Services (DCAS) approval.
- **Fire/Life Safety Upgrades.** The 2018 Preliminary Capital Commitment Plan includes \$250.7 million in Fiscal 2017-2020 for Phase One and Two of the continued installation of fire alarm and smoke detector systems in all DOC facilities. According to DOC, the design for Fire/Life Safety 2 will begin before the end of Fiscal 2017. These projects are anticipated to take five years to complete, running from Fiscal 2019 to Fiscal 2023. Of the total budget allocated for Fiscal 2017-2020, \$135.7 million or 54 percent of the funding, is in Fiscal 2018.

Preliminary Ten-Year Capital Strategy

The City's Ten-Year Capital Strategy for Fiscal 2018-2027 totals \$89 billion in all funds. For DOC, the Preliminary Ten-Year Capital Strategy provides \$1.9 billion, including \$919.8 million in Fiscal 2018-2027 for refurbishment and replacement of vital building infrastructure projects. The Department's capital funding is divided into four categories of need as illustrated by the chart below:

DOC Ten-Year Capital Strategy by Category

Fiscal 2018-2027 Preliminary Ten-Year Capital Strategy											
<i>Dollars in Thousands</i>	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Building Systems and											
Infrastructure	\$397,217	\$229,879	\$67,665	\$37,050	\$45,134	\$46,189	\$25,036	\$27,256	\$23,394	\$20,984	\$919,804
Equipment	29,122	14,998	6,899	18,311	10,599	11,092	15,703	15,599	20,790	24,569	167,682
New Capacity	551,354	152,000	0	0	0	0	0	0	0	0	703,354
Support Space	12,074	84,700	3,000	500	0	0	0	0	0	0	100,274
Total	\$989,767	\$481,577	\$77,564	\$55,861	\$55,733	\$57,281	\$40,739	\$42,855	\$44,184	\$45,553	\$1,891,114

The Preliminary Ten-Year Capital Strategy provides \$1.9 billion to replace and renovate buildings and support space, as well as to upgrade equipment, vehicles, and other necessary systems.

Buildings Systems and Infrastructure. The Preliminary Ten-Year Capital Strategy includes \$919.8 million for the refurbishment and replacement of vital building infrastructure, including \$222 million for upgrading fire/life safety systems and \$175.1 million for windows, courtyards, facades and roof reconstruction.

Capacity Replacement. The Preliminary Ten-Year Capital Strategy provides \$703.4 million for the Department's Capacity Replacement Plan, which, through new construction and reconfiguration of its existing housing stock, ensure sufficient bed capacity for seasonal surges, routine maintenance, and special inmate populations. The Strategy includes funding for the design and construction of a new jail on Rikers Island to replace facilities that have exceeded their useful lives. All of the funding is scheduled in the first two years of the Strategy.

Equipment. The Preliminary Ten-Year Strategy provides \$167.7 million for equipment replacement, including \$42.8 million for information technology; \$44.4 million for vehicles; \$28.1 million for generators; and \$24 million for radios.

Support Space. The Preliminary Ten-Year Strategy provides \$100.3 million to improve and construct support facilities and perimeter fencing. This allocation includes \$50.7 million for classroom space and \$32 million for water, gas, and power.

