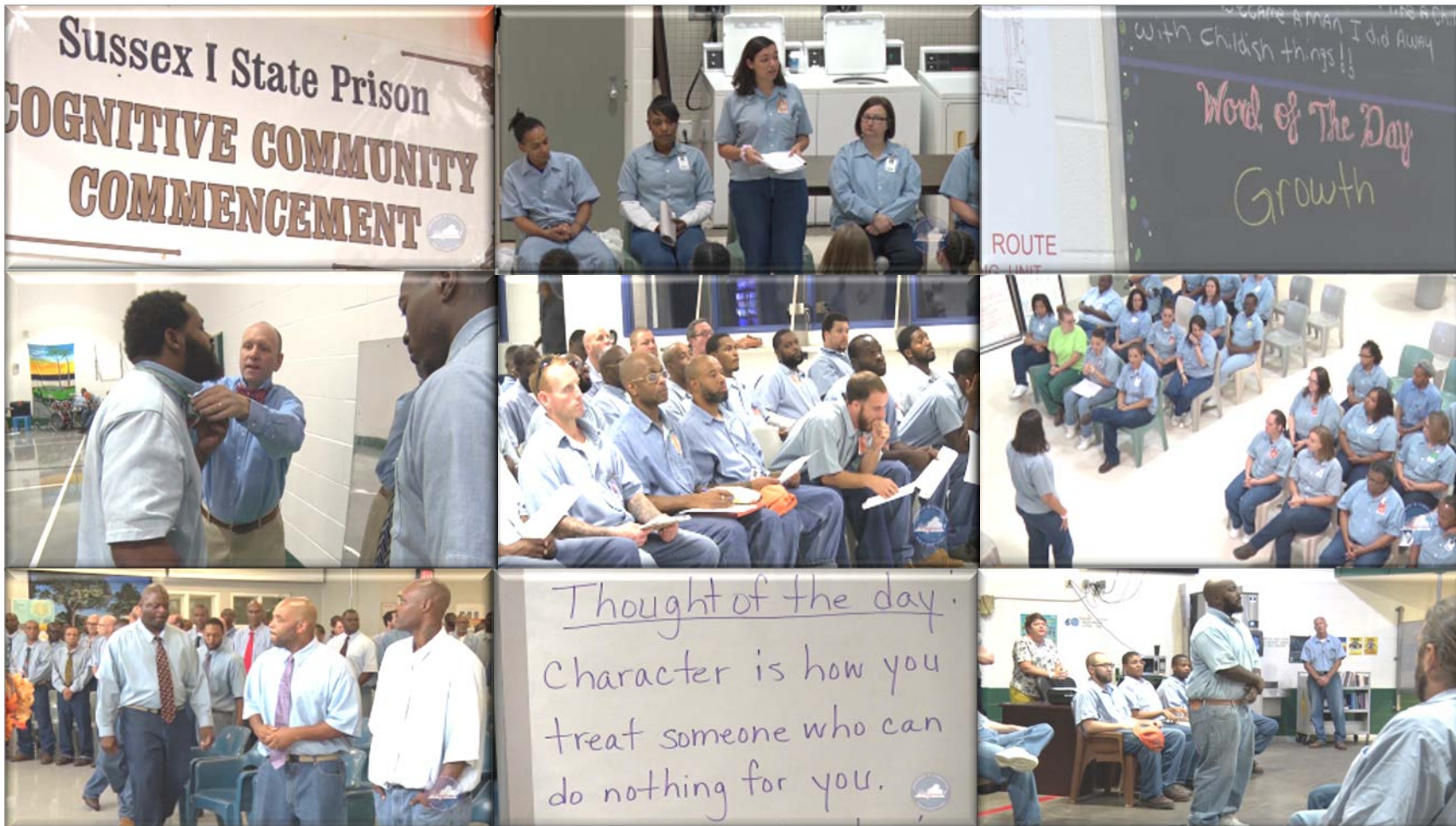




VIRGINIA DEPARTMENT OF CORRECTIONS

Management Information Summary Annual Report For the Fiscal Year Ending June 30, 2019



The Cognitive Community Model

Compiled by the Budget Office

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On the Cover ***The Cognitive Community Model***

For the past two years, the Virginia Department of Corrections (VADOC) recorded the lowest rate of offender recidivism among 45 states that produce three-year recidivism rates for felons at 23.4 and 22.4 percent. This trend is not an anomaly, but rather the result of a well-designed and implemented multi-faceted approach to offender reentry. A central factor in these results is the implementation of a reentry modality called the Cognitive Community model.

The following is the final in a series of three articles published by Department of Corrections' staff C. Dudley Bush (now retired) and Jessica Lee.

All three articles can be found at the following website:

<https://inpublicsafety.com/2018/08/how-the-vadoc-has-reduced-recidivism-using-the-cognitive-community-model/>

<https://inpublicsafety.com/2018/09/changing-offender-thinking-and-behavior-through-the-cognitive-community-model/>

<https://inpublicsafety.com/2018/12/challenges-implementing-maintaining-and-replicating-the-cognitive-community-model-in-corrections/>

Challenges Implementing, Maintaining, and Replicating the Cognitive Community Model in Corrections

Historically, correctional facilities have offered offenders various programming to help them reenter society. However, these approaches were often limited to occasional sessions in a classroom setting. To give offenders the best chance at successful reintegration, the Virginia Department of Corrections (VADOC) developed a reentry program called the Cognitive Community model where offenders live together in a structured and supportive community environment. This allows them to develop healthy habits, better understand their errant thinking, develop positive social skills, and make significant changes to their behavior.

Creating a Community Environment

A Cognitive Community consists of 40 to 90 offenders, depending on the security level of the facility. Offenders are selected to participate in the community based on their release dates. Selected community members are moved to a designated housing area, which can operate in either a dormitory setting or a celled housing unit, but it is critical for the community to be segregated from the general population. It is also important for the membership to be diverse regarding age, race, criminal history, years served, and so on. Such diversity enhances the character of the community and helps offenders learn how to positively interact with a diverse group of people. The community setting is highly structured and operates 24 hours a day, seven days a week.

Following Rules

Within this community, just as in society, offenders are expected to follow rules and standards that emphasize right living. This prepares offenders to follow laws in society. Community rules, in order of significance, are:

- Cardinal:** These are the strictest rules, which ensure the safety and security of the community. Examples include restrictions regarding drugs, fighting, and violations of confidentiality.
- Major:** These rules define the relationship between individual members, as well as between members and staff. Examples include being on time for all activities, full participation in community activities, and no derogatory comments regarding race, ethnicity, sexual orientation, religion, etc.
- House Rules:** These rules support the integrity of the community and are specific to each unique community. Examples include no eating or drinking during group, no non-related classroom materials allowed in the group, and things like not dragging chairs across the floor.

Structured Days

In addition to rules, each community holds a morning development meeting (AMD) and an afternoon development meeting (PMD). The AMD and PMD meetings are similar to a morning briefing for correctional professionals. These meetings help to offer structure, accountability, and responsibility, while keeping community members informed and focused on their personal development.

Duties and Responsibilities

Each meeting has a “structure board” which displays names of offenders and their roles and duties. For example, the structure board lists an offender as a “Senior Coordinator” who is responsible for ensuring the community is operating smoothly and efficiently. There are several other coordinator positions that are responsible for a crew of individuals assigned to carry out specific tasks for the community. For example, crews include:

- *Information Crew*: Provides the news, weather, sports and entertainment for the day.
- *Expeditor Crew*: Announces events and ensures groups start and end on time.
- *Creative Energy Crew*: Leads the community in creative energy activities.
- *Service Crew*: Cleans general areas of the housing unit.
- *Inspiration Crew*: Offers a “thought for the day” that the community expounds on and reflects on throughout the day.
- *Education Crew*: Provides a “word for the day” and education seminars.

Although the coordinator is the person responsible for the crew, the program is designed to ensure that every community member contributes and has value. It should also be noted that offender job positions have no authority, but rather a great deal of responsibility. Although offenders are in positions of leadership, staff maintains all authority within the community. For example, community members do not have the authority to cancel an AMD or PMD meeting, but it is essential that they disseminate a schedule change.

Benefits of Cognitive Community Environment

Improving Communication Skills

Living in this community environment challenges offenders to step outside of their comfort zone. For example, this population often struggles with public speaking and effective communication. To overcome those issues, meetings are highly structured and all members of the community must contribute. Practicing public speaking in this environment can help an offender build communication skills and confidence that help them after incarceration with things like employment, education, and personal relationships.

Learning Productive Schedules

The Cognitive Community design also helps offenders develop positive and productive daily habits, something many offenders have not had in their lives. Offenders work to develop a behavior pattern that they can use when released. This can include ensuring cell compliance and grooming standards are in place prior to the morning meeting. Throughout the day, community members are expected to attend group, complete homework, work in the housing unit, assist other community members as needed, and prepare for the upcoming PMD meeting. Instead of spending their incarceration time sleeping through the day and relying on recreation as their only means of organized daily activity, offenders learn how to effectively schedule their time. This skill is practiced throughout their time in the program, while offenders attend daily AMD and PMD meetings, and spend their day completing job duties and other programming tasks.

Taking Care of Each Other

At the core of community is the concept of brothers/sisters keepers and helping everyone be successful. Each offender has a level of responsibility not only for themselves, but for other members of the community. Learning about productive confrontation techniques and how to hold one another

accountable are important components of the community. Developing these skills challenge the criminal mindset of “snitching” and assists in replacing destructive thinking patterns with a more pro-social thought process of being a concerned community member.

Positive Confrontation Skills

The issue of confrontation can be difficult for this population. Incarcerated individuals often struggle with anger management and lack the needed skills to confront another individual in a productive manner. The community teaches offenders the value of receiving feedback and the steps needed to confront others in a healthy way. Offenders and staff hold one another accountable through verbal and written feedback, learning experiences, behavior contracts, and confrontation meetings. Again, these tools are highly structured and guarded through specific standards.

Push-Up & Pull-Up System

To commit crimes, individuals often lack empathy and have limited regard for others. However, in the community, developing empathy helps offenders understand victimization and the harm they do to others. To help identify both positive and negative behavior, the Cognitive Community program employs a “pull-up” and “push-up” system, which is used by both staff and community members.

The “pull-up system” is a verbal or written awareness that highlights a problematic behavior that needs to be addressed. For example a staff or community member will say something like, “Mr. Smith, I am pulling you up for not being in group on time.” This process clearly states the behavior that needs to be corrected.

On the other end is the “push-up system” that is used to affirm positive behavior that needs to be reinforced. Push-ups are verbal or written affirmations that are specific and inform the offender that their change is visible and their new way of living is supported by the community. For example, a staff or community member may say, “Mr. Smith I noticed you assisted another community member clean the bathrooms and this is not your assigned job. Your contribution to the community is appreciated.” A push-up can be given immediately when a positive behavior occurs, or it can be acknowledged during AMD or PMD meetings.

Community members are taught the importance of giving four (4) push-ups to every 1 (one) pull-up. Often times, offenders have experienced a great deal of criticism throughout their lives, but it is through positive reinforcement that change is possible. Therefore, the 4-to-1 ratio forces staff and offenders to affirm others and reinforce positive behavior rather than focusing on the need for correction. This teaches the value of affirmations over criticism.

Influence of Staff

Each community is managed by a team of staff that consists of one Cognitive Counselor, one Case Manager, and a Treatment Officer who all support the community in its development. While these staff receive specialized training, all staff working at a correctional center where a Cognitive Community exists are expected to attend a 40-hour Cognitive Community staff training.

The staff working within the Cognitive Community must lead by example. These employees are fundamental to the community’s growth and development. One program led by staff is called, Thinking for a Change, which is a cognitive behavior change program that consists of 25 lessons addressing cognitive restructuring, social skills, and problem-solving skills. As staff engages offenders, they focus less on command and control and more on raising awareness of the thinking that drives offender behavior. For example, it is common for staff to pose questions like:

- “Share what you were thinking as you made that choice.”
- “How did your thinking in this situation move you closer or farther from your goal?”
- “What thoughts and feelings influenced your action in this situation?”

Offenders are often asked to complete “Thinking Reports” that provide a glimpse into a person’s thinking process and can help guide change. Thinking Reports are a formatted document that asks the writer to identify a situation and then share their unfiltered thoughts and feelings that arose from that situation. The author can then evaluate their risky thoughts and feelings, physical responses, and attitudes. It is critical to note that the author of the

report is always the expert on the report. Often a person's thinking is rooted in a core belief system that may be contributing to their criminal lifestyle. It is important to challenge this thinking to assist in the change process and by actively pinpointing thoughts, a person can alter their actions and lifestyle.

Positive Impacts of Cognitive Community at VADOC

The Cognitive Community model has contributed to a significant reduction in recidivism rates. VADOC started the first pilot program in 2004 at a low-security, 50-bed female facility. Since then, there have been significant statewide changes to Virginia's reentry practices. There are now 18 Intensive Reentry Cognitive Community sites at major correctional institutions throughout Virginia, serving more than 3,100 offenders per year.

These changes have paid off. In the last two years, VADOC has recorded the lowest rate of offender recidivism among 45 states that produce three-year recidivism rates for felons at 23.4 and 22.4 percent. It attributes much of this success to implementing changes to its reentry programs and embracing the Cognitive Community model.

