

**PHILADELPHIA PRISONS SYSTEM
FISCAL YEAR 2016 BUDGET TESTIMONY
APRIL 15, 2015**

EXECUTIVE SUMMARY

DEPARTMENT MISSION AND FUNCTION

Mission: To provide a secure correctional environment that adequately detains persons accused or convicted of illegal acts; to provide programs, services, and supervision in a safe, lawful, clean, humane environment; and to prepare incarcerated persons for reentry into society in a frame of mind that will facilitate their becoming law-abiding citizens.

Description of Major Services: The Philadelphia Prisons System was first established in 1683. Today the Philadelphia Prison System is an Adult Local Detention Agency housing adult and juvenile, pre-trial detainees and inmates serving sentences of less than two years. All inmates are offered varying levels of rehabilitative and treatment services.

PROPOSED BUDGET HIGHLIGHTS/FUNDING REQUEST

Budget Highlights: The Philadelphia Prisons System has seen a slight decrease in funding from FY14 to the FY15 Current Projection. The FY16 Proposed General Fund budget allocates \$1.4 million more than the FY15 Current Projection, which is primarily due to the transfer of the Office of Reintegration Services from the Managing Director's Office. Other operating funds in FY16 Proposed Budget are on par with FY15 levels.

Fund	Class	FY14 Actual	FY15 Current Projection	FY16 Proposed Budget	FY16-FY15 Change	FY16-FY15 Percent Change
General	100	133,217,293	131,914,979	133,469,579	1,554,600	1.2%
	200	105,797,455	105,064,622	105,351,301	286,679	0.3%
	300/400	4,768,000	5,240,173	4,773,744	(466,429)	-8.9%
	500	1,188,935	1,301,757	1,301,757	0	0.0%
	Total	244,971,683	243,521,531	244,896,381	1,374,850	0.6%
	Positions	2,268	2,310	2,325	15	0.6%
Other*	200	44,475	30,000	30,000	0	0.0%
	Total	44,475	30,000	30,000	0	0.0%
	Positions	0	0	0	0	0.0%
All	100	133,217,293	131,914,979	133,469,579	1,554,600	1.2%
	200	105,841,930	105,094,622	105,381,301	286,679	0.3%
	300/400	4,768,000	5,240,173	4,773,744	(466,429)	-8.9%
	500	1,188,935	1,301,757	1,301,757	0	0.0%
	Total	245,016,158	243,551,531	244,926,381	1,374,850	0.6%
	Positions	2,268	2,310	2,325	15	0.6%

* Other Funds includes: County Liquid Fuels Tax Fund, Special Gasoline Tax Fund, Healthchoices Behavioral Health Fund, Hotel Room Rental Tax Fund, Grants Revenue Fund, Community Development Fund, Car Rental Tax Fund, Housing Trust Fund, Water Fund, Water Residual Fund, Aviation Fund, and Acute Care Hospital Assessment Fund.

Staff Demographics Summary (as of December 2014)

	Total	Minority	White	Female
Full-Time Staff	2,310	1,964	340	1,090
Executive Staff	21	12	9	8
Average Salary - Executive Staff	\$96,363	\$91,628	\$94,214	\$83,914
Median Salary - Executive Staff	\$98,551	\$91,643	\$107,493	\$91,643

Employment Levels (as of December 2014)

Full-Time Positions
Part-Time Positions
Executive Positions

Budgeted	Filled
2,304	2,304
0	0
21	21

Contracts Summary (*as of December 2014)

Total amount of contracts
Total amount to M/W/DBE
Participation Rate

FY10	FY11	FY12	FY13	FY14	FY15*
\$88,617,891	\$88,816,627	\$79,072,673	\$99,465,702	\$50,073,627	\$25,293,459
\$26,366,955	\$23,979,949	\$20,431,277	\$28,411,379	\$19,644,782	\$14,617,295
30%	27%	26%	29%	39%	58%

PERFORMANCE, CHALLENGES AND INITIATIVES

DEPARTMENT PERFORMANCE (OPERATIONS)

Since FY08, the Philadelphia Prisons System (PPS) has significantly increased the percent of sentenced inmates who receive an opportunity to participate in a vocational, training, educational, and/or treatments program during confinement from 57% to 73.8% by FY14. This percentage is consistent with past year indicators which have hovered around 70% to 75%. Year to date, 77.5% of inmates are participating in programs, a 5.9% increase over the same time period in FY14. PPS has continued to process 100% of newly admitted inmates within 24 hours of admission and aims to maintain this performance in FY15 and FY16. There is a significant lag in reporting on the re-incarceration data. The one-year FY14 rate is the percentage of inmates released in FY13 who returned to prison within one year of release. The three year re-incarceration rate for FY13 reflects the outcomes on inmates released in FY10. One year re-incarceration rates have improved slightly since FY13 but remains around 40%, the same rate as experienced in FY08.

