

April 2002

## **COMPARISON OF ESTIMATED AND ACTUAL FTE POSITIONS, EXPENDITURES, REVENUES, AND POPULATIONS AT CHARITABLE AND PENAL INSTITUTIONS FOR THE PERIOD JULY 1, 2001, THROUGH DECEMBER 31, 2001**

This memorandum provides information on estimated and actual full-time equivalent (FTE) positions, expenditures, revenues, and populations at the state's charitable and penal institutions for the period July 1, 2001, through December 31, 2001. Charitable and penal institutions included in this memorandum are:

- School for the Deaf.
- North Dakota Vision Services - School for the Blind.
- Department of Corrections and Rehabilitation - Youth Correctional Center.
- Department of Corrections and Rehabilitation - Prisons Division, which includes the State Penitentiary, Missouri River Correctional Center, and James River Correctional Center.
- Veterans Home.
- State Hospital.
- State Developmental Center.

The significant variances for each institution are explained below.

### **SCHOOL FOR THE DEAF Revenues**

The School for the Deaf reported total income of \$174,199, \$39,033, or 18.3 percent, less than estimated. Actual income was less than estimated due in part to:

- Tuition - Tuition collections were \$0, or \$33,390 less than estimated, due to the family of one of the two out-of-state students becoming North Dakota residents and due to a delay in the tuition payment from a Minnesota school district for the other out-of-state student.
- Lease-rental of rooms and buildings - Lease-rental income was \$4,262, or 45.3 percent less than estimated, due to a private Christian school, which had previously leased the old school facility, closing after the 2001-02 school year. The School for the Deaf does collect rental income from staff members who rent a vacant apartment and for the superintendent's residence.

### **Population**

The average monthly student population at the School for the Deaf was 36, nine students, or 20 percent, fewer than estimated.

### **FTE Positions**

The monthly filled FTE positions at the School for the Deaf averaged 50.05, 3.05 FTE positions, or 5.7 percent, fewer than authorized. The school is recruiting for two special needs teacher positions, which are anticipated to be filled for the 2002-03 school year. The technology coordinator position, which was vacant from August through December 2001, was filled in February 2002.

### **NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND Expenditures**

The North Dakota Vision Services - School for the Blind reported total expenditures of \$738,329, \$103,313, or 12.3 percent, less than estimated. Actual expenditures were less than estimated due in part to:

- Salaries and wages - Expenditures for salaries were \$66,054, or 9.9 percent, less than anticipated due to a vacant technology position, which is anticipated to be filled in summer 2002, and savings from 2.5 FTE positions hired at lower than budgeted salaries.
- Data processing - Expenditures for data processing were \$4,998, or 46.7 percent, less than anticipated due primarily to a decrease in monthly Information Technology Department charges.
- Supplies - Expenditures for supplies were \$14,563, or 43.2 percent, less than anticipated primarily due to timing of educational supply purchases.
- Utilities - Expenditures for utilities were \$6,859, or 23.7 percent, less than anticipated due to the mild weather.

### **Revenues**

The North Dakota Vision Services - School for the Blind reported total income of \$107,980, \$1,983, or 1.8 percent, less than estimated. The shortfall in anticipated revenues is primarily attributable to resident/patient collections being \$6,859, or 57.2 percent, less than estimated due to vision services provided to non-North Dakota residents and individuals referred from the Department of Human Services

for vocational rehabilitation training being less than anticipated.

**DEPARTMENT OF CORRECTIONS  
AND REHABILITATION - YOUTH  
CORRECTIONAL CENTER  
Expenditures**

The Youth Correctional Center reported total expenditures of \$2,690,885, \$17,967, or .7 percent, more than estimated. Actual expenditures were more than estimated due in part to:

- Professional services - Expenditures for professional services were \$7,028, or 7.9 percent, more than anticipated due to the timing of billings for chaplain service and two major hospitalization claims.
- Other operating expenses - Other operating expenses were \$19,440, or 23.8 percent, more than anticipated due to the timing of payments for property and boiler insurance.
- Utilities - Utilities were \$5,344, or 29.5 percent, less than anticipated due to the mild weather.

**Revenues**

The Youth Correctional Center reported total income of \$479,754, \$140,107, or 22.6 percent, less than estimated. Actual income was less than estimated due in part to:

- Interest and income account - Land Department - Investment revenues were \$0, or \$128,000 less than estimated due to a delay in receiving the December 2001 distribution payment from the Industrial School trust fund (a permanent educational trust fund) until January 2002.
- Federal grants - Federal grant collections were \$9,484, or 4.0 percent, less than anticipated due to timing of reimbursements for nursing costs associated with the juvenile accountability incentive block grant program. The department contracted for psychiatric nurses with Medcenter One in November 2001; however, it did not receive a billing for these services prior to December 31, 2001.