VIRGINIA DEPARTMENT OF CORRECTIONS ANNUAL MANAGEMENT INFORMATION SUMMARY REPORT FOR THE FISCAL YEAR ENDING JUNE 30, 2019

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Note: All dollar and percentage figures used in this report are shown as rounded to the nearest dollar and 1/10 of a percentage point, respectively. Thus the results of arithmetic calculations (sums, divisions, percentages, etc.) when using the exact figures are correct, but due to rounding the results in this report might appear to be off by a few dollars or tenths of a percentage point.

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DEPARTMENT OF CORRECTIONS

THE YEAR IN REVIEW

For the Fiscal Year Ending June 30, 2019

A few of the accomplishments/initiatives of the Department of Corrections for the fiscal year ending June 30, 2019 are highlighted below:

FY 2019 Year End

The year-end close out was a success. Consistently, the Department of Corrections effectively utilizes nearly 100.00% of its unrestricted, allotted general fund appropriation.

The *Code of Virginia*, Section 2.2-4350, requires State agencies and institutions to pay 100% of their invoices subject to the Prompt Payment Statutes by the "required" payment due date. Agencies are considered to be in compliance with the prompt payment standard if they have achieved at least a 95% prompt payment rate. The Department exceeded this goal with a compliance rate of 99.46% for FY 2019.

The Department also continues to focus on utilization of Small, Women and Minority (SWaM) vendors for its discretionary expenditures. According to the Virginia Department of Small Business and Supplier Diversity's (SBSD) (formerly DMBE) dashboard, FY2019 utilization was 17.81% as compared to 18.65% in FY 2018. The inability to discount expenditures associated with medical healthcare contracts with Armor and Mediko, and mandatory sources such as Virginia Correctional Enterprises (VCE), the Virginia Distribution Center (VDC), etc., continue to impact the Department's SWAM utilization rate.

VADOC Project Focuses on Improving Family Relationships to Further Reduce Recidivism

The Virginia Department of Corrections is launching a new project aimed at improving services for incarcerated parents and their minor children. The Building Family Bridges project involves a number of pre- and post-release strategies and fosters positive parent-child engagement, thereby strengthening relationships and reducing recidivism.

The project is made possible by a recently awarded \$667,829 grant issued by the U.S. Department of Justice (DOJ), Office of Justice Programs (OJP), and Office of Juvenile Justice and Delinquency Prevention (OJJDP).

"The collateral damage of incarceration is significant and I am grateful we can dedicate additional resources to this challenge," says Jessica Lee, Cognitive Programs Manager. "The Building Family Bridges grant will afford the VADOC an opportunity to enhance our family reunification services, along with direct parenting needs."

Building Family Bridges will include two levels of facility involvement. One level will pilot a comprehensive, wrap around approach in at least three VADOC facilities. The second level will provide training designed to reach all facilities, potentially benefitting all offenders with minor children and visiting families.

“Successful reentry and strong family bonds go hand in hand. This grant gives us the opportunity to help grow and strengthen those bonds before returning citizens reenter society, thus improving our communities and reducing recidivism,” adds Scott Richeson, Deputy Director of Programs, Education and Reentry. “Our staff worked hard to obtain this grant and we’re excited to put these resources to work.”

Performance measure data for Building Family Bridges will be gathered from VADOC’s data management system, surveys, new data collection tools specific to the project, and/or pre/post testing and/or participant evaluations to determine progress.

DOC Press Release, November 19, 2018

Vera Institute of Justice Report Highlights “Great Successes” of Virginia’s Restrictive Housing Reforms and Offers Support for Future Initiatives

As the Virginia Department of Corrections continues its groundbreaking reforms in the use of restrictive housing for the state’s inmates, a report released today by the Vera Institute of Justice provides insight into Virginia’s past, present and future initiatives to address and minimize the use of restrictive housing.

Vera’s final report of its Safe Alternatives to Segregation Initiative (SAS) acknowledges VADOC’s “pioneering” Restrictive Housing Reduction Step-Down Program (SDP), which was launched in 2011. The report also analyzes VADOC’s Restrictive Housing Pilot Program (RHPP)—introduced in 2016—and its planned roll out to all facilities.

“I appreciate Vera recognizing the commitment made by VADOC in providing second chances, for even those offenders deemed to be the most dangerous, through initiatives like our Step-Down Program and Restrictive Housing Pilot Program,” said VADOC Director Harold Clarke.

The goal of the SAS initiative was to allow Vera to assess how VADOC uses restrictive housing and provide recommendations on ways the department can safely reduce its use. Vera launched the partnership in April of 2017. The assessment process involved an initial meeting, site visits, preliminary recommendations, additional site visits, and a final meeting to close out the partnership.

The report shares both findings and recommendations regarding the SDP, RHPP, Culture Change and Reducing Restrictive Housing for People with Mental Health Needs. It also acknowledges reforms developed and implemented during the period of Vera’s assessment including the launch of the Secure Diversionary Treatment Program (SDTP), expansion of Shared Allied Management (SAMs) Units and the expansion of the Restrictive Housing Pilot Program (RHPP) to facilities statewide.

“Our staff has worked extremely hard to develop new and innovative reforms to address the needs of some of our more challenging populations,” said Tori Raiford, Chief of Restrictive Housing and Serious Mental Illness. “The programs already in place and those we seek to introduce in the future are indicative of this agency’s commitment to reform.”

Vera’s findings include the reduction of offenders in restrictive housing settings system-wide (5 percent to 3 percent of the total population) from 2016 to 2018. In addition, Vera found that VADOC staff reporting witnessing improved behavior, a calmer environment and higher staff moral in the Restrictive Housing Units.

Addressing the Step-Down Program, Vera recommends expanding strategies to further increase out-of-cell time for offenders and developing transition plans for program continuation once offenders complete the program.

Regarding the Restrictive Housing Pilot Program, Vera recommends the use of designated “cool-down” spaces where offenders can de-escalate after experiencing a volatile or otherwise intense situation. Vera also recommends providing clear and objective guidelines to help staff determine what behaviors merit placement in restrictive housing.

“Our engagement with Vera was intended to stretch us beyond our levels of success and I believe the engagement has been very fruitful,” added Director Clarke.

Visit <https://www.vera.org/publications/safe-alternatives-to-segregation-virginia-department-of-corrections> to read the full report, *The Safe Alternatives to Segregation Initiative: Findings and Recommendations for the Virginia Department of Corrections*.

DOC Press Release, December 20, 2018

Governor Northam Announces Virginia Maintains the Lowest Recidivism Rate in the Country

Governor Ralph Northam announced during last night’s State of the Commonwealth address that for the third year in a row, Virginia’s re-incarceration rate is the lowest in the country. Virginia’s latest recidivism rate is 23.4 percent.

Of the 43 states reporting 3-year recidivism rates (the number of offenders who are re-incarcerated within three years of their release from prison), the Virginia DOC’s rate of 23.4% is the lowest in the country.

“Virginia’s latest recidivism numbers are the result of a lot of hard work on the part of both the Department of Corrections and the incarcerated offenders,” said Governor Northam. “I want to thank Director Harold Clarke for his department’s work to make sure we do as much as possible to prepare people to leave our corrections system and rebuild their lives.”

Last year’s rate was 22.4%. Between last year and this year, the percentage of offenders returning for technical violations more than doubled. Increases in technical violations may be associated with a response to the opioid epidemic; some judges sentence opioid users to state-responsible incarceration for their safety and treatment.

“We are returning offenders to their communities equipped to be law-abiding citizens who contribute to their neighborhoods and families,” said Secretary of Public Safety and Homeland Security Brian Moran. “This is a bipartisan accomplishment and we look forward to working together to continue investing in critical re-entry efforts.”

The groups with the lowest recidivism rates consist of those offenders who served their time in DOC facilities, as opposed to local jails, and had no known mental impairment and no history of opioid abuse. (Limitations in capacity in DOC facilities means some state responsible offenders serve their entire incarceration in a local or regional jail.) The recidivism rate for those in DOC facilities with no history of opioid abuse and no mental illness is 17.3 percent.

“Reentry work begins the day we receive an offender,” said Virginia Department of Corrections Director Harold Clarke. “Our mission is to help people be better, and the evidence shows we’re doing that inside the prisons as well as in the community once offenders are out on probation and parole.”

Like most states, Virginia counts its official recidivism rate as the percentage of offenders who return to state responsible incarceration within three years of being released. The rate was calculated by following offenders released to the community in 2014 for three years. Of the 12,021 offenders released from incarceration in Virginia in fiscal year 2014, 2,815 were re-incarcerated within three years.

DOC Press Release, January 10, 2019

VADOC Receives Excellence in Government Award for Public-Private Partnerships

The Virginia Department of Corrections received a 2019 Excellence in Government Award recognizing two public-private partnerships that have the same goal: training offenders to return successfully to society.

“The spirit of citizenship and tremendous generosity exhibited by our community partners Johnson Controls and the Thoroughbred Retirement Foundation benefit all Virginians, because when former offenders succeed, our communities gain long-lasting public safety,” said Director Harold Clarke.

VADOC is one of seven honorees the Virginia Commonwealth University L. Douglas Wilder School of Government and Public Affairs announced Monday.

In the Green Heating Ventilation Air Conditioning (HVAC) program at Indian Creek Correctional Center in Chesapeake, students gain technical skills in a cutting-edge classroom and an energy conservation lab built with assistance from industry leader Johnson Controls. This one-of-kind effort puts students together with industry experts and keeps them abreast of new developments in the ever-changing HVAC industry while also allowing them to earn certifications and credentials necessary for future employment.

The Thoroughbred Retirement Foundation works with VADOC at the State Farm Work Center providing care for retired thoroughbreds to prepare offenders for careers in the equine industry. Skills include daily management of and hands on care for horses, feeding and nutrition, health assessments, facility maintenance and management. Offenders can also learn skills to prepare them for careers in farrier science. Since its inception in 2007, around 100 men have completed the program and numerous horses have found adoptive homes. The James River Chapter of TRF raises approximately \$100,000 each year to provide the Groom Elite program education for the offender participants and care for the horses.

Virginia holds the lowest recidivism rate in the nation at 23.4 percent. For those completing a Career and Technical Education (CTE) program in the Virginia prison system, the rate is even lower, at 12.3 percent.

Award recipients were honored at a luncheon April 11 at the Richmond Marriott, 500 E. Broad St.

DOC Press Release, February 21, 2019

Employee Assistance Fund

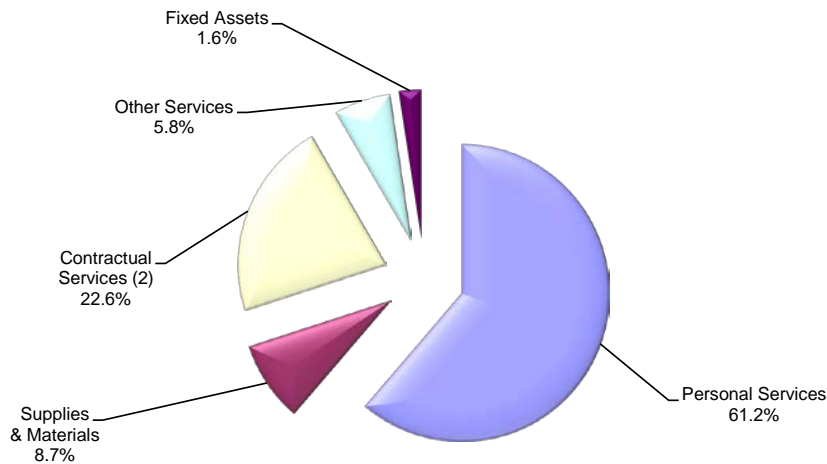
The EAF was established during FY 2003 and as of June 30, 2019 has made 1,448 awards totaling \$908,052. The fund was created to provide monetary relief to current employees of the Virginia Department of Corrections who have experienced a crisis resulting in a financial need to include, but not limited to, support to the spouse and/or children upon the death of an employee, serious illness of an employee or an immediate family member, loss of property due to fire, etc. The EAF is supported by DOC fund-raising activities and tax-deductible contributions from employees and other supporters. The fund enables DOC to disburse immediate resources to employees without friends and co-workers “passing the hat.” Contributions to the EAF are used only for the benefit of current DOC employees. As of June 30, 2019, the fund balance was \$217,229.

FINANCIAL/OPERATING OVERVIEW

TOTAL EXPENDITURES BY CATEGORY - ALL FUNDS

For the fiscal year ended June 30, 2019, the General Assembly appropriated the Department of Corrections (DOC) an adjusted operating budget of \$1,297,370,655. The DOC expended \$1,287,018,048; the major portion of these expenditures were earmarked for salaries and benefits. The Department operated 26 Major Institutions, 8 Field Units, 5 Work Centers, 5 Community Corrections Alternative Program (CCAP) facilities (previously known as Detention/Diversion Centers) in which 28,996 offenders* were housed. In addition, the Department operated 43 Probation & Parole District Offices. (For FY 2019, the number of offenders under community-based supervision averaged 66,640 as compared to an FY 2018 average of 65,919, a 1.1% increase over was last fiscal year.)

TOTAL EXPENDITURES BY CATEGORY - FY 2019



Personal Services (1)
Supplies & Materials
Contractual Services (2)
Other Services
Fixed Assets

	FY 2019	FY 2018
Personal Services (1)	\$ 787,706,011	\$ 765,128,193
Supplies & Materials	112,521,279	109,078,137
Contractual Services (2)	291,248,793	270,544,980
Other Services	75,111,981	75,823,058
Fixed Assets	20,429,984	28,382,422
Total	\$ 1,287,018,048	\$ 1,248,956,790

* On average 28,996 offenders were housed in facilities operated by DOC during FY 2019. Excluded from that statistic were 1,550 DOC inmates housed in a Department of Corrections owned prison in Lawrenceville, Virginia that is privately operated.

