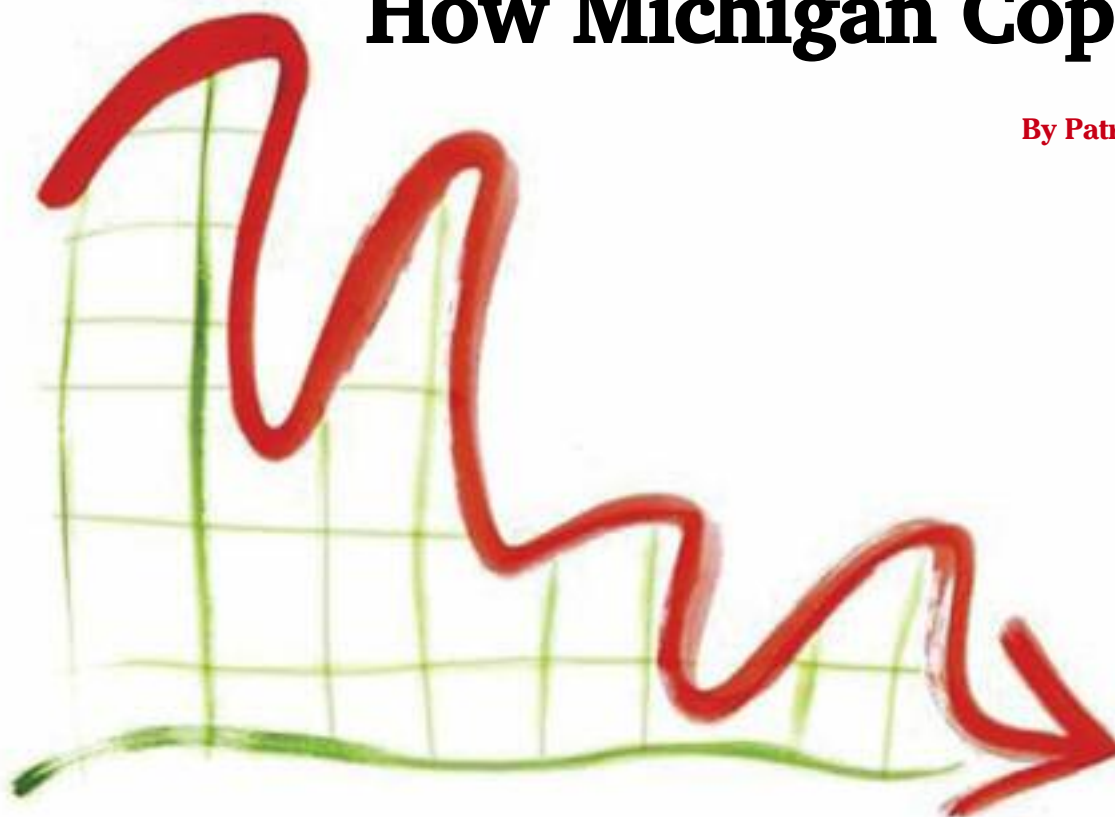


Operating a Corrections System In a Depressed Economy:

