



NEW YORK STATE SENATOR

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NYS Corrections Costing State Millions in Waste

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NYS CORRECTIONS COSTING STATE MILLIONS IN WASTE

Klein and Savino unveil investigation revealing NYS Department of Corrections overtime pay and administration wasting more than \$15 million in taxpayer dollars

NEW YORK- New York State Senator Jeff Klein (D-34th Senate District) and Senator Diane Savino (D-23rd Senate District) released a report today citing more than \$15 million dollars in wasteful government spending within the NYS Department of Corrections (DOCS) through overtime pay and administrative and housing costs. The report is the second in a series of investigations that Senator Klein's office is conducting into wasteful government spending this year.

"This report is clear - if we cut back on overtime, streamline back office operations and stop handing out free housing for superintendents at the Department of Corrections we can save millions of dollars for New York State," said Klein. "Let's stop talking in circles this budget season and take a serious look at the millions already on the state's books that we can cut to show New Yorkers that we can be as responsible with our checkbook as they've had to be with theirs this past year."

"During these tough fiscal times, it is imperative that we examine every agency to see where there is wasteful spending and whether or not savings can be found, albeit without jeopardizing its mission. Recent changes in the State's Justice system that have reduced the prison population have brought about the cry to "Right-Size" the Correction System. We have seen prison closures and reductions of employees who have direct supervision of inmates, but there does not seem to be a corresponding "right-sizing" of the Department of Correctional Service's administration. Those providing the direct care and supervision of its inmates have seen a disproportionate share of budget cuts, while administrative spending has grown. This issue must be addressed within the department, as well as in other agencies throughout the state. We must look at curbing inefficient spending before we proceed with cuts that will directly impact the health and well-being of New Yorkers," said Senator Diane J. Savino.

The investigation focuses on three key areas of wasteful spending at the NYS Department of Corrections - administrative and back office costs, overtime spending and government housing that the state provides to superintendents at these facilities. The report finds that while the number of inmates continues to decline and prisons are closing, DOCS has asked for no cuts in their administration in their executive budget requests. This despite the fact that they have cut security personnel. Currently, each prison has its own full administration, despite many being included in regional hubs, located in close proximity of one another.

Prisons located in close proximity have separate payroll and procurement staffs, even though they are located near enough to one other that centralizing those functions does not pose any hardship. In 2009, the cluster comprised of Downstate, Fishkill and Camp Beacon Correctional Facilities spent more than \$1.3 million total on top-level administrators for the three facilities - many of these positions are duplicates. All three facilities have their own superintendent and institutional steward and Fishkill and Downstate also had their own deputy superintendents and assistant deputy superintendents.

The report also found that many administrative functions - such as payroll and procurement - are all handled separately at each facility, despite the fact that separate facilities contract with the same companies. Downstate and Fishkill Correctional Facilities hire the same companies to deliver supplies and food, but sign separate contracts. All 67 correctional facilities statewide also have different contracts with healthcare and medical services vendors.

The report suggests that by consolidating and streamlining administrative staff positions, duties and contracts DOCS could cut administrative costs 20% and potentially save the state up to \$10 million a year.

The investigation also found that DOCS pays its workers more overtime than any other state agency and found no correlation between the change in inmate populations and overtime spending. In FY 2008-2009, DOCS spent \$87 million in overtime, 20% of the total spent on overtime by the entire state. The report reveals even though overtime spending at other agencies dropped significantly, DOCS' share of overtime spending in the current fiscal year through November 30th, 2010 grew to 22%.

Among the findings - at Bedford Hills Correctional Facility, the only female maximum security prison in the state, two nurses made more than \$100,000 in overtime during 2009 on top of their base salaries of just more than \$50,000 a year. The report also found that at the Clinton Correctional Facility, three clerks earned a combined \$137,000 in overtime in 2008 bringing their total salaries to \$242,000.

Mt. McGregor's overtime spending also stood out as the facility spent close to 68% as much on overtime this fiscal year as during the previous fiscal year, even though it remained open just a single quarter of fiscal year 2009-2010.

The report suggests that just a 5% cut in overtime spending last year could have yielded the state approximately \$4.66 million.

The report also highlights NYS DOCS spending on large and luxurious state-owned homes as another area that should be reviewed as a potential money saver for the state.

Superintendents who live in these state-owned homes, some more than 5000 square feet, pay little to no rent and no property taxes. For example, at Willard Correctional Facility, the Superintendent pays \$704/month in rent for a luxurious home.

The New York State Department of Corrections runs the fourth largest state prison system in the country. During fiscal year 2008-2009, DOCS was budgeted for 31,673 full time employees (FTE), operating a prison system with around 61,000 inmates in 69 correctional facilities and one drug treatment center. 67% of the full time positions at DOCS are security personnel while the rest provide health services, facilities maintenance, inmate services and administrative support. In FY 2009-2010, after a decade-long decline in inmate population, the state reduced the DOCS budget leading to a reduction in employees by nearly 2,000.

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