(1) The increase in personal services is largely due to an increase in employee salaries, which included a \$2,016 salary adjustment for Correctional Officer effective January 10, 2019, an increase in the Commonwealth's share of employee fringe benefits, as well as increase expenditures for overtime and wage employees.

(2) The increase in contractual services is the result of higher offender medical costs, increased expenditures for IT services as well as increased expenditures for repair and maintenance services.

CATEGORY DEFINITIONS

Personal Services are the salaries, wages, overtime and fringe benefits (social security, health insurance, group life insurance, long-term disability insurance, retirement, etc.) of DOC employees.

The Supplies and Materials category includes expenditures for supplies and materials used in administration (employee clothing, office supplies, stationery, etc.), energy production (coal, natural gas, gasoline, fuel oil, etc.), manufacturing and merchandising (manufacturing supplies, packaging supplies, etc.), medical care (laboratory supplies, medical and dental supplies, drugs, etc.), repair and maintenance (including custodial care), inmate residence (inmate clothing, food, laundry and linen, toiletries, etc.), and miscellaneous other uses (agriculture, computer operation, education, recreation, etc.).

Examples of Contractual Services are freight, postage, telecommunications services, employee development and training, health care, legal services, consulting, advertising, repair and maintenance, architecture and engineering services, food service, laundry and linen service, computer hardware and software maintenance, software acquisition, computer operation, and travel-related services (transport, meals, lodging, etc.).

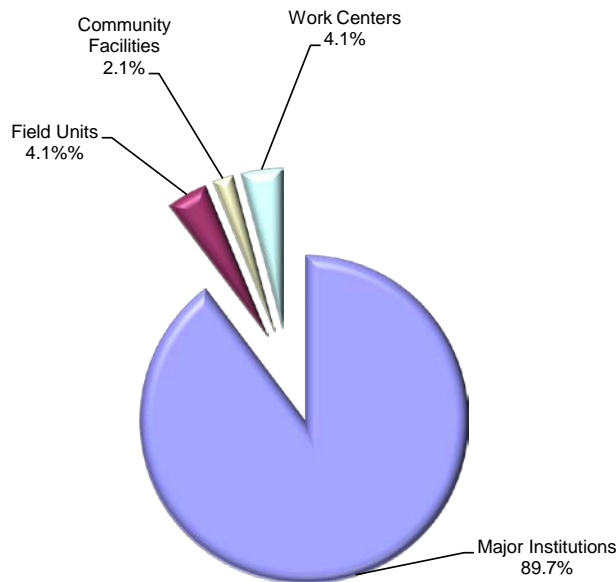
Other Services consist of miscellaneous expenditures such as unemployment compensation, incentive payments for participation in State-sponsored programs and activities (e.g., halfway houses), grants and aid to local governments, insurance premiums (property, medical malpractice, workers compensation, etc.), lease payments, rent, utility charges (for water, sewage, electricity, etc.), garbage collection, installment purchases, and debt service.

Fixed Assets are land, buildings, equipment and infrastructure. Examples of fixed assets include electronic equipment (radar, radios, televisions, etc.), motor vehicles (cars, trucks, buses, forklifts, etc.), office furniture (bookcases, desks, files, tables, lamps, etc.), and household equipment (beds, mattresses, chairs, refrigerators, stoves, etc.). Additional examples of fixed assets include site improvements, such as exterior lighting systems, fences, landscaping, parking areas, roadways, walkways, etc.

ADP DISTRIBUTION BY FACILITY TYPE

The "Average Daily Population" (ADP) for the DOC was 28,966, remaining relatively flat compared to FY 2018.

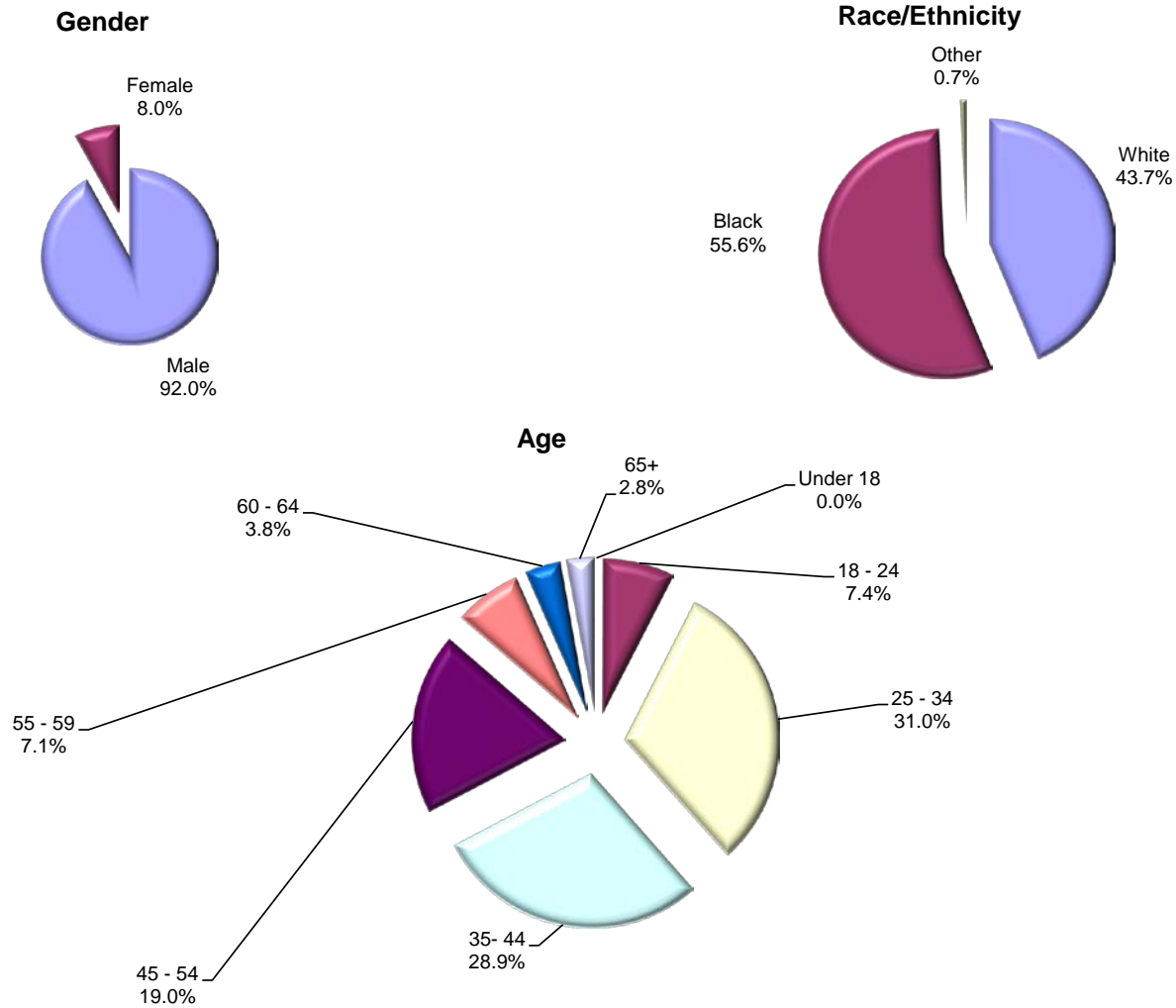
ADP is the sum total of the offender population resulting from periodic head-counts divided by the number of observations. There are four basic types of DOC facilities - major institutions, field units, work centers, and community residential facilities - and there are differences between individual facilities within each type. The offender's security risk, health care needs, educational needs, age, area of residence, etc. determine where an offender is housed. The Department classifies its facilities based on 5 levels of security risks - Level 1 is the lowest; Level 5 is the highest. Offenders who require the highest security are generally housed at Red Onion State Prison. Offenders can be placed in a community facility (Community Corrections Alternative Program (CCAP), previously known as Detention/Diversion Centers) by a court of law.



FACILITY TYPE	FY 2019	FY 2018
Major Institutions	25,994	26,073
Field Units	1,178	1,137
Community Facilities	595	484
Work Centers	1,199	1,195
	28,966	28,889

The above ADP statistics refer to offenders housed in facilities operated by DOC. Excluded from these statistics are 1,550 DOC inmates housed in a Department of Corrections owned prison in Lawrenceville, Virginia that is privately-operated.

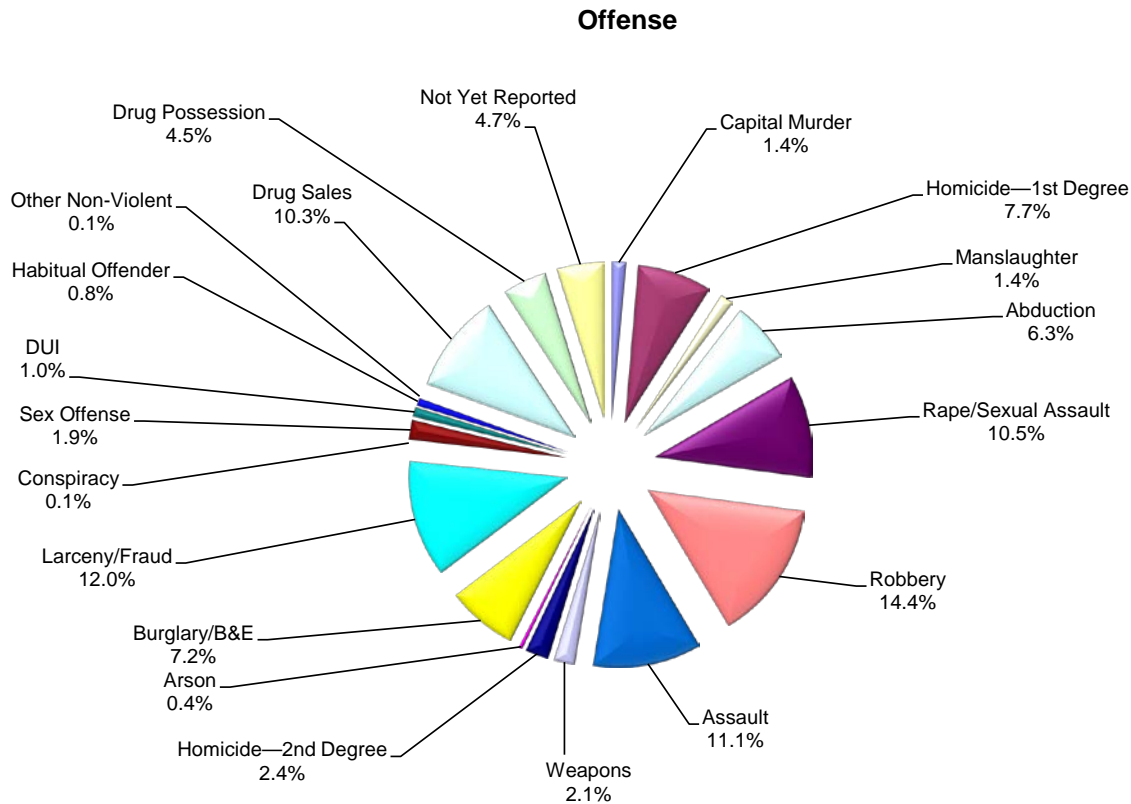
INMATE POPULATION - DEMOGRAPHICS *



* This demographic data represents the DOC inmate population as of December 31, 2018, the most recent data available. DOC inmates incarcerated in local jails are included in this data; out-of-state inmates are excluded.

Source: Research Unit

INMATE POPULATION - OFFENSE DATA *



This offense data represents the DOC inmate population as of December 31, 2018, the most recent data available. This data includes DOC inmates incarcerated in local jails; however, out-of-state inmates are not included. Inmates convicted of multiple offenses are represented here by their most serious offense. For example, a drug trafficker who raped and murdered someone would be represented in the murder category. In regards to 'not reported' offenses, this data represents the percentage of inmates whose actual committing offense had not been reported. Over time this information is updated for that particular population.