Performance Measure	FY08	FY13	FY14	FY14- FY13 Change	FY14 Q1-Q2	FY15 Q1-Q2	FY15- FY14 Q1-Q2 Change	FY15 Goal	FY16 Goal
Sentenced inmates participating in an educational or treatment program	57.0%	73.0%	73.8%	1.1%	73.2%	77.5%	5.9%	80.0%	80.0%
Percent of newly admitted inmates that are processed and housed within 24 hours of admission	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%
Re-incarceration Rate - 1 year**	40.1%	41.6%	40.3%	-3.1%	39.8%	40.3%	1.3%	40.0%	40.0%
Re-incarceration Rate - 2 year**	52.7%	51.6%	50.5%	-2.2%	50.5%	N/A	N/A	52.0%	52.0%
Re-incarceration Rate - 3 year**	58.5%	58.1%	N/A	N/A	N/A	N/A	N/A	58.0%	58.0%

DEPARTMENT CHALLENGES

In FY16 and beyond, the prison system faces two distinct challenges:

1. The first is the size of the Prison census. Philadelphia still incarcerates men and women at a higher rate than many other major cities. While significant steps have been taken to reduce the jail census, a desirable level has not yet been reached. Working with the Philadelphia Criminal Justice Advisory Board, PPS assisted in implementing initiatives including but not limited to specialized treatment courts, case consolidation and the use of video hearings. The result has been a steady decline in the daily prison census. FY13 saw an average daily population of 9,090 while for the first two quarters of FY15 the average daily prison census was 8,405. The decline in homicides and other violent crime is also a significant factor since such crimes drive jail admissions. In calendar 2014 jail admissions declined by nearly three thousand. The next frontier in reducing the size of the in custody population is to analyze pretrial processes and safely reduce pre-trial detention and length of stay. At this time the Office of the Director Public Safety is submitting a grant application to the MacArthur Foundation facilitate the effort.
2. The second challenge is the age and condition of the jails' physical plant. Two Prisons facilities; the Industrial Correctional Center, and the Detention Center are in need of major systems upgrades in the next few years. Capital projects for those sites are both planned and underway and need to be seen through to completion. On the other hand, the House of Correction, the Prisons oldest facility, is in need of replacement. The House of Correction's (HOC) design is nearly 150 years old. The facility 's last major renovation was conducted eighty years ago. HOC does not meet the requirements for 21st century jail operations. In FY16, reprogrammed State funding in the amount of \$3.7 million along with \$1.2 million of city funding was budgeted for land acquisition in the Capital budget. This funding combined with FY14 funding (\$2.4 million) will be to purchase land and eventually construct a new prison to replace the House of Corrections.

ACCOMPLISHMENTS & INITIATIVES

Inmate Enrichment Programming Participation: Efforts to reduce recidivism rates have continued to remain an important PPS initiative. Addressing the causes of recidivism such as poverty, unemployment, and addiction can begin while in custody through educational and social programming. Those with convictions are often ill-prepared to re-enter the community without engaging in pro-social rehabilitative activities. In FY08, participation in the therapeutic, job, educational, or vocational programs was below 60%. Facility Wardens set an 80% participation goal and

incorporated new and expanded programming into their operational schedules. Since FY12, the participation level has consistently exceeded 70% and efforts continue to reach and exceed the goal of 80%.

Modernizing Systems and Equipment: In 2004, PPS partnered with the Department of Public Health and the Office of Innovation and Technology on a long-term project to create a standardized electronic inmate health record that was suitable for use by service providers in PPS and at the City Health Centers. The system was deployed in PPS starting with the electronic conversion of female inmate records in FY13 and was expanded to include male inmates in FY14. The new system allows prison facilities to access records when inmates are transferred between facilities and interfaces with pharmacy, laboratories and other providers to improve the quality of care. In addition, physical and behavioral health records are now consolidated for more comprehensive evaluation. Over 500 users have been trained to operate the system. Paper records will be retained for two years after inmates are released but will gradually be eliminated by attrition.