How Michigan Copes

By Patricia Caruso

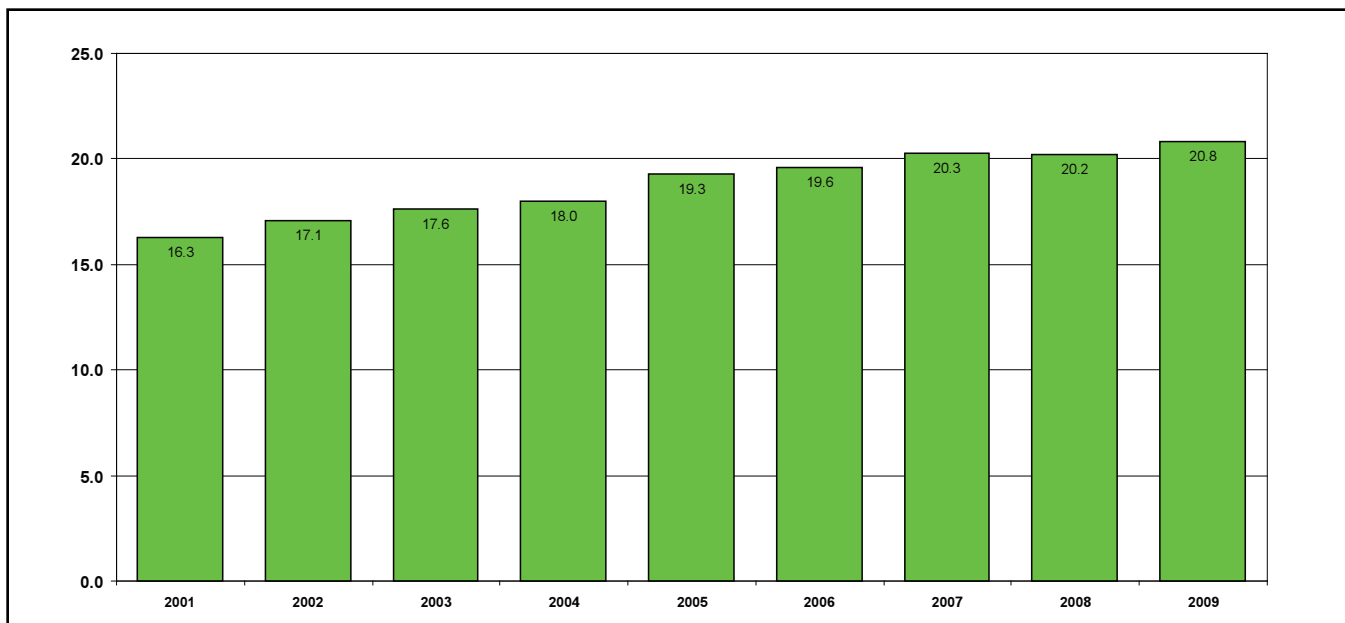


Since 2001, the Michigan Department of Corrections (MDOC) has been operating in a depressed economy. The state of Michigan has been mired in a decade-long recession to which MDOC has no immunity. Every facet of state government has been reviewed, tweaked and squeezed to eliminate excess. As part of that effort, MDOC has saved more than \$400 million in the past eight years. In fiscal year (FY) 2009-10 alone, MDOC cut \$120 million in operating costs, representing more than 5 percent of the operating budget. And if FY 2009-10 was bad, FY 2010-11 is expected to be even worse. With no federal recovery act funding to fall back on, Gov. Jennifer M. Granholm has asked Michigan's state departments to provide a plan for a worst case scenario 20 percent across the board cut. For MDOC, that means cutting nearly \$400 million. To apply some perspective, it would mean releasing about 16,000 prisoners or just more than 30 percent of Michigan's current prisoner population.

Tale of a Declining Economy

To understand how MDOC fits into the equation, one must understand Michigan's budget. The state's funding structure is divided into two general categories, the General Fund and the School Aid Fund. The General Fund is comprised of discretionary money that can be allocated to any agency, department or project that Michigan's Legislature approves and the governor supports. However, the General Fund has been shrinking for several years as a result of a declining tax base, and is now at 1970 levels. Conversely, the corrections budget has been growing for several decades due to laws and policies that keep more people behind bars for longer periods of time. The result is a corrections budget that eats up a greater portion of the General Fund and leaves less discretionary funding for other projects and departments. When Michigan started spending more on prisons than higher education, citizens finally revolted.

Figure 1. Percentages of Michigan Budget Used by MDOC



Throughout the 1990s Michigan thought it could build its way out of crime and prison crowding. Times were good and tax revenues were flowing into state coffers. Michigan's prison system expanded from 34,267 in 1990 to an all-time high of 51,554 in March 2007. A 1998 truth-in-sentencing law ensured continued growth through much of the current decade, even as Michigan's depressed economy began to take shape in 2001. In Michigan today, the crime rate is very similar to before the build-up, but the corrections system spends 267 percent more than it did in 1990. Incarcerating more people for longer periods of time has failed to deter crime and has been a drain on the state budget. When citizens are asked if they feel safer today than they did 20 years ago, most answer, "no." Michigan's citizens want to feel safe, yet still expect good roads, an outstanding educational system, a welcoming business climate, great state parks, clean waterways, and funding for the tourist destinations Michigan is known for.

Addressing Reentry

So how does the Michigan Department of Corrections uphold its duty to protect Michigan's citizens while at the same time reducing its burden on the General Fund, so resources can be allocated for the other things Michigan needs to support? How does MDOC become smaller, more cost-efficient and more responsive to the needs of the criminal justice system while still protecting the public, even in a depressed economy? It starts with a simple acronym: MPRI. The Michigan Prisoner ReEntry Initiative is an innovative and modern offender reentry model that uses evidence-based practices derived from the National Institute of Corrections Transition from Prison to Community Initiative program.