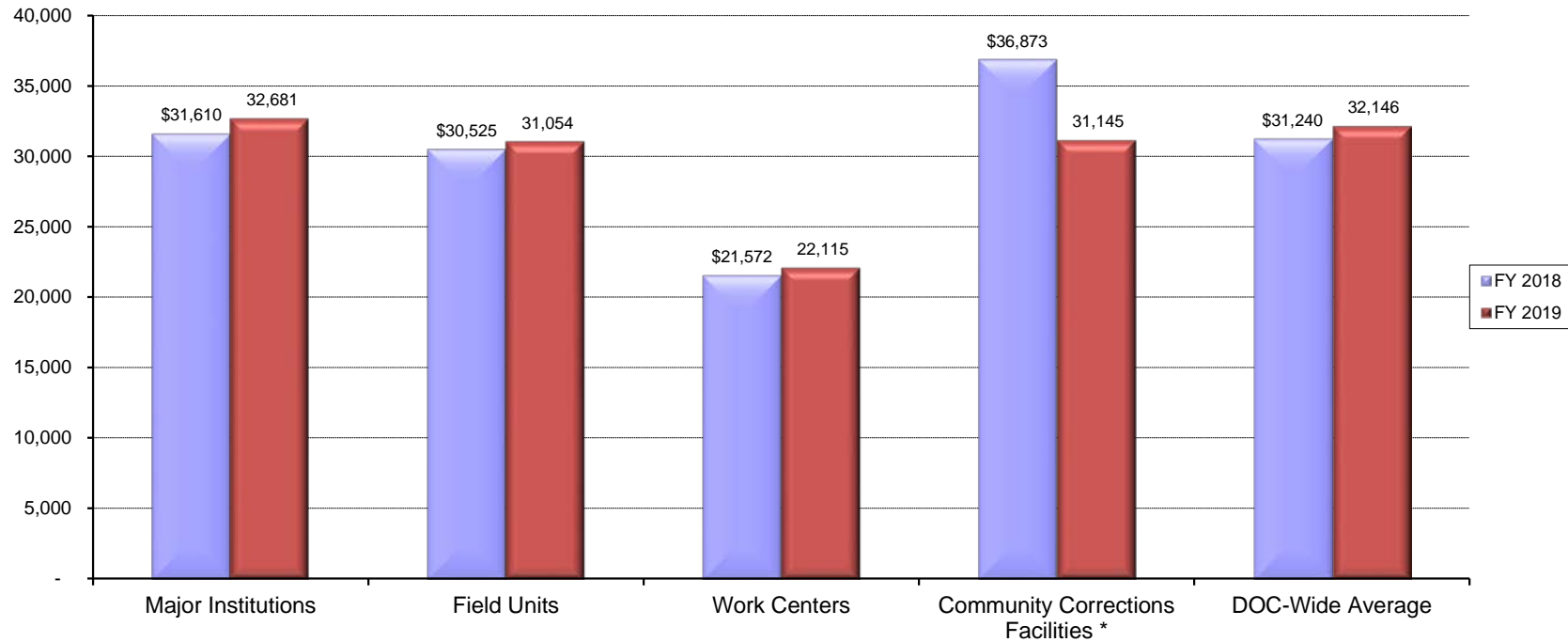
Source: Research Unit

OPERATING COST PER OFFENDER (PER CAPITA)

The Department-wide per capita cost of housing offenders was \$32,146 in FY 2019, up 2.9% above FY 2018.

The different facility types have different per capita costs for a variety of reasons. Inmates housed in field units and work centers present lower security risks than those housed in major institutions. These inmates also do not have chronic, serious health problems, therefore they need only modest medical resources. For these reasons, field units and work centers tend to have lower per capita costs than major institutions. Probationers housed in community facilities also present lower security risks and have lower medical costs than inmates housed in major institutions. However, the small size of these facilities prevents them from realizing economies of scale. Every facility, regardless of size, incurs fixed costs (administrative/food/medical staff, utilities, repairs, maintenance, etc.) that do not vary directly with offender population, causing small facilities to experience higher per capita costs than larger ones.

OPERATING COST PER OFFENDER - FY 2019 VERSUS FY 2018



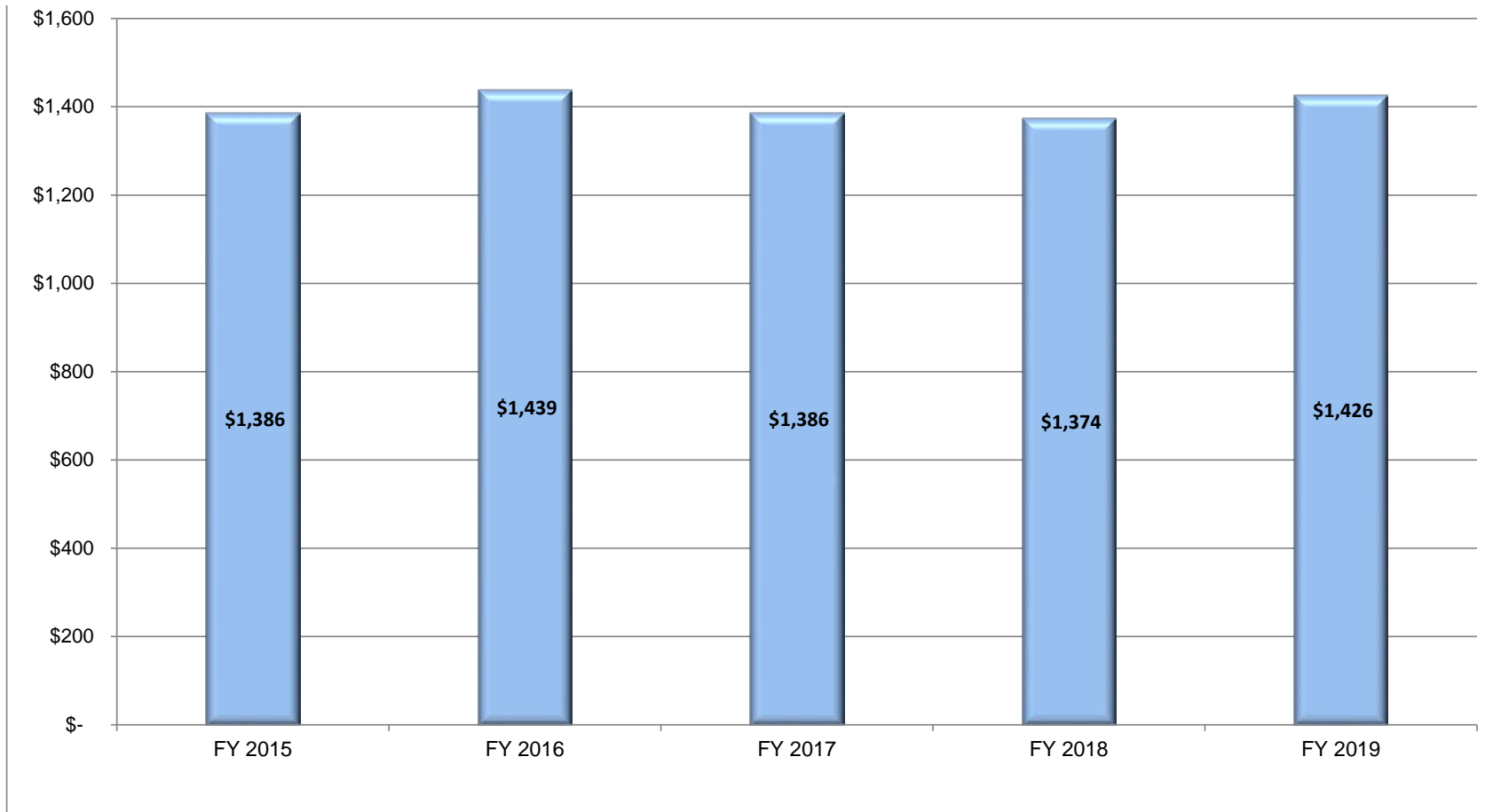
The decrease in the per capita for Community Corrections facilities is largely the result of a 23.9% increase in average daily population from 484 in FY 2018 to 595 in FY 2019.

PROBATION & PAROLE COST PER CASE

The calculation methodology divides Probation and Parole services/treatment, Community Residential Treatment and Community Corrections Alternative Program (CCAP) (previously known as Diversion and Detention Center) treatment expenses by the average number of Probation and Parole cases from VACORIS for FY 2019 (See Note Below).

Prior to FY 2014, previous reporting of Probation and Parole Cost per case excluded CCAP facilities and was based on June population. Since then, the calculation per case now includes these facilities and is based on an average daily population for the fiscal year. FY 2019 cost per case includes expenditures associated with the Spectrum services contract at Cold Springs and Appalachian. From FY 2018 to FY 2019, the number of cases rose from 65,919 to 66,640, an increase of 1.09%

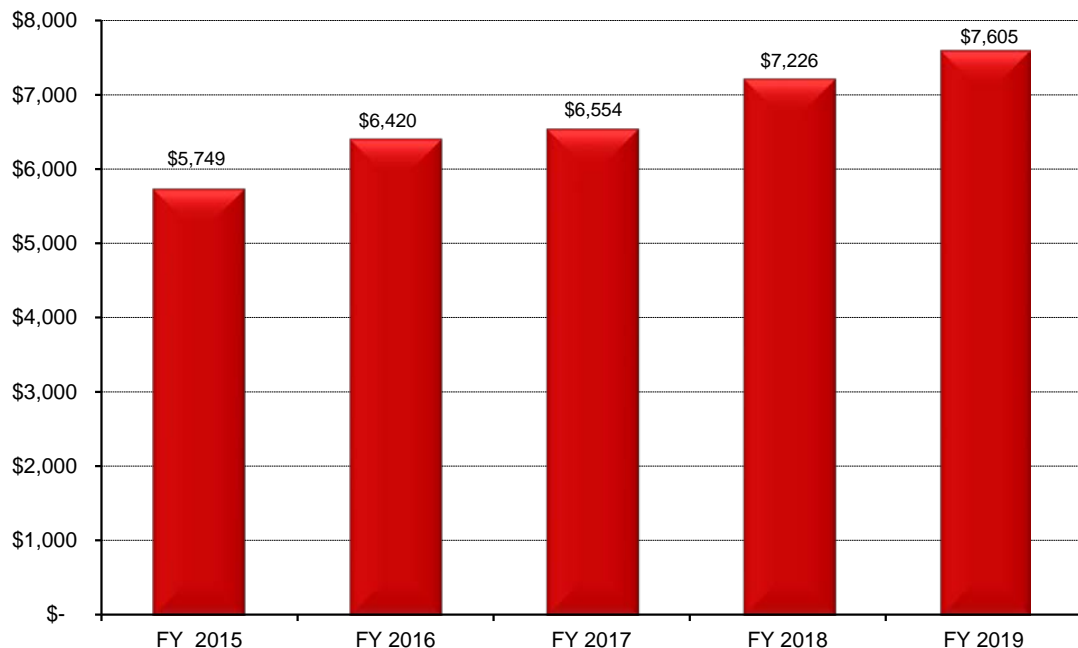
It is important to note that this cost per case calculation assumes a "flat" supervision world in which each individual receives the exact same level of supervision and services. Given that judges mandate certain requirements of supervision, and that EBP principles emphasize sculpted care, this number does not accurately portray the higher cost to supervise violent offenders, sex offenders or other similar intensive supervision cases.



PER CAPITA MEDICAL EXPENDITURES

On a per capita basis, in FY 2019 DOC medical expenditures increased 5.2% above that of FY 2018. The increase is largely attributed to higher medical costs, greater patient acuity, impact of additional infirmary beds and costs to comply with findings resulting from the lawsuit impacting Fluvanna Correctional Center.

While it is generally difficult to predict medical costs, the historical increases in these costs have been attributed to inflation, the rising cost of medical services whether provided by DOC staff or through contractual services, and the impact of providing medical care to an increasingly older offender population with chronic illnesses and a population entering the system with more acute medical needs.



	<u>% OF TOTAL DOC OPERATING EXPENDITURES</u>
FY 2015	14.89%
FY 2016	16.00%
FY 2017	15.70%
FY 2018	16.71%
FY 2019	17.13%

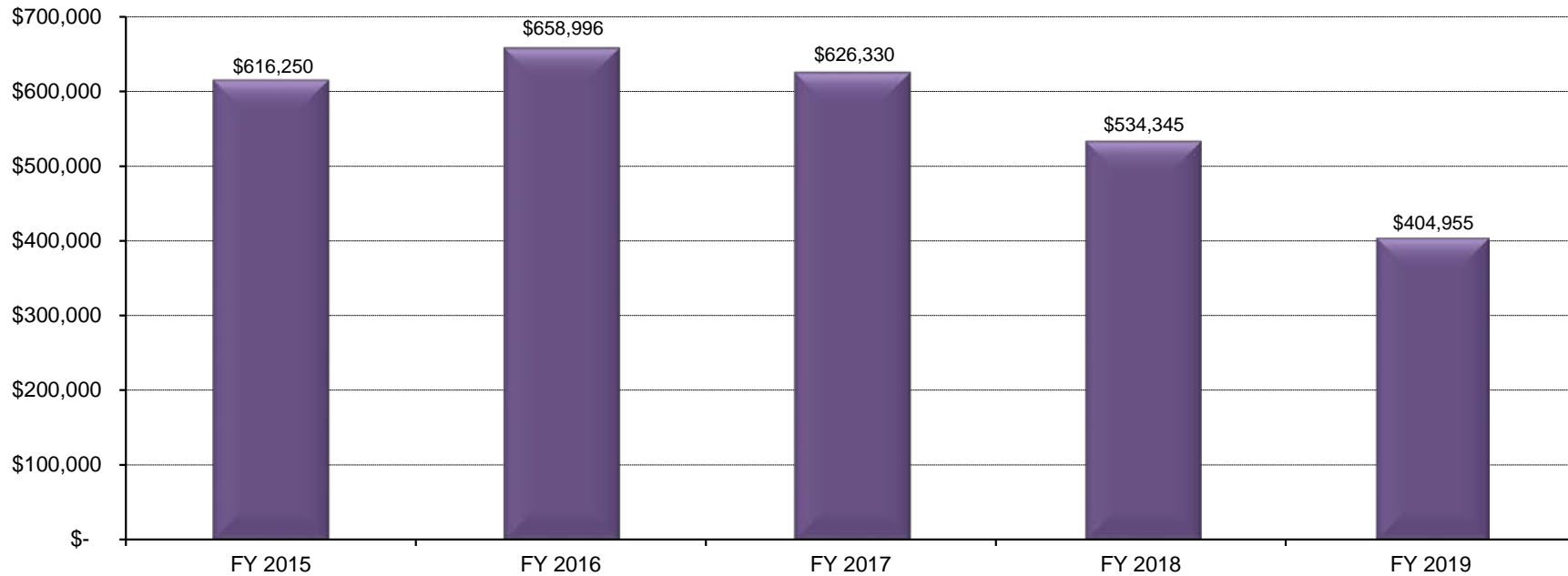
Per capita excludes the cost of out of compliance offenders, Virginia offenders housed in other states under interstate compact custody, as well as Lawrenceville whose ADP is not included in the calculation.