Additionally, PPS replaced its two-way radio system as a part of the interoperability upgrades to Public Safety communications systems. The upgrade began in FY10 with the installation of new antennas. Upon completion in FY14, 600 handheld units, 13 desktop console transceivers and over 30 vehicle digital radio units were deployed system wide. The new system affords each of six jails, and the Prisons Transportation Unit, tactical, maintenance, and command staff the ability to monitor and transmit communications within a talk group and without interference from other units. The upgrade has reduced emergency response times and provides Correctional Officers deployed anywhere in the city with a radio link to a facility center control. This project cost a total of \$720,000.

Prison Census: As the City's plans to reduce crime have intensified; the population in custody remained above the lowest level in FY11. As shown in the following chart, the average daily population in the PPS stood at 8,327 in FY13, rose to 9,090 and was 8,405 for the first half of FY15. The census increase resulted primarily from an initiative to reduce the number of defendants failing to appear in court—a problem that had plagued the courts for years—by increasing bail amounts and giving defendants contempt of court sentences. In addition defendants charged with firearms offenses, violent crimes and repeat offenses have been issued higher bails, increasing the pre-trial population who remained custody. In FY14, the percentage of pre-trial defendants rose from 70% to nearly 80% of those in custody. The number of adult men, and women and the number of juveniles charged and held for trial as adults has declined. After reaching a high of over 150 juvenile inmates in custody in calendar year 2009, the number of juvenile inmates in PPS custody averaged 41 for FY14 and averages 39 as of the second quarter of FY15, primarily due to reduction in crime. The city has experienced a significant reduction in violent crime and homicides over the past few years; if crime continues to drop there should be a resulting decline in the census.

Video Technology: Shortly after the City's Criminal Justice Advisory Board was established in 2008, the First Judicial District and PPS sought ways to reduce the inmate population. PPS began using video hearings to process offenders with probation/parole violations as a way to expedite probation cases. The PPS equipped the Curran Fromhold Correctional Facility and four courtrooms at the Stout Justice Center with video equipment in FY11 so that hearings could be conducted without the need for the transportation of inmates to the courthouse by the Sheriff's Office and multiple cases could be heard at a single hearing. Due to the success of this option, video hearings are now used for other types of cases such as traffic offenses and extradition cases and video stations were deployed in all five PPS facilities that house pretrial inmates.

As the benefits of video hearings were realized, the First Judicial District instituted a feature for inmates' attorneys to conduct video interviews. This initiative allowed attorneys to prepare for court and discuss pleas with their clients from the Stout Center without a trip to the prison, reducing the need to continue many cases. The Montgomery County Courts have also joined the video hearing system and Summary Trial and Grand Jury appearances were added as well. In FY15, to support the family reunification goals set forth by the Department of Human Services (DHS), family conferences were added to the video program. DHS caseworkers, family members and judges can directly meet with inmates whose children are under DHS supervision. As the number of scheduled video events continued to grow, in FY15, PPS installed one additional video unit in each of the five PPS sites. During January 2014, 198 video appearances occurred, and by December of 2014 the number increased to 520. The units are also now equipped with signature pads so inmates can electronically sign court documents.

Incorporation of Re-Integration Services: A Home Rule Charter change, which was approved by voters in the 2014 general election established the Philadelphia Prisons System as its own department, and placed the Office of Reintegration Services (RISE) as a division within PPS, a transfer from the Managing Director's Office. RISE will continue to work to reduce recidivism by:

- Using the COMPASS¹ benefits screening system to enroll eligible PPS inmates in medical assistance upon their release. Training for RISE case managers and Prisons Social Work Managers is underway and a medical assistance application pilot project is slated to commence in the spring of 2015. This effort will reduce the time required to place persons in drug treatment, allow the mentally ill more immediate access to services and make medications available sooner.
- Serve the Seriously Mentally Ill by providing pre-release case management/administrative support to 105 current sentenced inmates. The objective is to provide qualifying clients with medical coverage and behavioral health services.
- Serve 110 high risk inmates who reside in the 22nd Police District by providing transitional housing for up to twelve months for 40 participants and through a third party employment contract that will place 75 clients in full time employment. Additionally, participants who require literacy training will be provided with self-paced academic support. This initiative is funded through the Second Chance Act Demonstration Grant for \$750,000, which the department received in October 2014. The City matched 100% of the grant for a total of \$1.5 million in funding.

