

BUDGET NARRATIVE

Revenue Discussion

The 2011-13 Legislatively Adopted Budget for the Department of Corrections is financed primarily with General Fund; ninety-seven percent (97%) from General Fund, two percent (2%) from Other Funds revenues and less than one percent (<1%) from Federal Funds. For 2011-13, Other Funds revenues to fund requested expenditure limitation are projected at \$27,563,757. Federal funds are anticipated for partial reimbursement of the costs to incarcerate illegal aliens.

Other Funds

Federal Revenues (as Other Funds) \$96,533

These funds come to the department from the Federal Government as an incentive for reporting individuals that are incarcerated who may be receiving social security assistance and due to their incarceration are no longer eligible.

Other Charges for Services \$12,597,039

The principle contributor to this account is the expected revenue from services provided to state or federal agencies and other clients by inmate work crews. Also included are revenues received from services provided by inmate training programs, commissary sales to inmates, and County supervision fees.

Fines & Forfeitures \$371,808

This revenue comes from charges to inmates for medical restitution, property damage and escape attempt costs are also included in this account. County non-sufficient check fees and drug court forfeitures are included here as well.

Rents & Royalties \$266,341

This revenue comes from warehouse space rental, land leases, and easements.

Sales Income \$5,806,551

Sales Income is derived primarily from non-inmate food sales and sales of inmate-produced products. Also included in this account is surplus property sales, and real property sale proceeds.

Donations \$52,852

This account is used for miscellaneous non-federal grants and donations.

BUDGET NARRATIVE

Other Revenues \$1,388,399

This account includes victim's restitution allocations to maintain the victim's notification program. Also included in this account is revenue which comes from charges to inmates for medical prostheses.

Transfer In – Other \$9,437,227

This account is used to record the movement of Inmate Welfare Fund revenues between organizational units within the department, for approved programs and activities.

Transfer In - Intrafund \$9,940,011

Revenue for the Inmate Welfare Fund is derived exclusively from inmate-related sources and is expended exclusively on programs that directly benefit inmates. The revenue sources include telephone revenues, commissary profits, fines and confiscations, and vending machines and are initially recorded in this account.

Transfer from Other State Agencies \$404,949

In addition to the Other Revenues above, the department expects to receive \$208,949 from the Department of Education and \$180,000 from the Office of Community College Services for inmate educational programs. In addition, \$16,000 is expected to be received from the Department of Justice for Prison Industries Enhancement (PIE).

Transfer Out - Intrafund \$9,940,011

This account is used to record the movement of Inmate Welfare Fund revenues between organizational units within the department, for approved programs and activities.

Federal Funds

Federal Funds \$8,123,152

Federal funds are expected to be available through the State Criminal Alien Assistance Program to partially reimburse the state for expenditures associated with the incarceration of illegal aliens. These funds are used as direct offsets for the costs of medical care.

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

**Corrections, Dept of
2011-13 Biennium**

Agency Number: 29100

Cross Reference Number: 29100-000-00-00-00000

<i>Source</i>	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
Other Funds						
Federal Revenues	92,000	-	450,000	96,533	96,533	96,533
Charges for Services	13,314,614	14,926,059	14,926,059	12,427,497	12,427,497	12,597,039
Admin and Service Charges	3,677	-	-	-	-	-
Fines and Forfeitures	273,054	479,820	479,820	371,808	371,808	371,808
Rents and Royalties	134,154	801,214	801,214	266,341	266,341	266,341
Cert of Participation	43,955,147	50,373,578	48,947,666	163,471,333	902,553	-
Interest Income	353,347	2,910,092	2,910,092	-	-	-
Sales Income	2,818,465	3,042,570	3,042,570	5,806,551	5,806,551	5,806,551
Donations	157,144	51,300	51,300	52,852	52,852	52,852
Other Revenues	1,559,089	479,308	729,308	1,388,399	1,388,399	1,388,399
Transfer In - Intrafund	19,237,719	9,292,086	9,292,086	9,663,994	10,175,231	9,940,011
Transfer In Other	14,675,234	14,605,641	14,605,641	9,886,691	9,886,691	9,437,227
Tsfr From Administrative Svcs	6,658,735	-	900,000	-	-	-
Tsfr From Justice, Dept of	37,272	46,000	46,000	16,000	16,000	16,000
Tsfr From Military Dept, Or	236,992	-	-	-	-	-
Tsfr From Police, Dept of State	250,792	-	-	-	-	-
Tsfr From Education, Dept of	157,742	197,613	197,613	208,949	208,949	208,949
Tsfr From Comm Coll/Wkfrc Dev	177,400	180,000	180,000	180,000	180,000	180,000
Transfer Out - Intrafund	(19,237,719)	(9,292,086)	(9,292,086)	(9,663,994)	(10,175,231)	(9,940,011)
Total Other Funds	\$84,854,858	\$88,093,195	\$88,267,283	\$194,172,954	\$31,604,174	\$30,421,699
Federal Funds						
Federal Funds	17,639,109	108,541,761	109,903,838	6,175,821	6,175,821	6,860,326
Total Federal Funds	\$17,639,109	\$108,541,761	\$109,903,838	\$6,175,821	\$6,175,821	\$6,860,326