**Population**

The average monthly student population at the Youth Correctional Center was 87.6, .6 student, or .7 percent, more than estimated.

**DEPARTMENT OF CORRECTIONS AND  
REHABILITATION - PRISONS DIVISION  
Expenditures**

The Prisons Division reported total expenditures of \$11,320,785, \$312,218, or 2.7 percent, less than estimated. Actual expenditures were less than estimated due in part to:

- Utilities - Expenditures for utilities were \$54,478, or 12.5 percent, less than estimated due to the mild weather.
- Doctor and hospital services - Expenditures for doctor and hospital services were \$91,102, or 17.5 percent, less than estimated due to not receiving billings from the State Hospital for psychiatric services provided at the James River Correctional Center for the six-month period and due to a delay in the Department of Human Services processing of Medicaid Management Information System claims for inmate institutional medical fees (hospital and clinic services).
- Medical/dental/optical supplies - Expenditures for medical, dental, and optical supplies were \$58,849, or 17.8 percent, more than estimated due primarily to the increase of chronically ill inmates who require medication for the treatment of hepatitis C, human immunodeficiency virus, and other illnesses. Treatment for hepatitis C for one inmate costs approximately \$30,000 per year.
- Salaries - Expenditures for salaries were \$137,650, or 2 percent, less than estimated due to position vacancies at the James River Correctional Center and the State Penitentiary.
- Major improvements - Expenditures for major improvements were \$38,682, or 3.8 percent, less than estimated due to final retainage payable being withheld from two contractors until work on the fifth and sixth floors at the James River Correctional Center meets requirements. The Prisons Division included a \$350,000 carryover from the 1999-2001 biennium for completion of the James River Correctional Center project.

**Revenues**

The Prisons Division reported actual income of \$377,070, \$14,898, or 3.8 percent, less than estimated. The reduction in revenues is primarily due to the delay in reimbursement from the federal crime bill grant award due to final retainage being withheld from two contractors until work on the fifth and sixth floors meets requirements.

**Population**

The average monthly inmate population at the institutions included in the Prisons Division was 1,104, 32 inmates, or 2.8 percent, fewer than estimated. The population was less than estimated primarily due to fewer admissions than anticipated for the first three months of the biennium. The prison population remained at approximately the same level for October, November, and December. The number of parolees has remained at average or slightly above average levels.

### FTE Positions

The monthly filled FTE positions at the institutions included in the Prisons Division averaged 343, 32 fewer than authorized and 4 fewer than estimated. The department is authorized a total of 343 FTE positions; however, 28 FTE positions relating to the seriously mentally ill unit are authorized only for the last nine months of the biennium. The department had difficulty finding qualified applicants for vacancies at the James River Correctional Center for a correction caseworker and a correctional officer and at the State Penitentiary for a social worker and a registered nurse.

### VETERANS HOME Expenditures

The Veterans Home reported total expenditures of \$2,185,715, \$125,366, or 5.4 percent, less than estimated. Actual expenditures were less than estimated due in part to:

- Salaries - Expenditures for salaries were \$53,488, or 3.2 percent, less than estimated due to less than anticipated expenditures for temporary and overtime wages.
- Utilities - Expenditures for utilities were \$28,160, or 26.4 percent, less than estimated due to the mild weather and timing of fuel oil purchases.
- Professional services - Expenditures for professional services were \$9,402, or 18.4 percent, less than estimated due primarily to the timing of billings for contracted physician, psychiatrist, and addiction counselor services.
- Other supplies - Expenditures for other supplies, which include medical supplies, were \$14,632, or 5.2 percent, less than estimated due primarily to timing of billings for food and maintenance supplies costs.
- Major improvements - Expenditures for major improvements were \$30,651, or 41.7 percent, less than estimated due primarily to the timing of the bond payment. The Veterans Home makes one bond payment annually; however, expenditures are estimated equally over the biennium for budgeting purposes.

### Revenues

The Veterans Home reported total income of \$1,423,113, \$53,803, or 3.9 percent, more than estimated. Actual income was more than estimated due in part to increased federal funds collections due to higher than anticipated increases in the Veterans Administration per diem. The actual per diem increase, from \$22.93 to \$24.40 for basic care and from \$51.38 to \$53.17 for skilled care, was not known at the time the budget was prepared.