INMATE MEDICAL CO-PAYMENT REVENUE

In response to the increasing cost of medical services, the DOC initiated a "Medical Co-Pay" program in FY1996 whereby inmates are charged a fee or co-payment for certain medical services. The size of the co-payment varies with the kind of medical service rendered (doctors' visits, dental services, prescription drugs, artificial limbs, dentures, eyeglasses, hearing aids, etc.). The most recent change in the co-pay schedule was made effective August 1, 2017.

Variances in the level of co-pay collected can be impacted by the co-pay schedule, the type of service, drugs or medical aid provided as well as the ability of the offender to pay. No offender is ever denied medical care due to his or her inability to provide the co-payment.

The revenue from inmate medical co-payments is used to fund the DOC's telemedicine program. The telemedicine program operates at all correctional facilities, including those locations where medical services are provided by a private vendor as well as the privately-operated prison in Lawrenceville. Telemedicine enables inmates to receive medical care (from the UVA and VCUHS medical centers, as well as Southampton Memorial Hospital and the Office of Health Services).

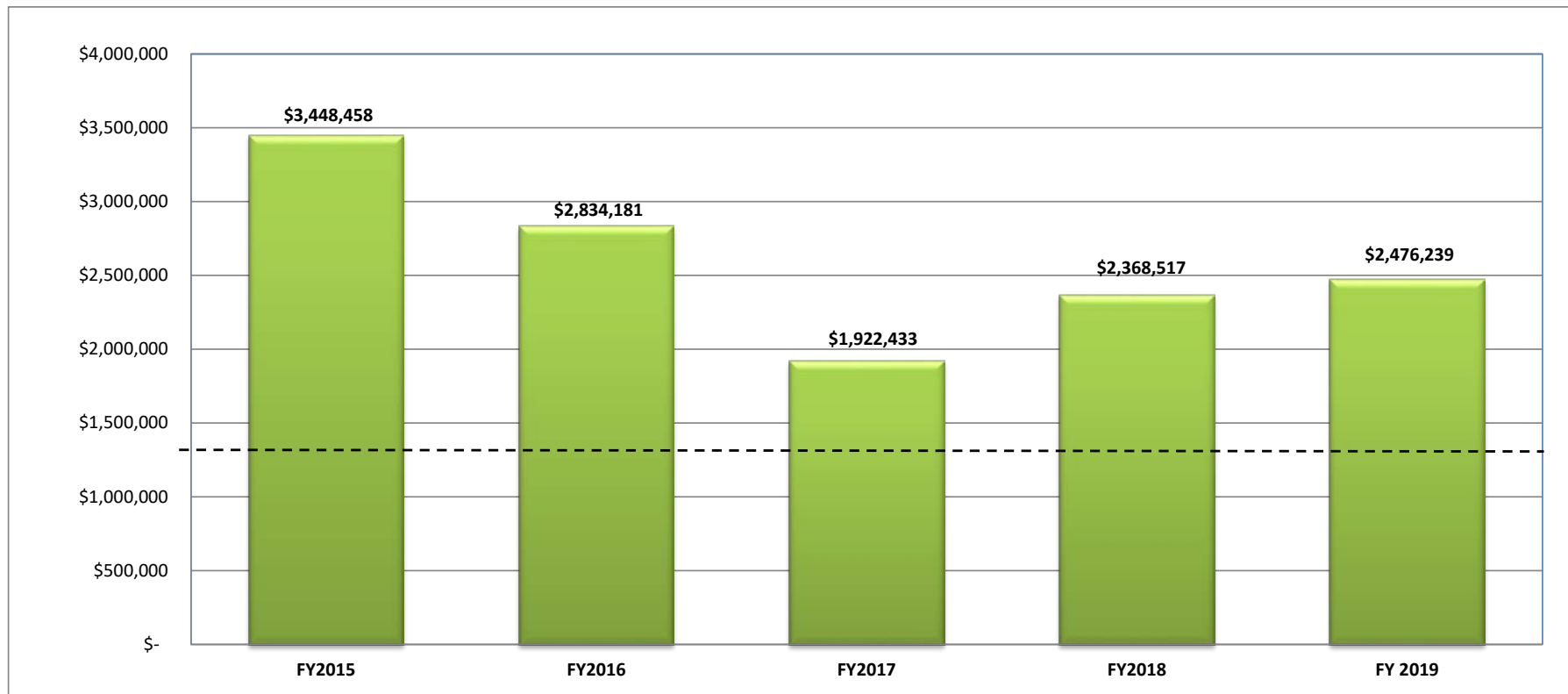


AGRIBUSINESS REVENUE

Agribusiness within the Virginia Department of Corrections includes programs in areas such as meat plants, beef, vegetables, greenhouses, dairy, pork, orchards, the VADOC farmers market, freezer plant/processing, grist mill, beverage plant, goats, and grain and hay used for beef and dairy production. Offender/detainees annually assist with the 7,000 acres of pastures, 1,800 acres of grain crops, 6,800 acres of forest, and 600 acres of vegetables.

Revenue from the sale of farm and dairy products is deposited to the Commonwealth of Virginia general fund. In accordance with the provisions of the Appropriations Act, the Agribusiness program may use fifty percent of any amount in excess of fiscal year 1992 deposits of \$1,360,628 (marked with dashed line) for equipment or repair and construction of Agribusiness facilities.

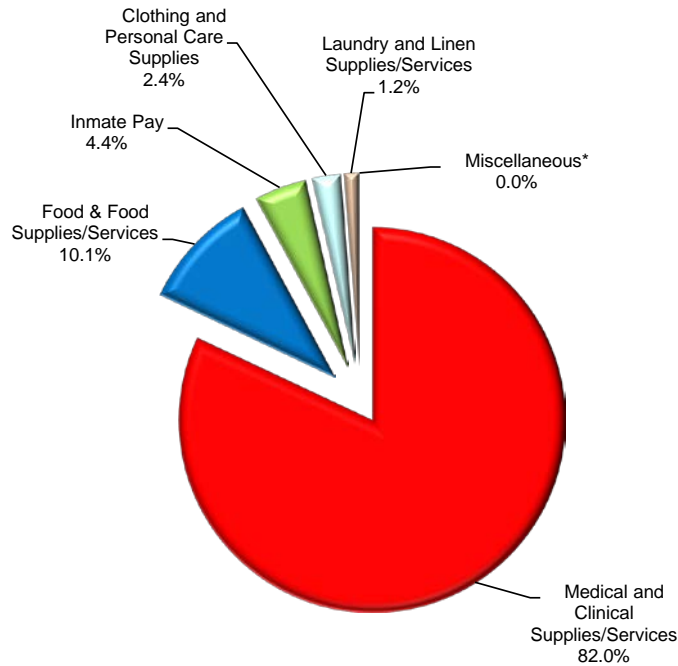
Agribusiness Revenue from the Sale of Farm & Dairy Products



DIRECT INMATE COST - FY 2019

Direct Inmate Costs (inmate pay, postal services, clinic/dental/hospital/medical/X-ray services, food services, laundry and linen services, lab/medical/dental supplies, drugs, clothing, food and food service supplies, linen and laundry supplies, personal care supplies, and recreational supplies) are the expenditures that vary in direct proportion to the inmate population.

TOTAL DIRECT INMATE COST BY CATEGORY

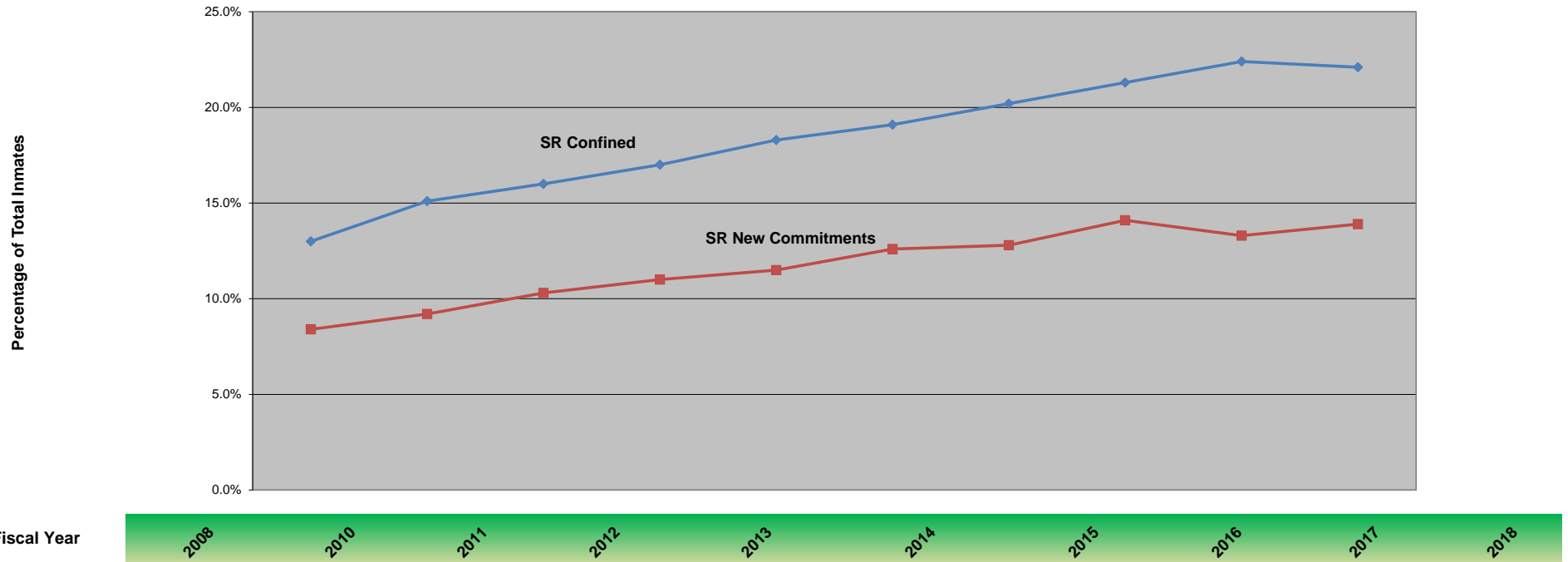


CATEGORY	FY 2019	FY 2018
Medical and Clinical Supplies/Services	\$ 185,400,469	\$ 179,119,502
Food & Food Supplies/Services	22,766,422	22,526,253
Inmate Pay	9,866,761	9,500,834
Clothing and Personal Care Supplies	5,333,599	5,044,067
Laundry and Linen Supplies/Services	2,655,990	2,385,239
Miscellaneous*	21,986	16,800
Total Direct Inmate Cost	\$ 226,045,227	\$ 218,592,695

* Includes expenditures for recreation supplies, as well as postage, which is primarily centrally expensed.

DOC State Responsible (SR) Confined & Newly Committed Inmates Age 50+ FY 2008 through 2018

Since 2008, Confined Inmates age 50+ have increased from 5,099 to 8,028; New commitments age 50+ have increased from 1,137 to 1,611. 13.9% of the state responsible new commitments and 22.1% of the state responsible confined are age 50+.



Fiscal Year	2008	2010	2011	2012	2013	2014	2015	2016	2017	2018
50+ Confined	13.0%	15.1%	16.0%	17.0%	18.3%	19.1%	20.2%	21.3%	22.4%	22.1%
Number	5,099	5,697	5,966	6,283	6,709	7,202	7,607	7,823	7,792	8,028
50+ New Commitments	8.4%	9.2%	10.3%	11.0%	11.5%	12.6%	12.8%	14.1%	13.3%	13.9%
Number	1,137	1,104	1,223	1,264	1,351	1,565	1,575	1,630	1,558	1,611

Source: State Responsible Offender Population Trends, Research Unit. Data for FY 2018 is preliminary as of July 12, 2019. Variances in previously reported values due to a change in how the selection criteria previously used by Research.

Individuals age 50 and above are considered geriatric due to the impact of their lifestyles on their health and lack of care issues.

Confined population information is as of June 30th of each year. Newly committed information reflects inmates sentenced within the fiscal years listed.

FINANCIAL REPORT SUMMARY For the Fiscal Year Ending June 30, 2019

Total DOC appropriations for FY 2019 were \$1,297,370,655 as compared to \$1,257,128,812 for the prior fiscal year. This represents an increase of 3.2%. The percentage of General Fund appropriation in relation to the Department's total appropriation equated to approximately 95%. The General Fund increased \$35,888,024 above FY 2018 (from \$1,193,518,859 in FY 2018 to \$1,229,406,883 in FY 2019). Included are central appropriation adjustments for changes in fringe benefit rates (i.e., employee retirement, health insurance and other employee benefits), funding for increased utilization of IT services, worker's compensation and Line of Duty premiums and a \$2,016 increase in Correctional Officer salary effective January 10, 2019.