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Detail of LF, OF, and FF Revenues - BPR012

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Corrections, Dept of
2011-13 Biennium

Agency Number: 29100
Cross Reference Number: 29100-000-00-00-00000

<i>Source</i>	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
Nonlimited Other Funds						
Cert of Participation	-	-	105,761,270	-	-	-
Total Nonlimited Other Funds	-	-	\$105,761,270	-	-	-
Nonlimited Federal Funds						
Federal Funds	-	-	1	1	1,262,826	1,262,826
Total Nonlimited Federal Funds	-	-	\$1	\$1	\$1,262,826	\$1,262,826

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2007-2009 Actual	2009-11 Legislatively Adopted	2009-11 Estimated	2011-13		
						Agency Request	Governor's Balanced	Legislatively Adopted
Social Security reporting incentive.	Other	0355	\$92,000	\$0	\$127,800	\$127,800	\$96,533	\$96,533
Inmate Work Crews and Programs, ID Replacement Cards, Witness Fees, Copier revenue, Commissary sales, Oregon Trail Card pennies and County supervision fees.	Other	0410	13,314,614	14,926,059	9,102,990	12,427,497	12,427,497	12,597,039
Admin & Service Charges	Other	0415	3,677	0	144,909	0	0	0
Charges to inmates for property damage, inmate victim restitution, Drug Court forfeitures and restitution for medical services.	Other	0505	273,054	479,820	228,560	371,808	371,808	371,808
Warehouse space rental, land, building and tower leases, and easements.	Other	0510	134,154	801,214	427,559	266,341	266,341	266,341
Refunding Bonds	Other	0575	0	0	189,486,490	0	0	0

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2007-2009 Actual	2009-11 Legislatively Adopted	2009-11 Estimated	2011-13		
						Agency Request	Governor's Balanced	Legislatively Adopted
Certificates of Participation (COPs) to finance project management, construction-related staff and other expenses.	Other	0580	43,955,147	50,373,578	3,251,862	163,471,333	902,553	0
Interest Earnings from COPs is shifted to Other Funds from General Fund to pay Debt Service obligations previously financed with General Fund dollars.	Other	0605	353,347	2,910,092	132,660	0	0	0
Real property sales, non-inmate food sales, sales of inmate-produced products, medical prostheses, legal records requests, Secure ID tokens, Oregon Youth Authority food sales, inmate work program sales and surplus property sales.	Other	0705	2,818,465	3,042,570	2,169,225	5,806,551	5,806,551	5,806,551
Miscellaneous non-federal grants and donations.	Other	0905	157,144	51,300	96,238	52,852	52,852	52,852

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2007-2009 Actual	2009-11 Legislatively Adopted	2009-11 Estimated	2011-13		
						Agency Request	Governor's Balanced	Legislatively Adopted
Victim's restitution allocations, travel reimbursements, inmate victim restitution and personal medical equipment reimbursement.	Other	0975	1,559,089	479,308	1,839,819	1,388,399	1,388,399	1,388,399
Transfer of Inmate Welfare funds between programs. Transfer revenue between funds to properly align revenue to programs.	Other	1010	19,237,719	9,292,086	10,967,367	9,663,994	10,175,231	9,940,011
Initial receipt of Inmate Welfare funds and recording movements of revenues between Department organizational units	Other	1050	14,675,234	14,605,641	11,835,056	9,886,691	9,886,691	9,437,227
Transfer from Department of Administrative Services for Oregon Stimulus grant, and Mill Creek Correctional Facility well relocation.	Other	1107	6,658,735	0	0	0	0	0