Appendix A: Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY 2017			FY 2018		
	City	Non-City	Total	City	Non-City	Total
DOC Budget as of the Adopted 2017 Budget	\$1,381,623	\$10,659	\$1,392,282	\$1,375,106	\$10,266	\$1,385,372
New Needs						
Consulting Fees	\$9,922	\$0	\$9,922	\$0	\$0	\$0
Investigation Case Management	2,288	0	2,288	0	0	0
PREA Training Contract	1,998	0	1,998	0	0	0
Division of Transitional Services	245	0	245	490	0	490
Discharge Planning Services Contract Increase*	3,305	0	3,305	0	0	0
Enhanced Supervision Housing Units*	2,109	0	2,109	4,219	0	4,219
Mobile Chiller and Vent Work*	2,000	0	2,000	0	0	0
Uniformed Overtime*	0	0	0	52,084	0	52,084
Subtotal, New Needs	\$21,867	\$0	\$21,867	\$56,793	\$0	\$56,793
Other Adjustments						
Administrative Managers Collective Bargaining Agreement	\$67	\$0	\$67	\$121	\$0	\$121
Delayed Civilian Hiring	(10,720)	0	(10,720)	0	0	0
Motor Grader and Tractor Operator Collective Bargaining Agreement	41	0	41	39	0	39
Programming Procurement Accruals	(2,843)	0	(2,843)	0	0	0
Welders Collective Bargaining Agreement	459	0	459	526	0	526
Cadet Program & Captain Training Program at CUNY John Jay	(792)	0	(792)	(2,080)	0	(2,080)
DOC 120 Anniversary DNTN	0	29	29	0	0	0
Energy Demand Response Program	0	469	469	0	0	0
ExCEL Program	0	98	98	0	0	0
FEMA Sandy Rollover	0	505	505	0	0	0
FY17 Energy Manager	0	90	90	0	0	0
FY17 Psychological Testing	0	73	73	0	0	0
PREA FY17 Rollover	138	0	138	0	0	0
RCM Projects	0	690	690	0	0	0
Psychological Testing	0	25	25	0	0	0
Subtotal, Other Adjustments	(\$13,650)	\$1,979	(\$11,671)	(\$1,394)	\$0	(\$1,394)
TOTAL, All Changes	\$8,217	\$1,979	\$10,196	\$55,399	\$0	\$55,399
DOC Budget as of the Preliminary 2018 Budget	\$1,389,701	\$12,767	\$1,402,468	\$1,430,505	\$10,266	\$1,440,771

*Are new needs as of the Fiscal 2018 Preliminary Plan

Appendix B: Contract Budget

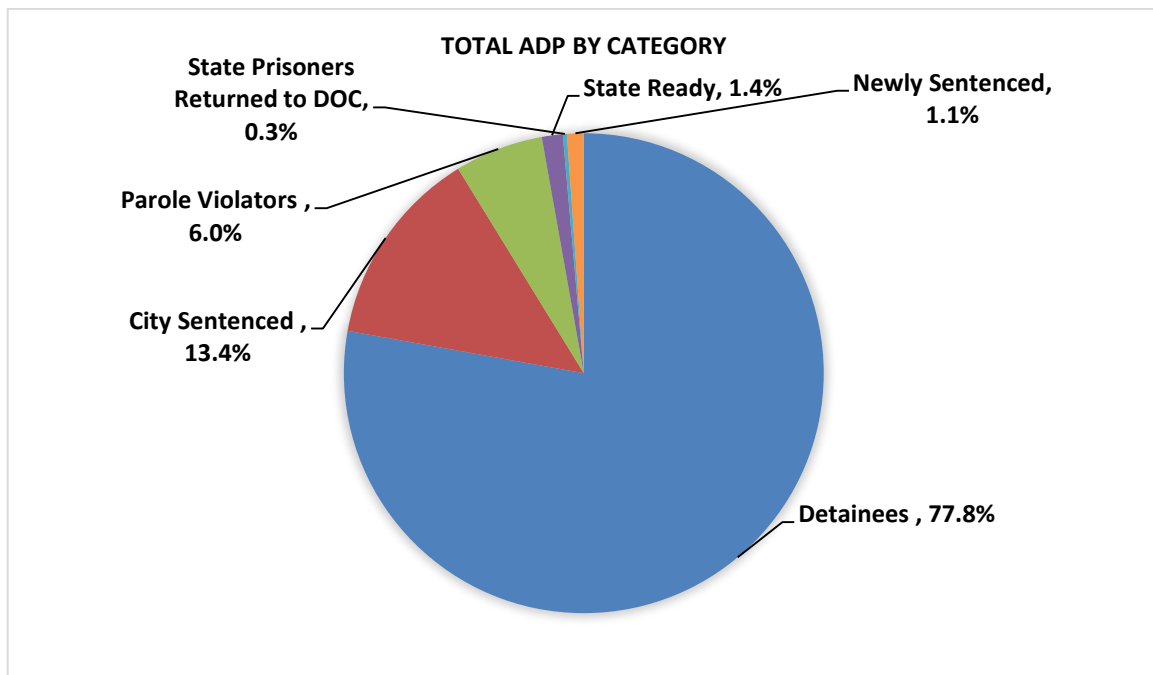
The New York City Charter mandates the preparation of a Contract Budget to identify expenditures for contractual services, which are defined as any technical, consultant or personal service provided to the City by means of a contract. The Contract Budget is a subset of the OTPS portion of the City's Expense Budget. The Administration prepares a Contract Budget twice each fiscal year. In January, it is prepared with the Departmental Estimates, and in late April it is submitted to the Council with the Executive Budget.

