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**Report to the Committee on Finance and the
Committee on Criminal Justice on the Fiscal
2023 Executive Plan and the Fiscal 2023
Executive Capital Commitment Plan
Department of Corrections (DOC)**

May 23, 2022

(Report Prepared by Jack Storey)



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Department of Correction Fiscal 2023 Executive Budget Snapshot

FY23 Executive Budget

\$1.3 billion Expense Budget
 \$125.7 million increase compared to current FY22 budget

Headcount

9,600 headcount
 7,638 uniform positions
 1,962 civilian positions

Program to Eliminate the Gap

N/A

Capital Commitment Plan

\$8.1 billion
 126 projects

Contract Budget

- \$50.2 Million
- \$40 Million decrease compared to current FY22 budget

Budget Response

Council Priorities

- A general call to respond responsibly to the crisis on Riker's Island with existing resources
- A general call for the Administration to implement the federal monitor's recommendations with existing resources.

New Needs

Significant New Needs

- \$10.7 million for Facilities Maintenance Repair Division (FMRD).
- \$59 million for 578 uniformed positions associated with Risk Management Accountability System.

Other Adjustments

Other Adjustments in the Executive Budget

- \$52 million American Rescue Plan reallocation for uniformed overtime in Fiscal 2022.

Major Agency Issues

Agency Issues Identified

- Excessive staff absenteeism.
- Potential receivership and the federal monitor's *Special Report*.
- High levels of violence and use of force.

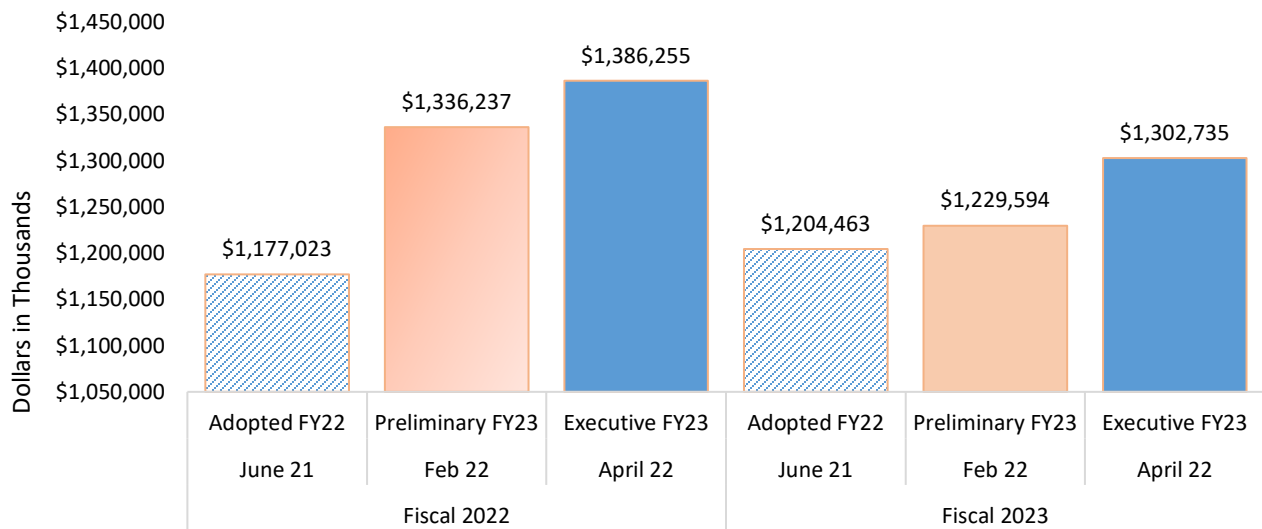
DOC Budget Overview

On April 26, 2022, the Administration released the Executive Financial Plan for Fiscal 2022-2026 (Executive Plan) with a proposed budget for Fiscal 2023 of \$99.7 billion. This report offers a review of the Department of Correction’s (the Department or DOC) Fiscal 2023 Executive Budget, including proposed budget actions taken in the Executive Plan. For additional information on DOC’s Preliminary budget, please refer to the Fiscal 2023 Preliminary Budget report at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2022/03/072-DOC.pdf>

The Department’s projected Fiscal 2023 budget of \$1.3 billion represents approximately one percent of the City’s proposed Fiscal 2023 budget in the Executive Plan. DOC’s proposed Fiscal 2022 budget is \$1.39 billion which is \$209 million, or 17.8 percent, larger than the agency’s Fiscal 2022 Adopted Budget (\$1.2 billion).