Total Special Fund appropriations of \$58,050,605 comprised approximately 4.8% of the Department's total operating budget. Virginia Correctional Enterprises' (VCE) appropriation (\$49,098,008) comprised approximately 85% of the total special fund. Virginia Correctional Enterprises (VCE), a training and manufacturing arm of the DOC, provides products and services to Corrections, State agencies, and other local governmental and non-profit agencies and keeps inmates employed while simultaneously teaching them marketable skills. The balance of the special fund appropriation (\$9,650,776) was associated with the Warranty Overhead account, the Corrections Construction Unit, out-of-state inmate revenue associated with VACORIS and the development of an offender Electronic Health Record (EHR), room and board revenue from Diversion Center offenders, medical co-payment funds, offender programs supported from commissary funds as well as other miscellaneous activities.

The Department's appropriation is comprised of \$3,636,671 in federal funds. This appropriation was primarily allocated for grants through the United States Department of Justice (State Criminal Alien Assistance Program, and SMART Supervision), the Department of Criminal Justice (Victim Witness, Victim Witness Expansion, Web Based Substance Abuse Program, Residential Substance Abuse Treatment (RSAT), the Department of Agriculture (Solid Waste Management Grant) as well as Department of Education grants (Special Education and Perkins (Career and Technical). Historically, funding from the State Criminal Alien Assistance Program (SCAAP) had reverted to the Commonwealth's General Fund; however, the 2009 General Assembly permitted the retention of these funds to help offset increased offender medical costs.

The Department's appropriation also includes \$6,276,496 in dedicated special revenue (previously reported as special fund). The source of the revenue is from the Offender Drug Assessment Fund. These resources are used to support pre-sentence investigations (HB 664), and the re-entry program. Included in this appropriation was \$3,658,994 to be used for offender medical services. Due to a lack of revenue in the Offender Drug Assessment Fund, \$1,817,835 of this appropriation was replaced with general fund appropriation.

**DEPARTMENT OF CORRECTIONS
OPERATING APPROPRIATIONS AND EXPENDITURES - BY FUND
FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

<u>FUND (1)</u>	<u>Appropriation Per Chapter 2 2018 Acts of Assembly</u>	<u>Total Adjustments</u>	<u>Total Adjusted Appropriation</u>	<u>Total Expenditures</u>	<u>Percent Expended</u>
GENERAL	\$ 1,194,083,301	\$ 35,323,582	\$ 1,229,406,883	\$ 1,229,405,563	100%
FEDERAL	1,831,318	1,805,353	3,636,671	2,234,840	61%
SPECIAL	59,192,063	(1,141,458)	58,050,605	51,659,859	89%
DEDICATED SPECIAL REVENUE *	6,276,496	-	6,276,496	3,717,786	59%
TOTAL FUNDS	<u><u>\$ 1,261,383,178</u></u>	<u><u>\$ 35,987,477</u></u>	<u><u>\$ 1,297,370,655</u></u>	<u><u>1,287,018,048</u></u>	<u><u>99%</u></u>

(1) The General Fund designations relate to ordinary DOC operations, including all activities that do not qualify for inclusion in any other fund.

Federal Fund designations relate to appropriations and expenditures of grants issued by the Federal Government.

Special Fund designations relate to appropriations and expenditures that are restricted to specific programs & projects.

* Dedicated Special Revenue designations relates to appropriations and revenue from the Drug Offender Assessment Fund restricted to specific programs & initiatives. These funds have been previously reported under the Special Fund.

<u>RECAP OF ADJUSTMENTS:</u>	<u>General Funds</u>	<u>Federal Funds</u>	<u>Special Funds</u>	<u>Total Funds</u>
Federal Grants/Programs	\$ 23,079	\$ 613,895	\$ -	\$ 636,974
Increased Funding for Medical Services	8,333,429			8,333,429
FY2019 Central Appropriations Adjustment (2)	26,382,660			26,382,660
Realignment between State Agencies	130,470			130,470
Additional Agribusiness Appropriation	503,944			503,944
Realignment Between Funds		1,191,398	(1,141,398)	50,000
Realignment to Corrections Special Reserve Fund	(50,000)			(50,000)
TOTAL ADJUSTMENTS	<u><u>\$ 35,323,582</u></u>	<u><u>\$ 1,805,293</u></u>	<u><u>\$ (1,141,398)</u></u>	<u><u>\$ 35,987,477</u></u>

(2) Included among these central appropriation adjustments is funding for changes in fringe benefit rates (i.e., employee retirement, health insurance and other employee benefits), funding for increased utilization of IT services, worker's comensation and Line of Duty premiums and a \$2,016 increase in Correctional Officer salary effective January 10, 2019.

**DEPARTMENT OF CORRECTIONS
OPERATING APPROPRIATIONS AND EXPENDITURES - BY OFFICE - ALL FUNDS
FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

	<u>Appropriation Per Chapter 2 2018 Acts of Assembly</u>	<u>Total Adjustments</u>	<u>Total Adjusted Appropriation</u>	<u>Total Expenditures</u>	<u>Percent Expended</u>
CENTRAL ADMINISTRATION:					
Board of Corrections	\$ -	\$ 12,611	\$ 12,611	\$ 12,610	100%
Director's Office	-	4,966,477	4,966,477	4,966,891	100%
Correctional Education Administration	-	5,301,028	5,301,028	5,004,171	100%
Offender Re-Entry Program (1)	-	6,269,481	6,269,481	6,336,773	101%
Communications Unit (1)	-	967,996	967,996	985,976	102%
Internal Audit/Investigative Units	-	3,259,350	3,259,350	3,259,349	100%
Compliance/Accreditation	-	1,493,797	1,493,797	1,493,798	100%
Corrections Technology Services Unit (CTSU)	-	46,560,859	46,560,859	46,369,342	100%
Financial Management & Reporting (1)	-	6,075,584	6,075,584	5,714,709	94%
General Services	-	13,565,337	13,565,337	13,474,290	99%
Research Unit	-	2,039,394	2,039,394	2,052,131	101%
Architectural & Engineering Services (2)	-	14,735,887	14,735,887	13,438,394	91%
Procurement/Risk Management	-	15,282,635	15,282,635	15,282,635	100%
Funding for Central Administration	80,068,635	(80,068,635)	-	-	0%
TOTAL - CENTRAL ADMINISTRATION	\$ 80,068,635	\$ 40,461,801	120,530,436	\$ 118,391,070	98%
EMPLOYEE RELATIONS & TRAINING	\$ 13,855,350	\$ 7,088,150	\$ 20,943,500	\$ 20,943,500	100%
VIRGINIA CORRECTIONAL ENTERPRISES	\$ 50,303,706	\$ (1,205,698)	\$ 49,098,008	\$ 46,005,012	94%

(1) All functions within Central Administration are budgeted and expended from the same agency/program within the Commonwealth Accounting and Reporting System and bills are paid in the order in which they are received.

(2) The percent expended includes \$1,037,972 in unexpended appropriation associated with the Corrections Construction Unit and Warranty Overhead. If adjusted for this amount, the percent expended would be 98%.

**DEPARTMENT OF CORRECTIONS
OPERATING APPROPRIATIONS AND EXPENDITURES - ALL FUNDS
FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

		<u>Appropriation Per Chapter 2 2018 Acts of Assembly</u>	<u>Total Adjustments</u>	<u>Total Adjusted Appropriation</u>	<u>Total Expenditures</u>	<u>Percent Expended</u>
OPERATIONS:						
Administration	(1)	\$ -	\$ 54,740,039	\$ 54,740,039	\$ 50,643,799	93%
Probation and Parole			90,176,121	90,176,121	89,350,209	99%
Offender Management Services			8,710,294	8,710,294	8,710,293	100%
Adult Residential	(1)		3,163,556	3,163,556	5,158,215	163%
Office of Health Services (OHS)			84,670,062	84,670,062	82,575,431	98%
Secure Confinement			24,721,508	24,721,508	24,721,508	100%
Facilities			840,617,131	840,617,131	840,519,011	100%
Funding for Operations		1,117,155,487	(1,117,155,487)	-		0%
TOTAL OPERATIONS		<u><u>\$ 1,117,155,487</u></u>	<u><u>\$ (10,356,776)</u></u>	<u><u>\$ 1,106,798,711</u></u>	<u><u>\$ 1,101,678,467</u></u>	<u><u>100%</u></u>
TOTAL DEPARTMENT OF CORRECTIONS		<u><u>\$ 1,261,383,178</u></u>	<u><u>\$ 35,987,477</u></u>	<u><u>\$ 1,297,370,655</u></u>	<u><u>\$ 1,287,018,048</u></u>	<u><u>99%</u></u>

(1) Administration includes funding and expenditures associated with the oversight of Correctional Facilities as well as Community Corrections. The variance in the percent expended YTD between Administration, Adult Residential and Probation and Parole is because they are budgeted and expended from the same agency/program within the Commonwealth Accounting and Reporting System and bills are paid in the order in which they are received.

OPERATING PER CAPITA STATEMENT OF FACILITIES SUMMARY

For the Fiscal Year Ending June 30, 2019

During FY 2019, the Department operated 26 Major Institutions, 8 Field Units, 5 Work Centers, 5 Community Corrections Alternative Program (CCAP) facilities (previously known as Detention/Diversion Centers). Expenditures for offender medical costs charged to the Office of Health Services, the cost of operating wastewater treatment and power plants charged to the Environmental Services Unit, and the cost associated with Agribusiness operations have been applied to the respective facilities for purposes of calculating per capita costs. Not included are costs associated with the operation of Lawrenceville Correctional Center which is owned by the DOC, but is privately operated.

The following reflects the average per capita and average daily population by type of facility:

	Average Per Capita				Average Daily Population			
	FY 19	FY 18	+ / (-)	% Change	FY 19	FY 18	+ / (-)	% Change
Major Institutions	32,681	31,610	1,071	3.4%	25,994	26,073	(79)	-0.3%
Field Units	31,054	30,525	529	1.7%	1,178	1,137	41	3.6%
Work Centers	22,115	21,572	543	2.5%	1,199	1,195	4	0.3%
Community Corrections Facilities	31,145	36,873	(5,728)	-15.5%	595	484	111	22.9%
System-Wide Average	32,146	31,240	906	2.9%	28,966	28,889	77	0.3%

The increase cost in per capita of \$906 is largely attributed to an increase in personal services costs resulting from changes in fringe benefit rates (i.e., employee retirement, health insurance and other employee benefits and a \$2,016 increase in Correctional Officer salary effective January 10, 2019. Increased cost of offender healthcare as well as facility maintenance are also contributing factors.

	FY 19	Per Capita	FY 18	Per Capita	+ / (-)
Personal Services	\$ 626,259,990	\$ 21,621	\$ 610,002,488	\$ 21,115	\$ 505
Direct Inmate Cost	211,770,477	7,311	208,368,685	7,213	98
Indirect Cost/Recoveries	53,642,495	1,852	42,663,032	1,477	375
Continuous Charges	31,022,982	1,071	28,576,025	989	82
Property Improvements/Equipment	8,444,990	292	12,872,865	446	(154)
Total	\$ 931,140,934	\$ 32,146	\$ 902,483,095	\$ 31,240	\$ 906

Institutions

During FY 2019, Deep Meadow incurred the highest per capita cost of the major institutions (\$83,596) followed by Marion Correctional Treatment Center (\$66,442). As a result of the closure of Powhatan Correctional Center in FY 2015, Deep Meadow Correctional Center assumed oversight of the Powhatan Medical Unit as well as the addition of 30 infirmary beds in FY 2018 which largely contributed to the increase in per capita from \$45,468 in FY 2015.

Marion Correctional Treatment Center incurred the second highest per capita cost of the major institutions (\$66,442). The majority of Marion's offenders are mentally ill, resulting in high mental health costs. Marion, including its new 180 Cadre Unit, has a low offender-to-security staff ratio of 2.0 to 1.0 versus an average of 4.0 to 1.0 for all other major institutions.

Red Onion State Prison surpassed Deerfield Correctional Center with the third highest per capita (\$45,505). The increase in the per capita over last fiscal year (\$41,319) is largely the result of vacant Level 6/Segregation beds at the facility. Deerfield Correctional Center (\$44,881) had the next highest per capita. Their costs are driven by its mission to serve as a medical facility for geriatric offenders and its Agribusiness operations which accounted for 5.3% of its total expenditures. Other facilities whose per capita costs are impacted by Agribusiness operations are Bland and Deep Meadow which accounted for 10.4% and 5.5%, respectively of their expenditures in FY 2019. Although a large Agribusiness operation can increase a facility's per capita, these functions are vital to maintaining the Department's overall lower food costs.

Field Units

Field unit offenders are lower security risks than those housed in major institutions. Field units have limited medical facilities and staff, thus offenders with major health problems will not be housed in a field unit. Field units also have higher offender-to-staff ratios. While for these reasons, per capita costs for field units are generally lower than major institutions (excluding the MSD institutions) because of low economies of scale, bed utilization and/or one-time equipment purchases higher per capita for these units may periodically be the result.

The per capita cost for the Central Region Field Units was \$29,339 representing the lowest of the three regions. The Eastern Region Field Unit per capita cost was \$32,759 while the Western Region Field Units had a per capita rate of \$32,605. The variance between the Central Region Field Units and those in the Eastern and Western Regions is generally the result of lower staff costs due to a higher staff vacancy rate.

Work Centers

Work center offenders are the lowest security risks when compared to major institutions and field units because they must be able to perform Agribusiness and maintenance work at various correctional facilities and in local communities. Offenders assigned to these facilities do not have major health problems. Work centers also share goods and services with their respective host institutions. As a result, per capita costs for work centers tend to be lower than for major institutions and field units.