The following table provides DOC's Preliminary Contract Budget for Fiscal 2018.

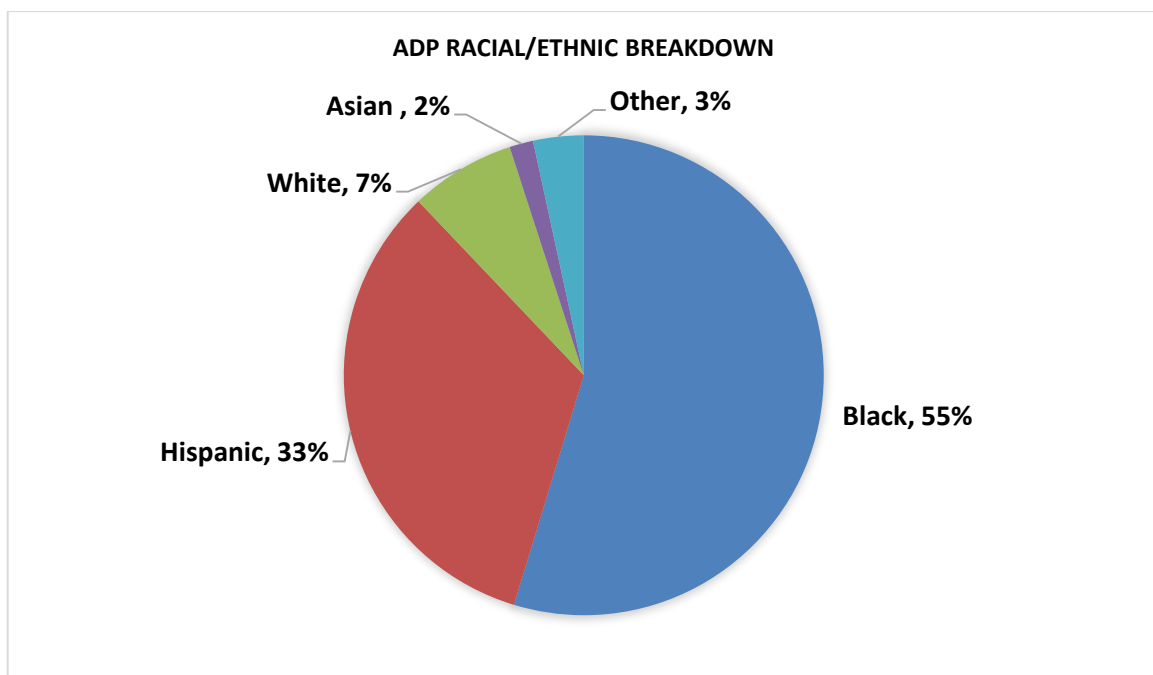
DOC Fiscal 2018 Preliminary Contract Budget <i>Dollars in Thousands</i>				
Category	Fiscal 2017 Adopted	Number of Contracts	Fiscal 2018 Preliminary	Number of Contracts
Cleaning Services	\$175	1	\$365	1
Contractual Services - General	47,396	13	34,579	13
Maintenance and Repairs - General	15,479	30	14,798	30
Maintenance and Repairs - Motor Vehicle Equip	130	1	130	1
Office Equipment Maintenance	95	6	95	6
Prof. Services - Other	432	5	452	5
Telecommunications Maintenance	6,642	2	6,642	2
Temporary Services	1	1	1	1
Training Program for City Employees	1,804	2	1,804	2
Transportation Services	261	1	261	1
TOTAL	\$72,414	62	\$59,128	62

