



STATE OF INDIANA  
Department of Correction

Indiana Government Center—South

Eric J. Holcomb  
Governor

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Robert E. Carter Jr.  
Commissioner

Director Dudich,

Please find attached a certification of the cost savings the Indiana Department of Correction experienced during fiscal year 2017. This report is pursuant to IC 11-12-2-1(b). In order to better calculate any possible savings, the Indiana Department of Correction partnered with KSM Consulting to evaluate internal IDOC data and also review abstracts obtained from the Office of Judicial Administration. The attached certification is a product of this partnership.

In the report you will find two distinct sets of numbers. One set will illustrate the amount of cost avoidance (savings) that IDOC experienced. This set represents IDOC diversions from facilities to county jails and will represent additional cost obligations that IDOC will still be required to pay the counties. With the required per diem, and with 59% of offenders spending time in jail, this calculation was necessary to understand any cost savings. The second set of numbers represents the closure of Henryville Correctional Facility and the associated savings with that closing.

Since the enactment of HEA 1006, the FD and F6 offender population has decreased in Indiana prisons. These felons are now being placed in their local communities, with some going to jails for a per diem of \$35 {35-58-3-3(e)}. This report contemplates the reduction in the historical IDOC offender numbers multiplied by the marginal per diem that IDOC utilizes, and applies this cost savings to the expenditures IDOC makes in reimbursing counties their per diem. Prior to the enactment of HEA 1006, some FD offenders served their sentence in local jails. Now that this population type is an F6, IDOC will be obliged to pay the per diem for their stay in county jails. Using historical calculations and current sentencing, this cost obligation is included in the report.

In July of 2016, the Indiana Department of Correction closed the Henryville Correctional Facility and moved ownership of this facility to the Indiana Department of Natural Resources. This resulted in a one-time cost savings to IDOC, as the Department will not be asking for funding for this facility in its upcoming budget request.

Thank you for your time and consideration of our costs and savings. We look forward to your valuation as to what amount, if any, should be allocated as grants to local communities.

Regards,

A handwritten signature in black ink, appearing to read "Robert E. Carter Jr.", written over a horizontal line.

Commissioner Robert E. Carter Jr., Indiana Department of Correction