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2007-2009 Actual	2009-11 Legislatively Adopted	2009-11 Estimated	2011-13		
						Agency Request	Governor's Balanced	Legislatively Adopted
Transfers from Department of Justice for Prison Industries Enhancement programs.	Other	1137	37,272	46,000	46,000	16,000	16,000	16,000
Transfer from Military Department for Vernonia disaster recovery grant.	Other	1248	236,992	0	0	0	0	0
Transfer from State Police for bullet proof vests grant.	Other	1257	250,792	0	7,471	0	0	0
Transfers from Department of Education for grants and inmate educational programs.	Other	1581	157,742	197,613	197,613	208,949	208,949	208,949
Transfers from Community Colleges for inmate educational programs.	Other	1586	177,400	180,000	180,000	180,000	180,000	180,000
Transfer of Inmate Welfare Funds between programs. Transfer revenue between funds to properly align revenue to programs.	Other	2010	(19,237,719)	(9,292,086)	(18,828,393)	(9,663,994)	(10,175,231)	(9,940,011)

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2007-2009 Actual	2009-11 Legislatively Adopted	2009-11 Estimated	2011-13		
						Agency Request	Governor's Balanced	Legislatively Adopted
Federal funds from the State Criminal Alien Assistance Program (SCAAP), American Recovery and Reinvestment Act (ARRA), Build America Bonds and Federal grant for inmate educational programs.	Federal	0995	17,639,109	108,541,761	111,794,681	6,175,822	7,438,647	8,123,152

Agencywide Revenues and Disbursements Summary
2011-13 Biennium

Version: Z-01-Leg. Adopted Budget

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
Other Funds	9,026,761	9,950,824	13,931,313	14,710,428	14,710,428	14,710,428
Federal Funds	38,539	38,539	52,563	52,563	52,563	52,563
All Funds	9,065,300	9,989,363	13,983,876	14,762,991	14,762,991	14,762,991
0030 Beginning Balance Adjustment						
Other Funds	2,876,638	3,608,179	-	(9,802,516)	(9,802,516)	(9,802,516)
Federal Funds	-	(38,539)	-	-	-	-
All Funds	2,876,638	3,569,640	-	(9,802,516)	(9,802,516)	(9,802,516)
TOTAL BEGINNING BALANCE						
Other Funds	11,903,399	13,559,003	13,931,313	4,907,912	4,907,912	4,907,912
Federal Funds	38,539	-	52,563	52,563	52,563	52,563
TOTAL BEGINNING BALANCE	\$11,941,938	\$13,559,003	\$13,983,876	\$4,960,475	\$4,960,475	\$4,960,475
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
General Fund	1,260,826,243	1,259,794,942	1,252,084,141	1,559,136,021	1,403,994,352	1,324,785,417
FEDERAL FUNDS AS OTHER FUNDS						
0355 Federal Revenues						
Other Funds	92,000	-	450,000	96,533	96,533	96,533
CHARGES FOR SERVICES						

Agencywide Revenues and Disbursements Summary
2011-13 Biennium

Version: Z-01-Leg. Adopted Budget

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
0410 Charges for Services						
Other Funds	13,314,614	14,926,059	14,926,059	12,427,497	12,427,497	12,597,039
0415 Admin and Service Charges						
Other Funds	3,677	-	-	-	-	-
TOTAL CHARGES FOR SERVICES						
Other Funds	13,318,291	14,926,059	14,926,059	12,427,497	12,427,497	12,597,039
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
Other Funds	273,054	479,820	479,820	371,808	371,808	371,808
0510 Rents and Royalties						
Other Funds	134,154	801,214	801,214	266,341	266,341	266,341
TOTAL FINES, RENTS AND ROYALTIES						
Other Funds	407,208	1,281,034	1,281,034	638,149	638,149	638,149
BOND SALES						
0580 Cert of Participation						
Other Funds	43,955,147	50,373,578	154,708,936	163,471,333	902,553	-
INTEREST EARNINGS						
0605 Interest Income						
Other Funds	353,347	2,910,092	2,910,092	-	-	-
SALES INCOME						
0705 Sales Income						