DOC’s Fiscal 2023 budget increased by approximately \$70 million (3.4 percent), from the Preliminary Plan (\$1.2 billion). The increase is the result of several actions taken, most significant of which is an increase of \$59 million for 578 uniform positions, and \$10.7 million for the Facilities Maintenance Repair Division (FMRD).

DOC Budget for Fiscals 2022 and 2023: Comparison of the Last Three Financial Plans



Personal Services and Headcount

DOC’s Executive Plan includes funding for 9,426 full-time positions in the current fiscal year, increasing to 9,600 in Fiscal 2023. The uniform headcount level of 7,638 in the Executive Plan increases by 178 positions compared to Fiscal 2022. The budgeted civilian headcount in Fiscal 2022 is currently 1,966, while in Fiscal 2023 it is 1,962, which represents a decrease of four positions.

In the Executive Plan, funding for DOC’s personal services (all agency staffing related expenses) comprise \$1.14 billion or 82.5 percent of the agency’s total Fiscal 2022 budget. This number decreases to \$1.1 billion or 85 percent of the Department’s Fiscal 2023 budget.

The Executive Plan includes an increase of 578 uniform positions in DOC's Fiscal 2023 headcount. According to the Department, this increase is driven by the anticipated staffing needs associated with implementing the Risk Management Accountability System, which is an alternative to punitive segregation developed through a Board of Correction rule change. This increase reflects the baselining of 400 uniformed staff that were included in the Fiscal 2022 Executive Budget for one-year. At the time, the prior Administration added these positions to address surging staff absenteeism that resulted in a deterioration of conditions in the City's jails and a breakdown of the Department's operations.

DOC Spending and Headcount

Table 1: DOC Spending and Budgeted Headcount Summary (in '000s)						
	2020	2021	2022	Executive Plan		*Difference
	Actual	Actual	Adopted	2022	2023	2022 - 2023
Spending						
Personal Services	\$1,112,106	\$1,091,919	\$1,020,363	\$1,144,960	\$1,116,087	\$95,723
Other Than Personal Services	175,110	167,398	156,660	241,294	186,648	\$29,988
TOTAL	\$1,287,217	\$1,259,317	\$1,177,024	\$1,386,255	\$1,302,735	\$125,711
Budgeted Headcount						
Full-Time Positions – Uniform	9,237	8,388	7,460	7,460	7,638	178
Full-Time Positions – Civilian	1,741	1,603	1,838	1,966	1,962	124
TOTAL	10,978	9,991	9,298	9,426	9,600	302

*The difference of Fiscal 2022 Adopted Budget compared to Fiscal 2023 Executive Budget.

Funding Sources

DOC's budget is financed by City funds as well as Intra-City, federal, State, and Other Categorical Grants. In the Executive Plan, the Department's primary funding source is City funds, comprising 99 percent (\$1.3 billion) of total funding in the current fiscal year, up from the 75 percent (\$885 million) of the Department's budget financed by City funds in the Adopted 2022 budget. The increase is due to a restoration of City funds that were swapped with federal American Rescue Plan Act (ARPA) funds in Fiscal 2022.

Federal Funding

The Executive Plan includes an additional \$52 million of federal funding in Fiscal 2022 above what was budgeted in the Preliminary Plan. When compared to the Adopted Plan, federal funding increases by \$260.3 million in Fiscal 2022. The additional funding in Fiscal 2022 since adoption is the result of additional ARPA funds allocated to the Department and swapped out for City funds.

The \$52 million of additional federal funds in the Executive Plan supports overtime for uniform staff. This increases the DOC's Fiscal 2022 overtime budget to \$187 million.