Workforce Maintenance: As a result of the prison census increase, vacancies, particularly at the Correctional Officer rank, created the need for increased overtime funding. To fill the vacancies, PPS hired over 250 Correctional Officers in FY13, and new classes are held every twelve weeks to meet attrition. The hiring program will reduce overtime costs and will have a significant effect on reducing mandatory overtime which positively impacts staff morale. Should there be a substantial decline in the census; the hiring schedule will be moderated to contain personnel costs. During FY14, 144 correctional officers were appointed to offset the attrition rate. Senior staff vacancies, including Deputy Commissioners, Wardens, Deputy Wardens and the Contract Administrator, are being filled sixty days before the retirement of the incumbent.

In addition, PPS is managing retirements of critical staff. Vacancies from the Deferred Retirement Option Plan will result in openings for the Prisons Contracts Manager as well as two Deputy Commissioners before late 2015. Qualified staff at the Warden, Deputy Warden and Program Administrator levels can fill this void. Over the last two years, a majority of supervisors at the rank of Captain and above have earned professional certifications commensurate with their positions by the American Correctional Association. However many of their subordinates, who are first line supervisors, do not have extensive managerial experience. In order to improve their skills and opportunities to advance, managerial training classes will be offered for employees at the rank of Sergeant and Lieutenant beginning later this year.

Resource Centers: Computer equipped resource centers are in place in each of the PPS major facilities. Additionally, through a newly introduced tablet education pilot, the Internet will enable PPS staff to deliver program information and educational opportunities to inmates at any location while in custody. The total cost of the project is \$30,000, all of which has been funded through FastFWD. Resource Centers will have one specially trained officer each.

Restricted Internet Access for Inmate Programs: Working with the Office of Innovation and Technology and the Risk Management Division, PPS will implement secure limited inmate Internet access within our facilities during FY15. The inmate education network will be enhanced to enable job searches, educational training, GED testing and other available services via the Internet. The total cost of this project is \$55,000 annually.

Jail Management System Upgrade: PPS will work with the Office of Innovation and Technology and a consultant group to release a request for proposal by the end of FY15 to replace the Inmate Jail Management System, which is over twenty years old and does not have analytical capabilities. Vendor selection will follow in FY16.

¹ [COMPASS](https://www.compass.state.pa.us/compass.web/cmhom.aspx), offered through the Commonwealth of Pennsylvania, is a website that allows individuals and community based organizations access to screen for, apply for and renew a broad range of social programs including health care coverage. (<https://www.compass.state.pa.us/compass.web/cmhom.aspx>)

STAFFING

Staffing at Prisons is being maintained at or near budgeted levels. The staff demographic breakdown is 72.5% African American, 14.8% White, 7% Hispanic, 5.2% Asian and .5% other ethnic groups. The workforce is almost evenly split by gender at 52.7% male and 47.3% female.

Staff Demographics (as of December 2014)

		<i>Full-Time Staff</i>		<i>Executive Staff</i>	
		Male	Female	Male	Female
		African-American	African-American	African-American	African-American
<i>Total</i>		744	928	<i>Total</i>	5
<i>% of Total</i>		32.3%	40.3%	<i>% of Total</i>	23.8%
		White	White	White	White
<i>Total</i>		250	90	<i>Total</i>	7
<i>% of Total</i>		10.9%	3.9%	<i>% of Total</i>	33.3%
		Hispanic	Hispanic	Hispanic	Hispanic
<i>Total</i>		96	65	<i>Total</i>	1
<i>% of Total</i>		4.2%	2.8%	<i>% of Total</i>	4.8%
		Asian	Asian	Asian	Asian
<i>Total</i>		117	3	<i>Total</i>	0
<i>% of Total</i>		5.1%	0.1%	<i>% of Total</i>	0.0%
		Other	Other	Other	Other
<i>Total</i>		7	4	<i>Total</i>	0
<i>% of Total</i>		0.3%	0.2%	<i>% of Total</i>	0.0%
		Bi-lingual	Bi-lingual	Bi-lingual	Bi-lingual
<i>Total</i>		118	52	<i>Total</i>	1
<i>% of Total</i>		5.1%	2.3%	<i>% of Total</i>	4.8%
		Male	Female	Male	Female
<i>Total</i>		1,214	1,090	<i>Total</i>	13
<i>% of Total</i>		52.7%	47.3%	<i>% of Total</i>	61.9%