Per capita costs for individual work centers ranged from \$17,775 at Greenville Work Center to \$31,174 at Brunswick Work Center. These variations can be misleading because some host facilities are more diligent about coding work-center-related expenditures to their respective work center's cost code than are others.

Community Corrections Facilities

In May of 2017, the DOC transformed its Detention and Diversion Centers to bring them in line with evidence based practices. These sites are now referred to as the Community Corrections Alternative Program (CCAP). There are four male locations (Appalachian, Harrisonburg, Cold Springs, and Stafford) and one female location (Chesterfield). This newly shaped program provides improved services for offenders and better meets the needs of sentencing courts. The new program is driven by the risks and needs for each offender and is performance based, with programs supported by research shown to reduce recidivism.

Like their field unit and work center counterparts, probationers housed in community facilities present lower security risks and have lower medical costs than offenders housed in major institutions. However, the small size of these facilities prevents them from realizing economies of scale. Every facility, regardless of size, incurs fixed costs (administrative/food/medical staff, utilities, repairs, maintenance, etc.) that do not vary directly with offender population, causing smaller facilities to experience higher per capita costs than larger ones. Since staff costs make up the majority of the expenses at the community corrections facilities, staff-to-probate ratios explain the variance between the highest to the lowest per capita costs.

The Central Referral Unit (CRU) conducts consistent assessment of each probationer's suitability for CCAP. The CRU identifies if acceptance into CCAP or enrollment in different community programming would provide the best opportunity for recidivism reduction based on the probationer's risks and needs. Results and recommendations from the assessment are provided to the Court by the assigned probation officer prior to a sentencing or show cause hearing.

**DEPARTMENT OF CORRECTIONS
PER CAPITA STATEMENT OF FACILITIES
SUMMARY BY TYPE OF FACILITY
FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

	<i>FY 2019</i>		<i>FY 2018</i>	
	<i>ADP</i>	<i>Per Capita</i>	<i>ADP</i>	<i>Per Capita</i>
<i>Major Institutions</i>				
Augusta Correctional Center	1,329	24,380	1,336	23,320
Baskerville Correctional Center *	466	27,108	475	25,876
Bland Correctional Center	644	39,472	639	38,913
Buckingham Correctional Center	1,131	28,065	1,133	27,007
Coffeewood Correctional Center	1,005	27,725	1,007	27,020
Deerfield Correctional Center	1,055	42,135	1,056	44,881
Dillwyn Correctional Center	914	27,892	917	27,449
Fluvanna Correctional Center for Women	1,217	40,884	1,182	34,700
Green Rock Correctional Center	1,029	26,357	1,027	25,377
Greensville Correctional Center	2,943	31,836	2,962	31,743
Haynesville Correctional Center	928	29,902	941	29,916
Indian Creek Correctional Center	988	26,723	1,006	23,992
Keen Mountain Correctional Center	726	35,899	723	35,277
Lunenburg Correctional Center	966	29,136	969	27,941
Marion Correctional Treatment Center	301	66,442	274	68,822
Nottoway Correctional Center	1,398	27,529	1,410	26,694
Pocahontas State Correctional Center	1,036	23,756	1,029	23,535
Red Onion State Prison	766	45,505	831	41,319
River North Correctional Center	917	29,699	927	28,855
St Brides Correctional Center	1,187	21,995	1,179	22,257
State Farm Correctional Center	642	83,596	691	74,984
State Farm Enterprise Unit	370	31,233	346	33,929
Sussex I State Prison	1,137	36,425	1,137	34,348
Sussex II State Prison	1,249	27,551	1,250	26,640
Virginia Correctional Center for Women	590	38,208	554	38,049
Wallens Ridge State Prison	1,061	33,691	1,074	32,149
<i>Total Institutions</i>	<i>25,994</i>	<i>\$ 32,681</i>	<i>26,073</i>	<i>\$ 31,610</i>

**DEPARTMENT OF CORRECTIONS
PER CAPITA STATEMENT OF FACILITIES
SUMMARY BY TYPE OF FACILITY
FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

<i>Field Units</i>	<i>FY 2019</i>		<i>FY 2018</i>	
	<i>ADP</i>	<i>Per Capita</i>	<i>ADP</i>	<i>Per Capita</i>
Caroline	136	32,956	136	31,792
Central Virginia	178	35,119	149	33,335
Cold Springs	112	37,536	111	38,842
Halifax	243	27,199	240	26,075
Haynesville	112	32,521	111	33,014
Patrick Henry	134	26,403	132	30,338
Rustburg	150	25,961	149	22,665
Wise	113	35,087	111	34,799
Total Field Units	1,178	\$ 31,054	1,137	\$ 30,525
Work Centers				
Brunswick	179	\$ 31,174	181	\$ 30,487
Deerfield	347	23,462	347	19,998
Greensville	220	17,775	211	20,212
Nottoway	188	20,082	192	18,142
State Farm	264	19,261	264	21,107
Total Work Centers	1,199	\$ 22,115	1,195	\$ 21,572
Community Corrections				
Appalachian	104	40,854	78	49,500
Chesterfield	145	28,254	97	40,162
Cold Springs **	146	23,013	120	26,956
Harrisonburg	108	32,030	99	34,769
Stafford	92	36,620	90	37,962
Total Community Corrections	595	\$ 31,145	484	\$ 36,873
TOTAL ALL FACILITIES	28,966	\$ 32,146	28,889	\$ 31,240

* Revised to reflect Baskerville Correctional Center as a major institution versus a field unit as it has been reported prior to FY 2017.

** Previously Southampton Men's Detention Center, relocated to Cold Springs in August, 2016.

AVERAGE DAILY POPULATION SUMMARY

For the Fiscal Year Ending June 30, 2019

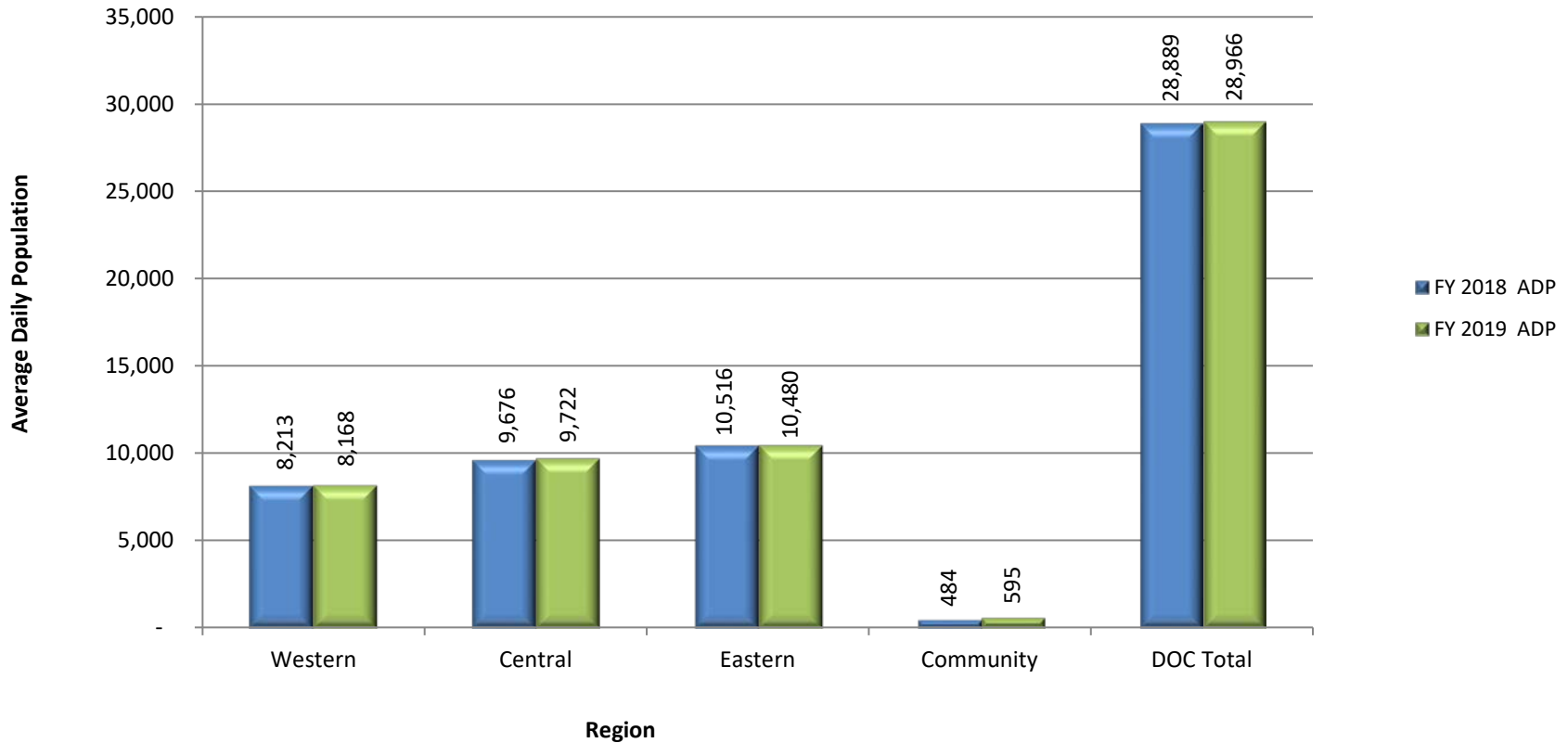
The Average Daily Offender & Probationer Population (ADP) is defined as follows: the sum total of the population resulting from periodic head-counts divided by the number of observations. This calculation is widely used internally and externally to the DOC for purposes of calculating and forecasting costs per offender and providing a basis for funding.

Data is representative of offenders and probationers located at Major Institutions, Field Units, Work Centers, Detention Centers, and Diversion Centers. Probationers and parolees residing in the community while monitored by probation and parole officers, home electronic monitoring programs, and adult residential facility population, etc., were excluded from this report.

Two graphs of average daily offender and probationer population (ADP) are presented in this section.

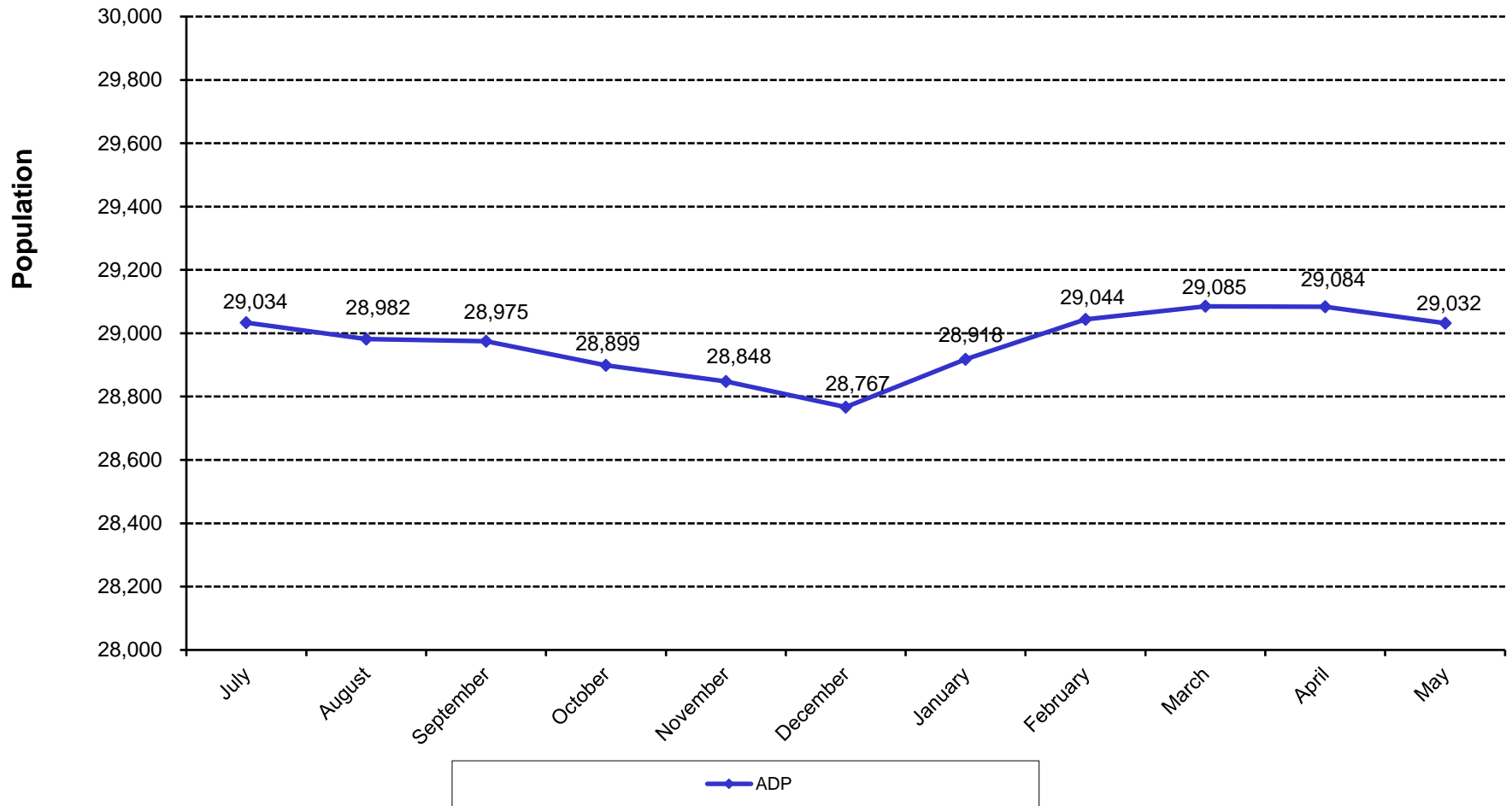
- 1) BY REGION AND TOTAL DOC: This first graph reflects the average daily offender population, by Region, and the probationer population (Community). It does not include Lawrenceville Correctional Center (operated by a private contractor).
- 2) BY MONTHS: The second graph represents the average offender and probationer population reported by the Virginia Department of Corrections for each month of Fiscal Year 2018. This depiction does not include Lawrenceville Correctional Center, operated by a private contractor.