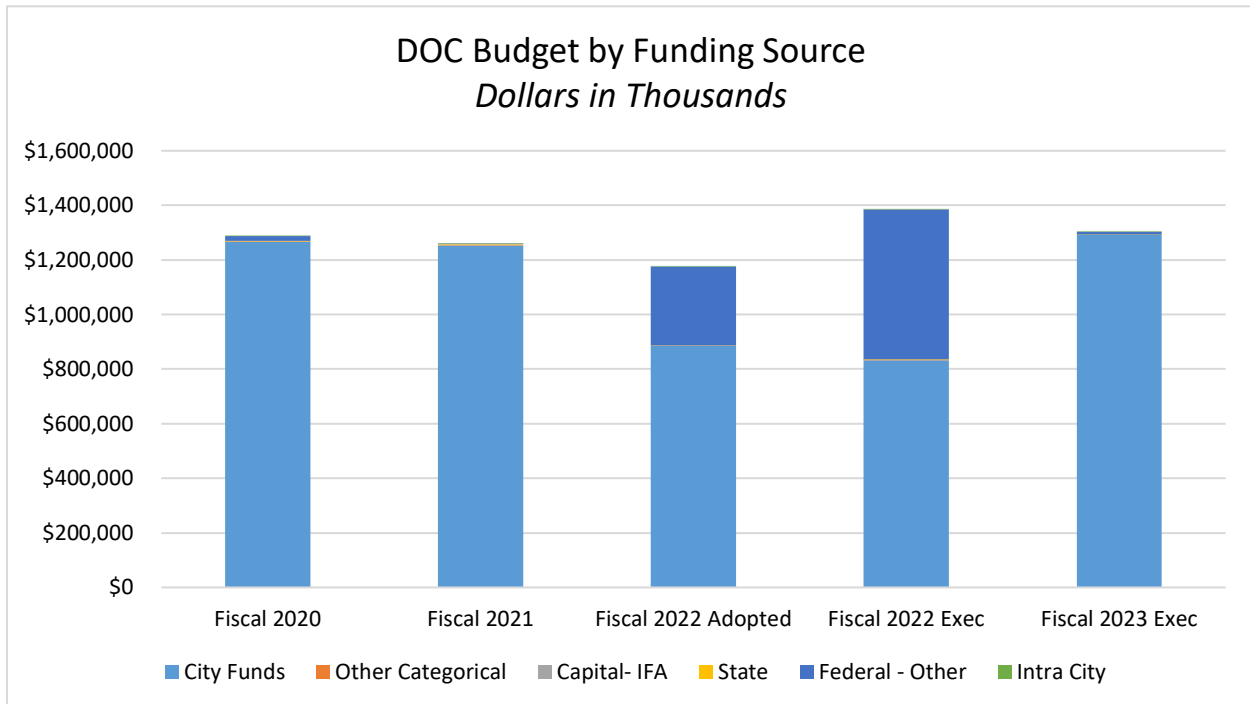
State Funding

State funding remains unchanged at \$1.1 million.

City Funding

City funding decreases by \$2 million in Fiscal 2022 and increases by \$73.7 million in Fiscal 2023 when compared to the Preliminary Plan.

See Appendix A for a complete list of all changes reflected in DOC’s Fiscal 2022 and 2023 budgets since adoption.



Dollars in Thousands	2020	2021	2022	Executive Plan		*Difference
	Actual	Actual	Adopted	2022	2023	2022 - 2023
Funding						
City Funds	\$1,265,271	\$1,252,765	\$885,418	\$832,794	\$1,293,066	\$407,648
Other Categorical	2,842	1,939	0	1,081	0	\$0
Capital- IFA	734	717	778	695	0	(\$778)
State	260	3,604	1,109	1,109	1,109	\$0
Federal - Other	17,779	135	289,610	549,924	8,452	(\$281,159)
Intra City	330	157	108	651	108	\$0
TOTAL	\$1,287,216	\$1,259,317	\$1,177,024	\$1,386,255	\$1,302,735	\$125,711

The difference of Fiscal 2022 Adopted Budget compared to Fiscal 2023 Executive Budget.

Program Area Budgets

In order to provide for better transparency within agency budgets, in 2007 at the behest of the City Council, the Administration began providing agency budgets broken down by program areas for 15 of the City’s agencies. The programmatic budgets provide a summary of planned spending in each functional area of an agency.