A prison population is driven by two factors: how many people come into the system, and how long they stay. In 2004, MDOC began a statewide effort to find solutions that would alleviate crowding, something MDOC statisticians

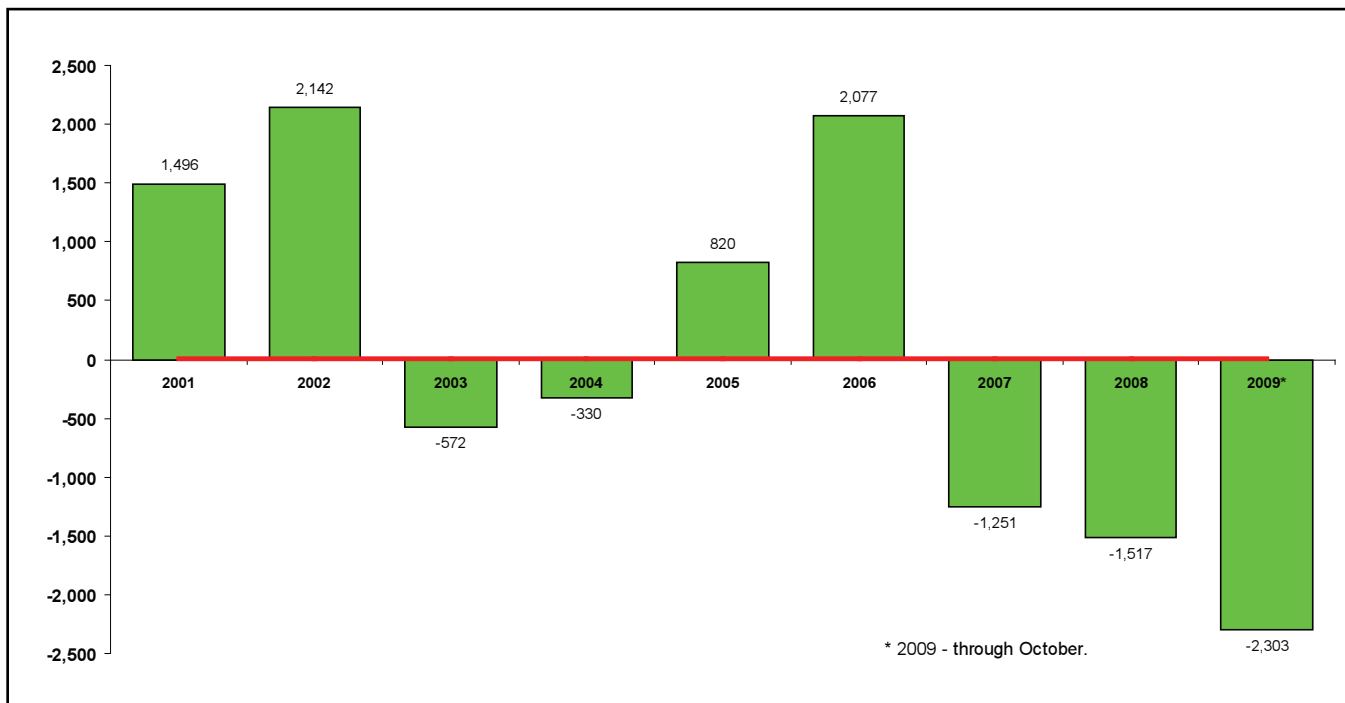
predicted would occur in short order without swift and effective intervention. With no funding to build new prisons, and no political support to keep spending more on corrections, MDOC started redefining policies and programming to provide offenders with the counseling and skills to leave prison earlier, and to lower their chances of returning. The Michigan Prisoner ReEntry Initiative was born.

During the next three years, MDOC developed and fine-tuned MPRI. The department educated staff, prisoners and communities. It built vitally important relationships with other state agencies that play a support role in offender success. The department also reached out to communities, building partnerships that included service delivery and ongoing support for offenders after release from prison and even after discontinuance of community supervision. MDOC developed a process to review prisoner programming for evidence-based practices that target criminogenic needs — and was thus able to scrap those without merit and expand those shown to be effective. The department also worked with Northpointe Inc. to develop a comprehensive screening and assessment tool called COMPAS that established risk and need indicators for all current and incoming prisoners. As a result of those indicators, a Transition Accountability Plan (TAP) is developed and implemented for each offender, giving the prisoner a roadmap for successful release and reintegration into society.