Average Daily Population FY 2018 vs. FY 2019



NOTE: Population for the Department of Corrections owned facility in Lawrenceville, Va, that is privately operated, has been excluded. Both FY 2018 and FY 2019 ADP figures are based on a 12-month average of offenders housed in major institutions, correctional field units, work centers and community corrections facilities.

FY 2019 Average Daily Population Month-to-Month Fluctuations



NOTES: ADP totals do not include the Department of Corrections owned facility in Lawrenceville, Virginia, that is privately operated.

FIDUCIARY FINANCIAL STATEMENTS (OFFENDER TRUST AND COMMISSARY FUNDS)

The Fiduciary Financial Statements of the Department of Corrections provide an official accounting for assets held by a governmental unit in a trustee capacity and consist of two distinct types: Offender Trust Fund and Commissary Fund.

OFFENDER TRUST FUND

The Offender Trust financial statements reflect the results of banking transactions relating to funds held by the Department of Corrections in a custodial capacity on behalf of offenders. Offender Trust monies are generally held by banking institutions near the correctional facility where the offender is housed. The local facility's business office administers the fund on a day-to-day basis with oversight provided by Regional or Central Office personnel.

COMMISSARY FUND

The Commissary financial statements reflect the results of the purchase and resale of products to the general offender population. Generally, all Major Institutions, Field Units, and Detention Centers have Commissary operations where a wide variety of products are made available for sale to offenders. The products must be approved from a security perspective, and are paid for by individual offenders through the transfer of funds from the offender's trust account. Profits generated from the Commissary operations are reserved for purchases of items that benefit the Department's offender population. All DOC facilities with commissary functions are operated by Keefe Commissary Supply.

Commissary funds are also used to support Assisting Families of Inmates, Inc. (Transportation), Enhanced Faith Based Services, the FETCH program and purchase of a Public Performance License which permits the public showing of copyrighted video material.

In FY 2019, the commissary balance was \$3,696,471 compared to \$2,568,731 compared to FY 2018, which was impacted by a one-time payment of \$705,540 to cover cable services at all facilities.

FY19 vs FY18 FLUCTUATION ANALYSIS OF COMMISSARY SPECIAL REVENUE FUND

	FY19	FY18	FLUCTUATION ABSOLUTE	% CHANGE	
Charges for Sales/Services	944	824	120	14.56%	
Cost of Sales/Services	94	98	(5)	-4.65%	
Gross Profit	850	726	125	17.17%	
<u>Operating Expenses:</u>					
Personal Services	-	-	-	-	
Store Supplies	-	-	-	-	
Store Equipment	-	-	-	-	
Unsaleable Merchandise	-	-	-	-	
Sales Taxes	920	1,380	(460)	-33.32%	
Depreciation	-	-	-	-	
Miscellaneous	-	-	-	-	
Total Operating Expenses	920	1,380	(460)	-33.32%	
Operating Income	(70)	(655)	584	89.26%	
<u>Non-Operating Revenues and Expenses:</u>					
Interest	32,944	16,875	16,069	95.14%	
Commissary Commission (Keefe)	3,198,777	2,871,506	327,272	11.40%	* (A)
Other Income (Expenses)	1,508,892	722,253	786,639	108.91%	* (B)
Funds Transfers	-	-	-	-	
Total Non-Oper. Rev. (Expenses)	4,740,613	3,610,633	1,129,979	31.30%	* (B)
Net Income before Offender Welfare	4,740,542	3,609,979	1,130,563	31.32%	* (B)
(Offender Welfare)	(3,612,802)	(3,173,144)	(439,658)	-13.88%	* (B)
Net Income	1,127,741	436,835	690,906	158.01%	* (B)
Fund Balance-July 1	2,568,731	2,131,896	436,835	20.49%	* (C)
ADJUSTMENTS *	-	-			
	2,568,731	2,131,896	436,835	20.49%	
Fund Balance-June 30	3,696,471	2,568,731	1,127,741	43.88%	* (C)

EXPLANATIONS FOR FLUCTUATIONS

An asterisk (*) by the fluctuation indicates that the fluctuation meets the threshold of materiality, and is explained below.

- (A) The variance is the result of an increase in the commission rate from 9% to 10% effective November 1, 2018.
- (B) The variance is the result of a one-time payment of \$705,540 in FY 2018 to cover the cable bill for all facilities resulting in a higher FY 2019 net income.
- (C) See Explanation B.

Threshold of Materiality = Variance of \$100,000 and a 10% change from the previous year.

Offender Trust Fund

ASSETS

Cash Held with the Treasurer (GLA 101)	
Cash NOT with the Treasurer	11,168,275
Cash Equivalents with the Treasurer (Securities Lending from DOA)	
Cash Equivalents with the Treasurer - SNAP	
Cash Equivalents with the Treasurer - LGIP	11,353,694
Cash Equivalents with the Treasurer - Other	
Cash Equivalents NOT with the Treasurer	
Cash and Cash Equivalents - Total	22,521,969
Investments with the Treasurer LGIP (DOA use only)	
Investments with the Treasurer - Other (Maturity less than one year)	
Investments with the Treasurer - Securities Lending from DOA	
Investments NOT with the Treasurer (Maturity less than one year)	
Short term Investments - Total	
Investments with the Treasurer (Maturity greater than one year)	
Investments with the Treasurer - Securities Lending from DOA	
Investments NOT with the Treasurer (Maturity greater than one year)	
Other (Long-term) Investments - Total	
Accounts and Loans Receivables	496,545
Taxes Receivables	
Interest Receivable	
Other Receivables	
Receivables, Net - Total	
Due from Internal Parties (Governmental Funds and Business-type Activities)	
Due from External Parties (Fiduciary Funds)	
Other Assets	
TOTAL ASSETS	23,018,514

LIABILITIES

Vendor Payments Payable	2,851,898
Salary / Wages Payable	
Retainage Payable	
Other Payables	455,264
Accounts Payable Total	
Amounts Due to Other Governments	
Due to Internal Parties (Governmental Funds and Business-type Activities)	244,810
Due to External Parties (Fiduciary Funds)	
Insurance Premiums and Claims Payable	
Obligations Under Securities Lending Program	
Due to Program Participants, Escrows, and Providers	18,841,559
Deposits Pending Distribution	
Other Liabilities	624,983
TOTAL LIABILITIES	23,018,514

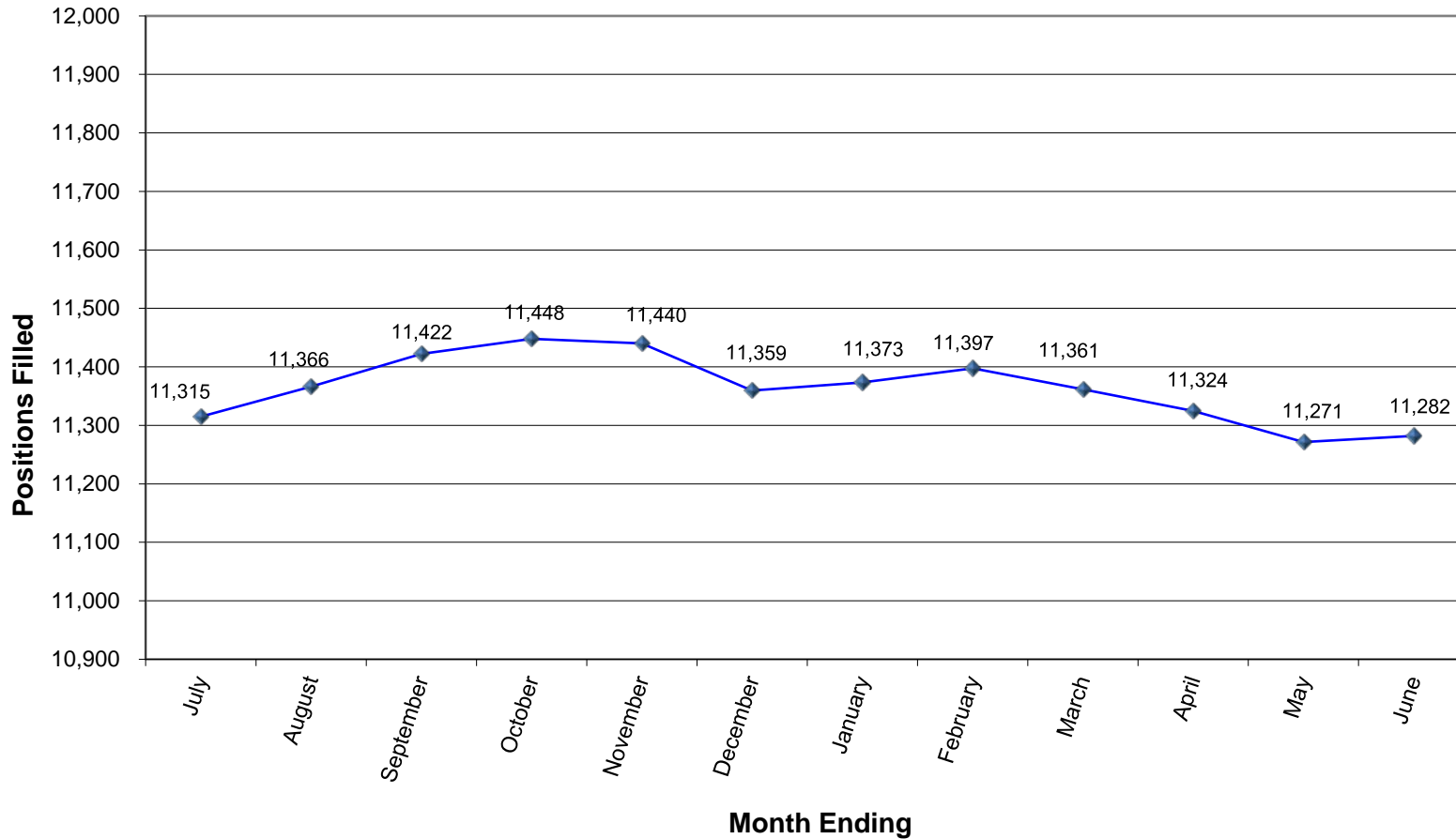
(A) Included in this amount is \$12.M in offender savings accounts. Effective January 1, 2012, the Code of Virginia §53.1-43.1 requires the DOC to withhold 10% of all incoming funds until \$1,000 is accumulated, to be paid to the offender upon release. The Re-Entry Savings Plan permits offenders to take responsibility and plan for their eventual re-entry into the community.

(B) Other Liabilities include funds held in reserve from Local Government Investment Pools (LGIP) and the associated interest.

EMPLOYMENT LEVEL SUMMARY For the Fiscal Year Ending June 30, 2019

The Department's authorized position level (APL) for Fiscal Year 2019 was 12,504.50 compared to 12,351.50 in FY 2018. The variance in APL is largely associated with additional medical staff for the resumption of DOC operated medical services at Fluvanna Correctional Center versus contractual.

The Department experienced an average employment level of 11,363, slightly higher than the FY 2018 average of 11,302.



* The source of DOC's employment level is the "Employment Level Monitoring Report" obtained through the Personnel Management Information System (PMIS).

EMPLOYMENT LEVEL MONITORING REPORT
FY 2019 AVERAGE (All Funds)
(Authorized Position Level = 12,504.50)

Agency Code	Agency Name	Average Employment Level	Increase/ (Decrease) as Compared to FY 2018
701	Department of Corrections Central Activities	333	16
711	Virginia Correctional Enterprises	201	4
716	Virginia Correctional Center for Women	289	19
718	Bland Correctional Center	267	(1)
733	Sussex I State Prison	339	(5)
734	Sussex II State Prison	311	24
735	Wallens Ridge State Prison	439	-
737	St. Brides Correctional Center	271	(18)
741	Red Onion State Prison	447	(0)
742	Academy for Staff Development	110	-
743	Fluvanna Correctional Center for Women	349	25
745	Nottoway Correctional Center	428	(6)
747	Marion Correctional Treatment Center	240	(1)
749	Buckingham Correctional Center	367	8
752	Deep Meadow Correctional Center	588	(7)
753	Deerfield Correctional Center	437	8
754	Augusta Correctional Center	297	3
756	Division of Institutional Services	561	8
757	Western Regional Field Units	132	0
761	Baskerville Correctional Center	146	1
767	Division of Community Corrections	1,287	13
768	Keen Mountain Correctional Center	299	(9)
769	Greensville Correctional Center	823	19
770	Dillwyn Correctional Center	337	(5)
771	Indian Creek Correctional Center	242	8
772	Haynesville Correctional Center	372	(14)
773	Coffeewood Correctional Center	254	(9)
774	Lunenburg Correctional Center	278	(2)
775	Pocahontas Correctional Center	290	(10)
776	Green Rock Correctional Center	285	1
785	River North Correctional Center	345	(7)
Department of Corrections Totals		11,363	61