Program Area	2020 Actuals	2021 Actuals	Fiscal 2022 Adopted	Fiscal 2022 Exec	Fiscal 2023 Exec	Diff 2023- 2022
Academy and Training	\$18,396	\$16,001	\$18,093	\$17,901	\$18,146	\$53
Mgmt & Administration	108,848	101,387	99,583	116,354	113,522	\$13,939
Health and Programs	52,228	44,992	49,181	66,501	56,814	\$7,634
Jail Operations	944,084	928,316	913,487	1,051,102	1,005,504	\$92,017
Hospital Prison Ward	24,856	24,216	14,953	15,435	14,967	\$14
Infrastr. & Environ. Health	71,323	72,958	42,049	78,671	54,056	\$12,007
Rikers Security & Ops	67,481	71,446	39,678	40,290	39,726	\$48
Total	\$1,287,217	\$1,259,317	\$1,177,024	\$1,386,255	\$1,302,735	\$125,711

**The difference of Fiscal 2022 Adopted Budget compared to Fiscal 2023 Executive Budget.*

DOC's program budget includes seven program areas. Below is a list of the most significant program area funding changes within the program areas in the Executive Plan.

- **Jail Operations.** The Jail Operations program area supports DOC's core functions and is budgeted \$1 billion in Fiscal 2023. This represents 77 percent of DOC's total budget. This program area increases by \$92 million when compared to the Fiscal 2022 Adopted Budget.
- **Infrastructure and Environmental Health.** Funds budgeted in this program area support the work of maintaining the infrastructure on Rikers Island. The Executive Plan for Fiscal 2023 reflects an increase of \$12 million for this program area, over the Fiscal 2022 Adopted Budget.

Changes Since the Preliminary Budget by Spending Type

At each financial plan, agencies submit changes to their budget from the prior plan. These changes are comprised of new needs that have not previously been included in their budget, other adjustments to existing spending (these adjustments can involve adding additional funding or removing funding), savings programs which provide additional resources either through reduced spending or increased revenue, and savings restorations which include the restoration of expenditures that had been reduced in prior financial plans.

The summary of all changes made to DOC's financial plan since adoption can be found in Appendix A.

New Needs

DOC's Executive Plan includes new needs of \$73 million in Fiscal 2023 and the outyears.

- **Risk Management Accountability System** (\$59 million in Fiscal 2023). The Executive Plan includes an additional \$59 million in Fiscal 2023 for 578 uniformed positions associated with implementing the Risk Management Accountability System (RMAS). This budget reflects the baselining of 400 positions that were added in the Fiscal 2022 Executive Budget for Fiscal 2022 only and, as a result, increases the Department's uniformed headcount by 178 positions over the current fiscal year budget.
- **Facilities Maintenance Repair Division (FMRD)** (\$10.7 million in Fiscal 2023). The Executive Plan includes an additional \$10.7 million for the FMRD, the division responsible for maintaining, up keeping, and repairing the Department's physical plant.

Other Adjustments

DOC's Executive Plan includes other adjustments that increase the budget by \$50 million in Fiscal 2022 and \$3.3 million in Fiscal 2023 and the outyears. Some of the major adjustments include the following.

- **Uniform Overtime** (\$52 million in Fiscal 2022). The Executive Plan reflects an increase of \$52 million from the reallocation of ARPA funding for the Department's uniformed overtime budget in Fiscal 2022.
- **Heat, Light and Power** (\$2.1 million in Fiscal 2023). The Executive Plan includes an additional \$2.1 million for heat, light and power in Fiscal 2023 and the outyears.

Savings Program

N/A

Savings Restorations

N/A

Fiscal 2023 Preliminary Budget Response

In the Fiscal 2023 Preliminary Budget Response (Budget Response),¹ the Council identified several areas of concern relating to the DOC. Below the Council's proposals are discussed and an analysis of how they were addressed in the Executive Plan.

Responding Responsibly to the Crisis on Rikers Island: Although the conditions in the City's jail system deteriorated significantly under prior Administrations, it is this Administration's responsibility to address the myriad problems facing the Department of Correction and the City's jails. The Council called on the Administration to take concrete steps to address the unacceptably high levels of violence, use of force, and staff absenteeism that, compounded with deeply entrenched mismanagement, undermine the safety and security of the nearly 5,600 New Yorkers in custody and the nearly 10,000 Department employees. The Department's longstanding inefficiencies, mismanagement, and lack of transparency are exemplified by the fact that DOC's headcount is greater than the number of people in custody, yet staff are not deployed to key posts where they can respond to crises or escort people to necessary medical appointments.