CONTRACTING

**M/W/DBE Participation on Large Contracts
FY15 Contracts**

Vendor	Service Provided	Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DBE Participation Achieved	\$ Value of M/W/DBE Participation	Total % and \$ Value Participation - All DSBES	Living Wage Compliant ?
Corizon Health, Inc.	Inmate Physical Health Care Services	\$44,431,512	6/7/12	3/1/13	MBE: 20-25	25%	\$11,276,718	31%	Yes
					WBE: 10-15	6%	\$2,545,926		
					DSBE: 0	0%	\$0		
Aramark Correctional Services	Inmate and PPS Staff Food Services	\$14,178,172	4/24/13	7/1/13	MBE: 20-25	11%	\$1,552,028	19%	Yes
					WBE: 10-15	8%	\$1,132,354		
					DSBE: 0	0%	\$0		
US Facilities, Inc.	Maintenance Services for two (2) PPS facilities - CFCF and RCF.	\$11,115,287	5/9/14	7/1/14	MBE: 20-28	94%	\$10,499,500	100%	Yes
					WBE: 10-15	6%	\$614,675		
					DSBE: 0	0%	\$0		
MHM Correctional Services, Inc.	Inmate Behavioral Health Care Services	\$12,153,951	6/7/12	3/1/13	MBE: 20-25	1%	\$121,540	1%	Yes
					WBE: 10-15	0%	\$0		
					DSBE: 0	0%	\$0		
Community Education Centers	Off-Site Housing Services	\$7,386,977	9/24/14	1/1/15	MBE: Best Efforts	0%	\$5,171	0%	Yes
					WBE: Best Efforts	0%	\$16,990		
					DSBE: Best Efforts	0%	\$0		

Below are the demographic characteristics of contract staff at the Prisons. The employees are 63.5% female and 36.4% male. African Americans are 54.6%, with 33.7% white, 4.5% Hispanic, 5.6% Asian.

STAFFING DEMOGRAPHICS - FULL TIME STAFF											
		Male	Female	African American	White	Hispanic	Asian	Other	Foreign Born	Bi-Lingual	
Aramark Correctional Food Services											
Total No. of Full-Time Staff	104	40	64	91	3	6	3	1	0	0	
		38.46%	61.54%	87.50%	2.88%	5.77%	2.88%	0.96%	0.00%	0.00%	
US Facilities, Inc.											
Total No. of Full-Time Staff	73	69	4	7	59	0	1	6	0	1	
		94.52%	5.48%	9.59%	80.82%	0.00%	1.37%	8.22%	0.00%	1.37%	
Corizon Health Care											
Total No. of Full-Time Staff	291	65	226	160	97	7	25	2	0	0	
		22.34%	77.66%	54.98%	33.33%	2.41%	8.59%	0.69%	0.00%	0.00%	
MHM											
Total No. of Full-Time Staff	92	23	69	36	44	10	2	0	2	4	
		25.00%	75.00%	39.13%	47.83%	10.87%	2.17%	0.00%	2.17%	4.35%	
Community Education Center											
Total No. of Full-Time Staff	60	29	31	45	6	5	4	0	2	0	
		48.33%	51.67%	75.00%	10.00%	8.33%	6.67%	0.00%	3.33%	0.00%	
Total	620	226	394	339	209	28	35	9	4	5	
		36.45%	63.55%	54.68%	33.71%	4.52%	5.65%	1.45%	0.65%	0.81%	

OTHER BUDGETARY IMPACTS

FEDERAL AND STATE (WHERE APPLICABLE)

PPS receives approximately three million dollars in behavioral health funding from the State through the Department of Behavioral Health and Intellectual disAbilities. In 2014 35% of PPS inmates received behavioral health services, including services to the 11.5% of the PPS population that is diagnosed as Seriously Mentally Ill (“SMI”). Behavioral health services in 2014 included 140,000 visits of care, 12,000 days of (on campus) psychiatric hospital care, 4,000 days of behavioral health step down unit care and 90,000 psychotropic medication prescriptions. The loss of the \$3 million received annually from the Commonwealth, through DBH would effect a 24% reduction in behavioral health services. This reduction would mean we could not meet community, NCCHC standards and hospital licensure standards. PPS behavioral health services would become deficient in scope, volume and timeliness.

OTHER

N/A

OTHER RELEVANT DATA AND CHARTS