MDOC also established pilot sites to test MPRI in the community setting, and the best practices of those pilot sites are being applied to the statewide rollout. Michigan now has 18 MPRI community coordination sites that connect returning offenders with community resources. While each of these sites has different community partners, their goal is the same — supporting offender success by creating better citizens and safer neighborhoods.

The net effect of MPRI is a 29 percent reduction in Michigan's return to prison rate. This reduction has a significant impact on decreasing the prison population, which translates into budgetary savings.

Figure 2. Annual Prison Population Change (2001– October 2009)



Prisoner Release and Sentencing

While MPRI has been a driving force in reducing Michigan’s prison population, it alone cannot account for enough savings in the corrections budget. Nearly 80 percent of the Michigan Department of Corrections budget is earmarked for prison operations. Fewer prisoners mean fewer prisons, and closing a prison creates an average savings of about \$30 million annually. Because prisons are where savings come from, MDOC is focused on continuing to “right-size” the prisoner population. A recent year-long nonpartisan study of crime and criminal justice in Michigan by the Council of State Governments Justice Center identified further areas where MDOC could create savings. One recommendation was to parole prisoners who have reached their minimum sentence if they pose no significant threat to the public. In response to that recommendation, MDOC expanded its Parole and Commutation Board from 10 to 15 members and reviewed more than 12,000 prisoners who had served their minimum sentence. There are now fewer than 10,000 prisoners who continue to serve past their minimum sentence. As prisoners complete the programming necessary for parole consideration, that number could drop to about 7,000, leaving only those past their minimum sentence who are considered too dangerous for release.

Another recommendation was to revise sentencing guidelines for most crimes so the maximum sentence is only 120 percent of the minimum sentence. MDOC currently supports the introduction of legislation in the Michigan Legislature that would revise Michigan’s sentencing guidelines. MDOC also supports a recently introduced piece of legislation that would reinstate good time, a reduction in time served off the minimum sentence for nonviolent prisoners who show good institutional behavior. Some

estimates support a savings of nearly \$100 million and a net reduction of nearly 6,000 prisoners from this legislation alone. While revision of these existing laws would have a long-term impact on prison costs, MDOC realizes that these actions are outside its control, and that it remains in the best interest of the department to focus on creating savings in areas it does control.