Agencywide Revenues and Disbursements Summary
2011-13 Biennium

Version: Z-01-Leg. Adopted Budget

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
Other Funds	2,818,465	3,042,570	3,042,570	5,806,551	5,806,551	5,806,551
DONATIONS AND CONTRIBUTIONS						
0905 Donations						
Other Funds	157,144	51,300	51,300	52,852	52,852	52,852
OTHER						
0975 Other Revenues						
Other Funds	1,559,089	479,308	729,308	1,388,399	1,388,399	1,388,399
FEDERAL FUNDS REVENUE						
0995 Federal Funds						
Federal Funds	17,639,109	108,541,761	109,903,839	6,175,822	7,438,647	8,123,152
TRANSFERS IN						
1010 Transfer In - Intrafund						
Other Funds	19,237,719	9,292,086	9,292,086	9,663,994	10,175,231	9,940,011
1050 Transfer In Other						
Other Funds	14,675,234	14,605,641	14,605,641	9,886,691	9,886,691	9,437,227
1107 Tsfr From Administrative Svcs						
Other Funds	6,658,735	-	900,000	-	-	-
1137 Tsfr From Justice, Dept of						
Other Funds	37,272	46,000	46,000	16,000	16,000	16,000
1248 Tsfr From Military Dept, Or						
Other Funds	236,992	-	-	-	-	-

Agencywide Revenues and Disbursements Summary
2011-13 Biennium

Version: Z-01-Leg. Adopted Budget

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
1257 Tsfr From Police, Dept of State						
Other Funds	250,792	-	-	-	-	-
1581 Tsfr From Education, Dept of						
Other Funds	157,742	197,613	197,613	208,949	208,949	208,949
1586 Tsfr From Comm Coll/Wkfrc Dev						
Other Funds	177,400	180,000	180,000	180,000	180,000	180,000
TOTAL TRANSFERS IN						
Other Funds	41,431,886	24,321,340	25,221,340	19,955,634	20,466,871	19,782,187
TOTAL REVENUES						
General Fund	1,260,826,243	1,259,794,942	1,252,084,141	1,559,136,021	1,403,994,352	1,324,785,417
Other Funds	104,092,577	97,385,281	203,320,639	203,836,948	41,779,405	40,361,710
Federal Funds	17,639,109	108,541,761	109,903,839	6,175,822	7,438,647	8,123,152
TOTAL REVENUES	\$1,382,557,929	\$1,465,721,984	\$1,565,308,619	\$1,769,148,791	\$1,453,212,404	\$1,373,270,279
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
Other Funds	(19,237,719)	(9,292,086)	(9,292,086)	(9,663,994)	(10,175,231)	(9,940,011)
AVAILABLE REVENUES						
General Fund	1,260,826,243	1,259,794,942	1,252,084,141	1,559,136,021	1,403,994,352	1,324,785,417
Other Funds	96,758,257	101,652,198	207,959,866	199,080,866	36,512,086	35,329,611
Federal Funds	17,677,648	108,541,761	109,956,402	6,228,385	7,491,210	8,175,715
TOTAL AVAILABLE REVENUES	\$1,375,262,148	\$1,469,988,901	\$1,570,000,409	\$1,764,445,272	\$1,447,997,648	\$1,368,290,743

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Agencywide Revenues and Disbursements Summary - BPR011

Agencywide Revenues and Disbursements Summary
2011-13 Biennium

Version: Z-01-Leg. Adopted Budget

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
EXPENDITURES						
General Fund	1,258,729,939	1,259,794,942	1,252,084,141	1,559,136,021	1,403,994,352	1,324,785,417
Other Funds	82,826,944	86,553,299	193,249,438	194,938,335	31,237,396	27,563,757
Federal Funds	17,625,085	108,541,761	109,903,839	6,175,822	7,434,551	8,171,635
TOTAL EXPENDITURES	\$1,359,181,968	\$1,454,890,002	\$1,555,237,418	\$1,760,250,178	\$1,442,666,299	\$1,360,520,809
REVERSIONS						
9900 Reversions						
General Fund	(2,096,304)	-	-	-	-	-
ENDING BALANCE						
Other Funds	13,931,313	15,098,899	14,710,428	4,142,531	5,274,690	7,765,854
Federal Funds	52,563	-	52,563	52,563	56,659	4,080
TOTAL ENDING BALANCE	\$13,983,876	\$15,098,899	\$14,762,991	\$4,195,094	\$5,331,349	\$7,769,934