The Council called upon the Department to adjust its practices responsibly within the framework of its existing budget.

Initial steps the Council recommended include: ensuring that the Department's disciplinary and accountability measures are adequately staffed and funded; addressing the structural causes of staff absenteeism; consolidating operations by closing facilities and eliminating inefficiencies; shifting resources to support programs and services that reduce violence and recidivism; and ensuring that the appropriate staff and resources are in place to implement the Risk Management Assessment System.

¹ The full response can be found at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2022/04/Fiscal-2023-Preliminary-Budget-Response-1-2.pdf>

The Council specifically called on the Administration to utilize existing resources to address the manifold problems facing the Department. The addition of \$59 million to support 578 uniformed positions does not align with the Council’s response to the Preliminary Budget.

- The Council’s Response also included a request for additional metrics to be added to the Mayor’s Management Report. This includes adding a marginal cost of incarceration indicator to better track the costs of incarceration per person in custody.

Response Priorities	Amount Requested	Amount Included in the Exec Budget
Responding Responsibly to the Crisis on Rikers Island	\$0 million (Call to Action)	\$0

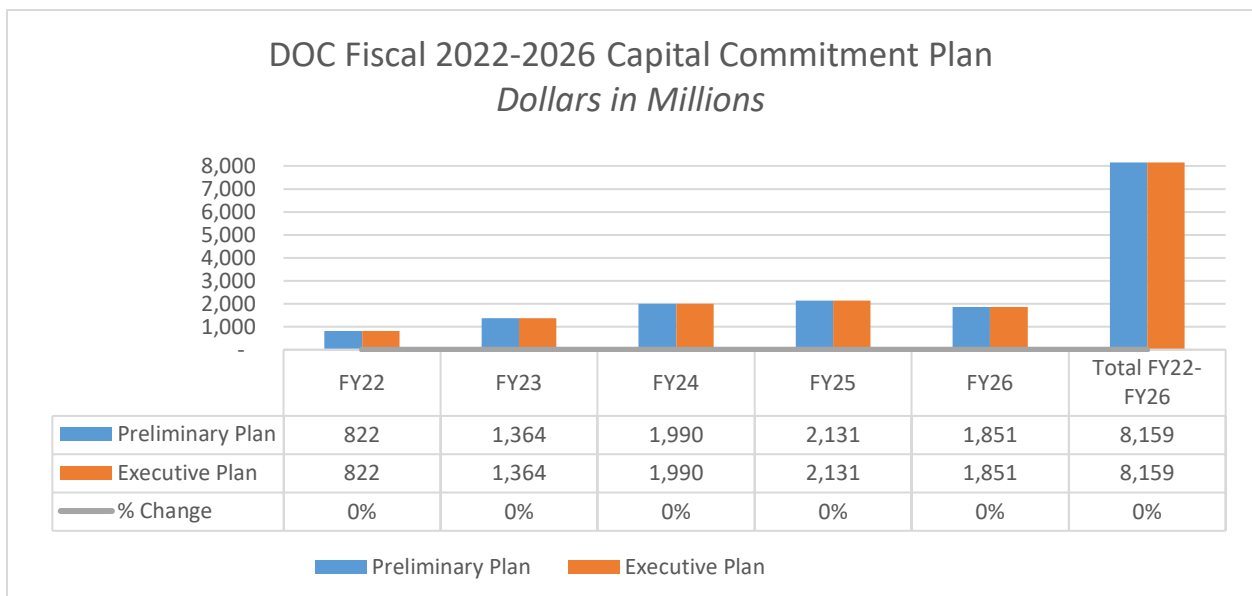
Federal and State Budget Risks

The Department of Correction’s Fiscal 2023 Executive Budget does not have any federal or State budget risks.

Capital Budget

DOC’s capital program is presented in the Executive Capital Commitment Plan for Fiscal 2022-2026 (Commitment Plan) and the Fiscal 2023 Executive Capital Budget.