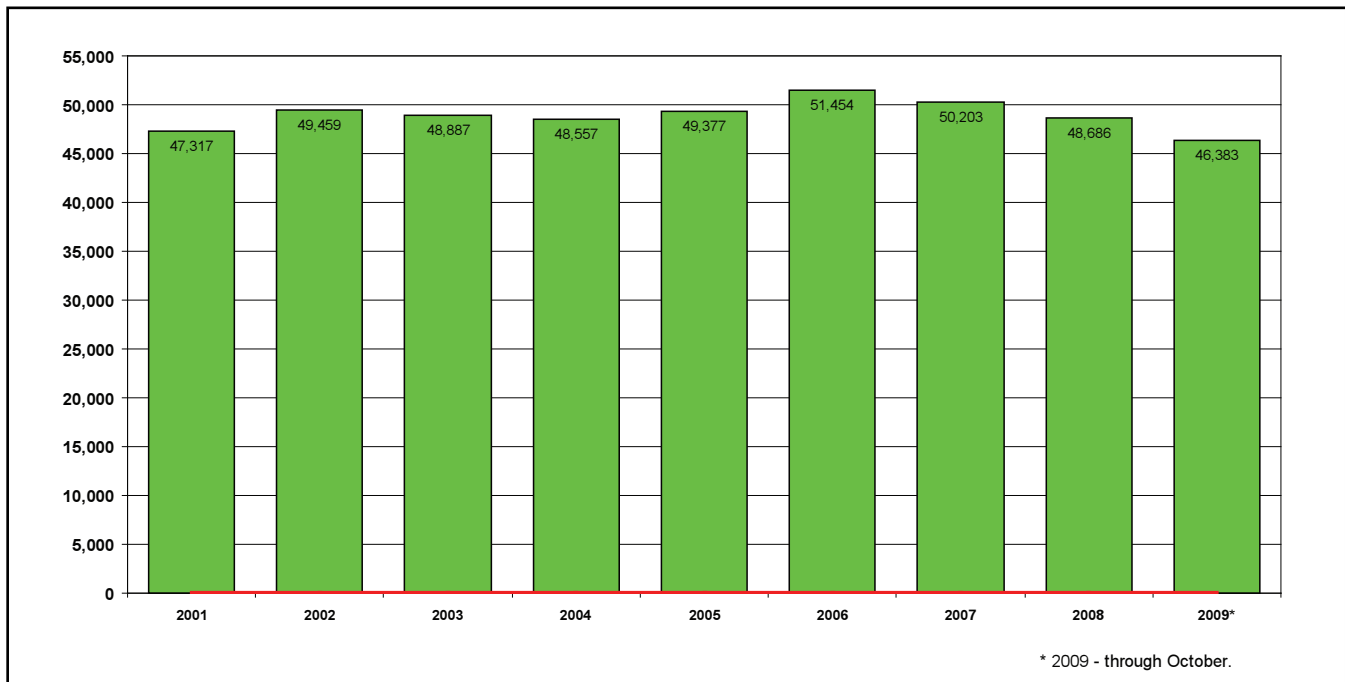
The Toll on MDOC Employees

While MDOC can find and support many ways to create savings and foster a smaller correctional system, there is a human cost to doing so. Employees are tasked with “doing more with less” — a mantra of state government, not only in Michigan, but around the country. Facility closures during this decade have resulted in layoffs and demotions throughout the department. In 2001, MDOC had 18,634 employees; today there are 15,746. Officer ranks, first-line supervisors and mid-level managers have been hit especially hard, but all employees have been financially impacted by pay freezes, furlough days and higher health care premiums.

The announcement of one recent prison closure, Standish Maximum Correctional Facility, resulted in a months-long battle by employees, community leaders and legislators to keep the facility open. In the end, Standish closed, leaving a community and a county without their largest employer.

Closings can significantly impact MDOC employees. There is the overarching threat of layoff or displacement, but there is also an individual story for each employee who is affected. For many, it means moving their families, which can entail mid-year school transfers for children, new job searches for spouses, trying to sell a house in a depressed housing market flooded with foreclosed homes, and attempting to integrate into a new facility and community.

Figure 3. Year-End Prison Population: 2001– October 2009



These obstacles are difficult to overcome in a good economy when changing jobs is a conscious choice, but even more difficult in a depressed economy when the decision is beyond the employee's control.

All of these actions create stress on employees, both professionally and personally. Stress related leaves-of-absence have increased in the second half of this decade and absenteeism is up among MDOC employees. This is the human toll that results from pushing employees to their limits. Still, there is an applicant pool numbering in the thousands for people hoping to become correctional officers. In a depressed economy, a government job with good benefits is still coveted, even with the associated stress.

There is also an effect on the offender side of the equation. In a depressed economy, community resources become scarce. Volunteerism sometimes suffers, and programs that were available to offenders disappear. The Michigan Prisoner ReEntry Initiative helps support community-based programming for offenders re-entering the community. But while state and federal resources earmarked specifically for prisoner reentry initiatives are available to community partners who support offender reentry, these programs don't necessarily create jobs in an economy suffering 15 percent unemployment. The stigma of a felony conviction is seldom a door-opener to businesses that are hiring. That's why MDOC and MPRI community partners work with employers who are willing to hire offenders returning to the community, by minimizing the risk involved with hiring ex-offenders. If an offender has a job, a stable place to live, and a support network that keeps him or her away from substance abuse and criminal activity, the offender is not likely to return to prison — saving the state of Michigan \$32,000 a year it would have spent incarcerating that offender. With each success the prison population decreases, freeing up resources for other vital areas of state government.

Nexus of Safety and Efficiency

In the end, there has to be balance. MDOC has to fulfill its mission of protecting the public while being fiscally responsible to the citizens of Michigan. Finding and maintaining that balance is difficult, and there are always forces trying to upset the balance. Many times these forces are beyond the control of MDOC. To withstand them, the department must continually focus on its mission to provide the greatest amount of public protection while making the most efficient use of the state's resources. The department meets its goal by being smart on crime — ensuring the state's judges and other criminal justice administrators have the broadest possible array of viable sentencing and sanctioning options, and by ensuring that appropriate supervision is maintained so Michigan's neighborhoods, families and citizens are protected. When MDOC meets this mission, even while operating in a depressed economy, everyone wins.

A depressed economy challenges even the best employees. From top to bottom, these employees are forced to deal with the realities of a corrections system that must change. For administrators, it means formulating and supporting change. For line-level staff it means accepting and implementing change. Administrators need to ensure they have the absolute best and brightest employees working every day to support the mission of the department. Those employees must be given the positive support and tools necessary to implement even the unpopular changes in spite of criticisms from those who would rather upset the balance. Creativity, positive role-modeling, and top-down support, as well as a professional and well-trained work force, are the keys to meeting the mission and surviving, no matter the state of the economy.

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