### STATE HOSPITAL Expenditures

The State Hospital reported total expenditures of \$12,087,682, \$718,396, or 5.6 percent, less than estimated. Actual expenditures were less than estimated due in part to:

- Salaries - Expenditures for salaries and wages were \$567,785, or 5.3 percent, less than estimated due to savings from vacant positions.
- Professional services - Expenditures for professional services were \$100,067, or 42.1 percent, less than estimated due to not needing any contract physician services for the period. In addition, consultants for pharmacy, laboratory, and x-ray services were less than anticipated.
- Medical, dental, and optical - Expenditures for medical, dental, and optical were \$26,980, or 7 percent less than estimated primarily due to the timing of purchases and less than anticipated need for drug supplies.
- Major improvements - Expenditures for major improvements were \$39,564, or 26.4 percent, less than estimated due to remodeling projects not starting as early as anticipated.
- Food and clothing - Expenditures for food and clothing were \$23,126, or 9.2 percent, less than estimated due to fewer than anticipated patients and timing of supply purchases.

### Revenues

The State Hospital reported total income of \$4,281,920, \$208,366, or 4.6 percent, less than estimated. The revenue shortfall is attributable to collections from clients being \$536,594, or 16.3 percent, less than estimated due to fewer patients than anticipated having insurance coverage.

### Population

The average monthly patient population at the institution was 153, 12 patients, or 7.3 percent, fewer than estimated. Admissions were less than estimated primarily due to increased community services and programs available as an alternative to hospitalization.

### FTE Positions

The monthly filled FTE positions at the State Hospital averaged 473, 36 FTE positions, or 7.1 percent, fewer than the authorized FTE positions of 509. The State Hospital anticipates filling 15 of the vacant FTE positions. The other positions will remain vacant, unless a specific need arises, in an effort to reduce the number of FTE positions.

### STATE DEVELOPMENTAL CENTER Expenditures

The State Developmental Center reported total expenditures of \$9,449,933, \$829,321, or 8.1 percent,

less than estimated. Expenditures were less than estimated due in part to:

- Salaries - Expenditures for salaries were \$373,583, or 4.5 percent, less than estimated due to the savings from vacant FTE positions.
- Major improvements - Expenditures for major improvements were \$230,348, or 96.8 percent, less than estimated due to timing of the annual bond payments relating to the 1986 renovation. The bond payments were appropriated this biennium to the State Developmental Center rather than the Industrial Commission.
- Utilities - Expenditures for utilities were \$83,069, or 23 percent, less than estimated due to mild weather and timing of payments.
- Food and clothing - Expenditures for food and clothing were \$49,192, or 15.3 percent, less than estimated due to fewer than anticipated patients and timing of purchases.
- Professional services - Expenditures for professional services were \$33,499, or 37.6 percent, less than estimated due to timing of billings for medical and training services.

### Revenues

The State Developmental Center reported total income of \$5,529,910, \$2,036,915, or 26.9 percent, less than estimated. Actual income was less than estimated due in part to:

- Other funds - Other funds revenue was \$22,808, or 4 percent, more than estimated due primarily to additional private pay income received for care and treatment services.
- Federal funds - Federal fund receipts were \$2,059,723, or 29.4 percent, less than estimated primarily due to December Medicaid collections of \$1.1 million not being received until January. In addition, actual collections from the center's traumatic brain-injured unit were approximately \$900,000 less than anticipated for the six-month period due to fewer than estimated patients. The

State Developmental Center determined the unit was not operating cost-effectively based on the staffing requirements needed to maintain licensure as a skilled care unit for the four registered traumatic brain-injured unit patients. As a result, the State Developmental Center discontinued operating its traumatic brain-injured unit in January 2002.

### Population

The average monthly patient population at the institution was 147, five patients, or 3.3 percent, fewer than estimated.

### FTE Positions

The monthly filled FTE positions at the Developmental Center averaged 449.83, 21.31 FTE positions, or 4.5 percent, fewer than authorized. The center is currently recruiting for all vacant positions.

### SUMMARY

Total expenditures at the charitable and penal institutions for the period July 1, 2001, through December 31, 2001, were \$39,746,174, \$2,099,408, or 5 percent, less than estimated. Total revenues for the same period were \$12,373,946, \$2,387,499, or 16.2 percent, less than estimated.

At the state's charitable and penal institutions for the first six months of the 2001-03 biennium, the total average monthly population, including students, residents, and inmates, was 1,657.27, 62.73 individuals, or 3.6 percent, fewer than estimated. The total monthly filled FTE positions for these institutions averaged 1,516.62, 96.56 FTE, or 6 percent, fewer than estimated.

The attached schedule presents comparisons of estimated and actual FTE positions, expenditures, revenues, and populations for the period July 1, 2001, through December 31, 2001.