DOC’s commitments for Fiscal 2022 through 2026 as presented in the Commitment Plan total \$8.1 billion, unchanged from the total for the same period presented in the Preliminary Capital Commitment Plan released in February. The Department’s planned commitments comprise approximately nine percent of the City’s total \$94.8 billion Fiscal 2022 through 2026 plan.



The amount of commitments planned for each year of the plan period is relatively back-loaded, with 10 percent of the entire planned expenditure in the current year, 16 percent in Fiscal 2023, and 24, 26 and 22 percent in Fiscals 2024, 2025 and 2026 respectively.

Capital Highlights

- Borough Based Jails Facilities.** The majority of the Department's Capital Commitment Plan, approximately \$7.1 billion, is allocated for the dismantling of existing jail facilities in Manhattan, Brooklyn, and Queens and the construction of four facilities in every borough except Staten Island. Related projects in the Capital Commitment Plan include the construction of a garage at the Queens site, associated early work projects, and program management consultants. The table below shows the breakdown of Borough Based Jail projects by fiscal year.

Project <i>Dollars in thousands</i>	FY22	FY23	FY24	FY25	FY26	Total FY22-FY26
Bronx	\$65,891	\$86,089	\$496,825	\$387,806	\$404,743	\$1,441,354
Brooklyn	\$51,187	\$366,957	\$453,970	\$487,705	\$378,350	\$1,738,169
Manhattan	\$108,359	\$402,697	\$480,029	\$511,213	\$394,022	\$1,896,320
Queens	\$40,872	\$377,924	\$481,120	\$519,733	\$398,095	\$1,817,744
Queens Garage	\$60,510	\$8,513	\$0	\$0	\$0	\$69,023
Lump Sum	\$68,632	\$49,882	\$19,999	\$8,456	\$9,566	\$156,535
Total	\$395,451	\$1,292,062	\$1,931,943	\$1,914,913	\$1,584,776	\$7,119,145

Appendix A: Budget Actions since Fiscal 2022 Adoption

<i>Dollars in Thousands</i>	FY22			FY23		
	City	Non-City	Total	City	Non-City	Total
DOC Budget as of the Fiscal 2022 Adopted Budget	\$885,418	\$291,605	\$1,177,023	\$1,194,182	\$10,281	\$1,204,463
<u>New Needs</u>						
Vaccine Incentive	\$443	\$0	\$443	\$0	\$0	\$0
Borough Based Jails and Training Academy Staff	707	0	707	707	0	707
Correction Intelligence Bureau Expansion	1,835	0	1,835	1,835	0	1,835
Correction Officer Incentive Pay	1,125	0	1,125	0	0	0
COVID-19 Vaccine Incentive	300	0	300	0	0	0
Emergency Rikers Relief - Cell Door Upgrades	11,984	0	11,984	0	0	0
Emergency Rikers Relief - Cleaning	22,000	0	22,000	0	0	0
Emergency Rikers Relief - OTPS for Staff	7,843	0	7,843	0	0	0
Emergency Rikers Relief - Project Management	1,986	0	1,986	0	0	0
Investigative Case Management System	1,500	0	1,500	700	0	700
Risk Management and Accountability System - Programs	6,707	0	6,707	6,707	0	6,707
Wage Increases	725	0	725	725	0	725
Subtotal, New Needs	\$57,155	\$0	\$57,155	\$10,674	\$0	\$10,674
<u>Other Adjustments</u>						
EDR ADVANCE ADDED TO BUGDET	\$0	\$222	\$222	\$0	\$0	\$0
Energy Personnel	0	90	90	0	0	0
ExCEL Projects Round 1	0	362	362	0	0	0
EDR ROLLOVER TO FY22	0	755	755	0	0	0
To realign funds in 003	(0)	0	(0)	0	0	0
Labor Funding: OSA Titles	479	0	479	487	0	487
Commissary contracts needs	0	0	0	0	0	0
FY22 INMATE WAGES ALLOCATIONS	0	0	0	0	0	0
Labor Funding: Plasterer Titles	27	0	27	27	0	27
Human Services	21	0	21	0	0	0
Subtotal, Other Adjustments	\$527	\$1,429	\$1,956	\$514	\$0	\$514
Total, Nov Plan Changes	\$57,682	\$1,429	\$59,111	\$11,189	\$0	\$11,189
DOC Budget as of Nov Plan	\$943,100	\$293,034	\$1,236,134	\$1,205,371	\$10,281	\$1,215,652
FY23 Preliminary Plan Changes						
<u>New Needs</u>						
Ps Adjustment	\$52,000	\$0	\$52,000	\$0	\$0	\$0
Vaccine Incentive	536	0	536	0	0	0
Idleness Reduction Program	6,609	0	6,609	0	0	0
Legal Staff	496	0	496	0	0	0
Medical Evaluation	14,647	0	14,647	1,648	0	1,648
Rikers Island ADA	850	0	850	11,790	0	11,790
Subtotal, New Needs	\$75,138	\$0	\$75,138	\$13,438	\$0	\$13,438
<u>Other Adjustments</u>						
Heating Fuel Adjustment	\$336	\$0	\$336	\$0	\$0	\$0
Motor Fuel adjustment	400	0	400	0	0	0