The City's Contract Budget, as proposed, totals \$14.4 billion in Fiscal 2018, a decrease of \$604.9 million, or four percent, when compared to the Fiscal 2017 Adopted Budget of \$14.99 billion. DOC's contract budget for Fiscal 2018 is approximately \$59.1 million, an 18 percent decrease when compared to the Fiscal 2017 Adopted Budget of \$72.4 million. The reduction in contract budget is due to the Department no longer contracting for 14-Point Plan initiatives. The contract Budget constitutes four percent of DOC's total budget. Although there's a \$13.3 million decrease, the number of contracts remains unchanged when compared to the Fiscal 2017 Adopted Budget of \$72.4 million with 62 contracts.

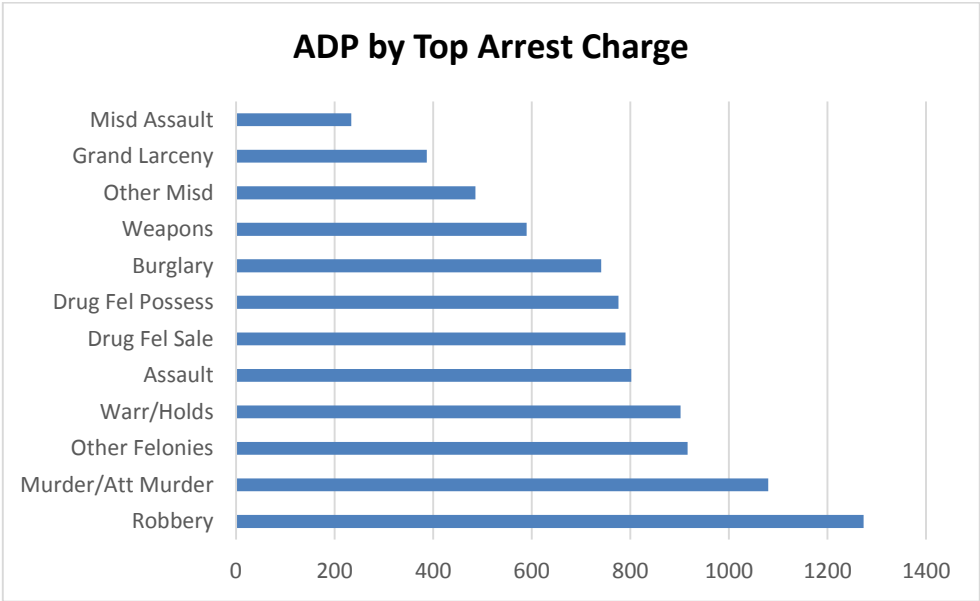
Appendix C: Inmate Population



Source: DOC as of December 2016



Source: DOC as of first six months of FY 2017



Source: DOC as of first six months of FY 2017

Appendix D: DOC Reconciliation of Program Areas to Units of Appropriation

	Personal Services		Other Than Personal Services		Grand Total
	001	002	003	004	
<i>Dollars in Thousands</i>					
Administration-Academy & Training	\$0	\$18,450	\$2,615	\$0	\$21,066
Administration-Mgmt & Administration	49,464	307	11,025	13,522	74,318
Health and Programs	7,450	4,187	35,094	484	47,215
Jail Operations	39,558	1,094,814	79,130	0	1,213,502
Operations-Hospital Prison Ward	0	13,536	0	0	13,536
Operations-Infrastr. & Environ. Health	3,153	21,539	13,848	0	38,540
Operations-Rikers Security & Ops	0	28,067	4,526	0	32,593
Grand Total	\$99,625	\$1,180,900	\$146,238	\$14,006	\$1,440,771