ATTACH:1

**COMPARISON OF ESTIMATED AND ACTUAL FTE POSITIONS, EXPENDITURES, REVENUES, AND POPULATIONS  
FOR THE PERIOD JULY 1, 2001, THROUGH DECEMBER 31, 2001**

Institution	FTE Positions	Operating Expenditures	Major Improvements	Total Expenditures	Income	Possible State General Fund Fiscal Impact	Population
<b>School for the Deaf</b>							
Estimated	53.10	\$1,301,606	\$0	\$1,301,606	\$213,232		45.00 <sup>1</sup>
Actual	50.05	1,272,845	0	1,272,845	174,199		36.00 <sup>1</sup>
Variance	3.05	\$28,761	\$0	\$28,761	(\$39,033)	(\$10,272)	(9.00)
Percentage variance	5.7%	2.2%	0.0%	2.2%	(18.3%)		(20.0%)
<b>North Dakota Vision Services - School for the Blind</b>							
Estimated	29.00	\$827,854	\$13,788	\$841,642	\$109,963		0.00 <sup>2</sup>
Actual	28.00	724,541	13,788	738,329	107,980		0.00 <sup>2</sup>
Variance	1.00	\$103,313	\$0	\$103,313	(\$1,983)	\$101,330	0.00
Percentage variance	3.4%	12.5%	0.0%	12.3%	(1.8%)		
<b>Department of Corrections and Rehabilitation - Youth Correctional Center</b>							
Estimated	88.93	\$2,475,146	\$197,772	\$2,672,918	\$619,861		87.00
Actual	86.60	2,491,236	199,649	2,690,885	479,754		87.60
Variance	2.33	(\$16,090)	(\$1,877)	(\$17,967)	(\$140,107)	(\$158,074)	0.60
Percentage variance	2.6%	(0.7%)	(0.9%)	(0.7%)	(22.6%)		0.7%
<b>Department of Corrections and Rehabilitation - Prisons Division<sup>3</sup></b>							
Estimated	375.00	\$10,615,017	\$1,017,986	\$11,633,003	\$391,968		1,136.00
Actual	343.00	10,341,481	979,304	11,320,785	377,070		1,104.00
Variance	32.00	\$273,536	\$38,682	\$312,218	(\$14,898)	\$297,320	(32.00)
Percentage variance	8.5%	2.6%	3.8%	2.7%	(3.8%)		(2.8%)
<b>Veterans Home</b>							
Estimated	87.01	\$2,237,581	\$73,500	\$2,311,081	\$1,369,310		135.00
Actual	86.14	2,142,866	42,849	2,185,715	1,423,113		129.67
Variance	0.87	\$94,715	\$30,651	\$125,366	\$53,803	\$179,169	(5.33)
Percentage variance	1.0%	4.2%	41.7%	5.4%	3.9%		(3.9%)
<b>State Hospital</b>							
Estimated	509.00	\$12,656,078	\$150,000	\$12,806,078	\$4,490,286		165.00
Actual	473.00	11,977,246	110,436	12,087,682	4,281,920		153.00
Variance	36.00	\$678,832	\$39,564	\$718,396	(\$208,366)	\$510,030	(12.00)
Percentage variance	7.1%	5.4%	26.4%	5.6%	(4.6%)		(7.3%)
<b>State Developmental Center</b>							
Estimated	471.14	\$10,041,256	\$237,998	\$10,279,254	\$7,566,825		152.00
Actual	449.83	9,442,283	7,650	9,449,933	5,529,910		147.00
Variance	21.31	\$598,973	\$230,348	\$829,321	(\$2,036,915)	(\$1,207,594)	(5.00)
Percentage variance	4.5%	6.0%	96.8%	8.1%	(26.9%)		(3.3%)
<b>Total All Institutions</b>							
Estimated	1,613.18	\$40,154,538	\$1,691,044	\$41,845,582	\$14,761,445		1,720.00
Actual	1,516.62	38,392,498	1,353,676	39,746,174	12,373,946		1,657.27
Variance	96.56	\$1,762,040	\$337,368	\$2,099,408	(\$2,387,499)	(\$288,091)	(62.73)

Percentage variance	6.0%	4.4%	20.0%	5.0%	(16.2%)	(3.6%)
<p><sup>1</sup> School for the Deaf population - In addition to the students served on the school's campus, the institution serves students statewide through the parent/infant program. The school estimated it would serve 15 individuals through this program during the first six months of the biennium. During that time period, 10 individuals received services.</p> <p><sup>2</sup> North Dakota Vision Services - School for the Blind population - Although individuals occasionally stay at the school on a short-term basis to receive specialized training, the school no longer serves a resident population. Individuals are served statewide through outreach programs. The school reported that it served 285 individuals through outreach programs during the first six months of the biennium, five less than estimated to be served during that period.</p> <p><sup>3</sup> Department of Corrections and Rehabilitation - Prisons Division - The information relating to the Prisons Division relates to the State Penitentiary, Missouri River Correctional Center, and James River Correctional Center. The Prisons Division is authorized a total of 343 FTE positions; however, 28 FTE positions relating to the seriously mentally ill unit are authorized only for the last nine months of the biennium.</p>						