<i>Dollars in Thousands</i>	FY22			FY23		
	City	Non-City	Total	City	Non-City	Total
Deferred Retro Payments	14,971	0	14,971	0	0	0
American Rescue Plan Stimulus	(200,000)	200,000	0	0	0	0
Labor Funding: ADW / DWAC	867	0	867	504	0	504
COVID TESTING	0	8,300	8,300	0	0	0
FY22_2025_40X	0	17	17	0	0	0
I/C DOC FY22	0	74	74	0	0	0
Subtotal, Other Adjustments	(\$183,427)	\$208,391	\$24,964	\$504	\$0	\$504
Total, Prelim Plan Changes	(\$108,289)	\$208,391	\$100,102	\$13,942	\$0	\$13,942
DOC Budget as of Prelim. Plan	\$834,811	\$501,425	\$1,336,236	\$1,219,313	\$10,281	\$1,229,594
FY23 Executive Plan Changes						
New Needs						
Facilities Maintenance Repair Division	0	0	0	10,677	0	10,677
Risk Management and Accountability System	0	0	0	59,091	0	59,091
IFA Headcount Funding Swap	0	0	0	778	0	778
IFA Headcount Takedown	0	(83)	(83)	0	(778)	(778)
Subtotal, New Needs	\$0	(\$83)	(\$83)	\$70,546	(\$778)	\$69,768
Other Adjustments						
Local Lodge 5 Metal Work Collective Bargaining Adjustment	90	0	90	86	0	86
jr crUz TO MAX CPACTIY	0	0	0	0	0	0
Transportation Services to be used for IC M0d	0	0	0	0	0	0
CLARITY WATER PAYMENT	0	0	0	0	0	0
Adjust Mod #019	0	0	0	0	0	0
Fleet mod from FMRD	0	0	0	0	0	0
CAF - JR CRUZ	0	0	0	0	0	0
Lease Adjustment fmrD	0	0	0	126	0	126
To realign funds in 004 funds transfer	0	0	0	0	0	0
VCBC FUEL increase	0	0	0	0	0	0
it ADDITONAL FUNDS	0	0	0	0	0	0
IT funds transfer	0	0	0	0	0	0
To realign funds in 003	(0)	0	(0)	0	0	0
Motor Fuel	(386)	0	(386)	447	0	447
Heating Fuel Adjustment	(395)	0	(395)	438	0	438
Heat, Light and Power	(1,326)	0	(1,326)	2,111	0	2,111
ARP Reallocation	0	52,000	52,000	0	0	0
FY22EDRS21	0	104	104	0	0	0
OJJDP GREETERS	0	14	14	0	166	166
Financial Plan Headcount Adjustments	0	0	0	0	0	0
Subtotal, Other Adjustments	(\$2,017)	\$52,118	\$50,101	\$3,207	\$166	\$3,373
Total, Exec Plan Changes	(\$2,017)	\$52,035	\$50,018	\$73,753	(\$612)	\$73,141
TOTAL, All Changes	(\$109,779)	\$261,855	\$152,076	\$88,210	(\$612)	\$87,597
DOC Budget as of the Fiscal 2023 Executive Budget	\$832,794	\$553,460	\$1,386,254	\$1,293,066	\$9,669	\$1,302,735