



**OKLAHOMA**  
**Corrections**

# Department of Corrections

**FY 2027 Budget Hearing Presentation**

**Submitted by: Justin Farris, Director**

# Justin Farris

## Director



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The Department of Corrections serves as the agency vested with administrative direction and control over matters relating to the State's penal institutions (57 O.S. 509), prison industries (57 O.S. 510), probation and parole supervision (57 O.S. 515a), and registration of sexual or violent offenders (57 O.S. 581 et seq.).

Founded in 1967, this agency now encompasses the following divisions:

**Facilities** - state operated institutional facilities (minimum, medium, and maximum security)

**Probation and Parole Services** - supervision of offenders in the community

**Community Corrections** - state operated community correctional facilities

**Prison Industries** - manufacturing and agricultural services

**Offender Programs** - inmate programs and grants (education, reentry and substance abuse, and GPS)

**Community Sentencing** - community based sentencing (alternative to incarceration)

**Contracted Services** - private prison, halfway house, and county jail back-up

**General Operations** - agency-wide general operations (debt service, workers compensation,...)

**Central Office Operations** - agency-wide central office operations provides administrative services and support

**Divisional Office Operations** - agency-wide divisional office operations support services for prisons, probation and parole, and community corrections

**Health Services** - inmate medical, dental and mental health

**Information Technology** - agency-wide information technology services

# Agency Vision, Mission and Core Values

**Vision:** We Change Lives!

**Mission:** To build a stronger Oklahoma by transforming lives in a safe, rehabilitative, and compassionate environment.

**Pillars:**

- Be bold:** Lead change, challenge and expand our thinking to drive innovation
- Inspire:** Fuel enthusiasm and encourage greatness across the agency
- Protect:** Ensure transparency and security in every aspect of our agency

**Core Values:** Honor, Integrity, Humility, Empowerment, Excellence



# Accomplishments

## Top accomplishments for FY 2025 – FY 2026

- 1) Purchase and transition of Red Rock Correctional Center operations from a private prison contract to an ODOC owned and operated facility.
- 2) Subrecipient award of a \$4.5M federal grant for a new Electronic Health Record (EHR) System within the ICON system.
- 3) R.I.S.E. Cosmetology Program opened at the Dr. Eddie Warrior Correctional Center to expand educational opportunities and support inmate skill development.
- 4) ICON system modules for the Parole Process, Misconduct, and Jobs and Programs were developed and implemented agency-wide.
- 5) Operations for all 19 canteen locations was awarded and privatized through the competitive bid process.
- 6) Pharmacy services were transitioned and all facilities shifted from blister packs to pre-packaged pill packs.



# Analysis of Agency Challenges

	<b>Challenge Description</b>	<b>Current Actions</b> (Briefly describe how the agency is currently addressing the challenge.)	<b>Planned Actions</b> (Briefly describe how the agency plans to address the challenge going forward.)
1	Recruitment and retention	Developed customized recruitment plans for facilities that are understaffed that consider the unique needs of the population served and the labor pool available. Revamped the hiring process for Correctional Officers to reduce time to hire and decrease the number of CO cadets who drop out of the academy.	ODOC plans to increase recruitment and retention through modifying CO schedules to reduce overtime hours worked, resulting in lower levels of staff burnout. Likewise, the agency has launched formal exit and onboarding surveys to identify problem areas for interventions to improve the employee experience. The agency will also explore technological innovations that supplement security staffing.
2	Maintaining buildings and improving technology within aging infrastructures	Identify additional funds within existing budget, but are priority based and critical projects are prioritized	Continue to submit the agency budget request with priority order projects for funding consideration
3	Aging inmate population growth is a challenge due to the lack of adequate hardened medical and long-term care facilities.	Identify additional funding within the existing budget and available space within facilities to develop long-term care solutions for medically frail inmates.	Evaluate the viability of creating a long-term care facility by acquiring or taking over an existing location to accommodate medically frail inmates.
4	Unpredictable changes in food and supply pricing impact overall budgets.	Evaluating procurement options and ongoing price reviews to maintain budget stability while continuing to monitor market conditions and fluctuations.	Implementation of targeted purchasing measures and continuous price monitoring to reduce the impact of fluctuating food and supply costs.



# Savings & Efficiencies (Current or Planned)

Savings or Efficiency Name	Brief description of how savings were achieved	Savings in Unit of Measurement*	FY 2025 (Actual \$ Savings)	FY 2026 (Projected \$ Savings)	FY 2027 (Projected \$ Savings)
Medical Services	340B pricing for HIV/AIDS and HPV medication.	Cost avoidance	\$4,412,851	\$4,500,000	\$4,500,000
Medical Services	Dialysis services – negotiated contract to avoid an increase.	Cost avoidance	\$77,802	\$77,802	\$77,802
Community Sentencing	Sex & Violent Offender Registry Maintenance - negotiated contract to avoid an increase.	Cost avoidance	\$12,000	\$12,000	\$12,000
Medical Services	Temporary medical staff services - negotiated contract to lower hourly rate.	Cost Savings	\$77,759	\$77,759	\$77,759
Inspector General	Extradition services – implemented a contract with the US Marshals Service instead of a for-profit company.	Cost Savings	\$37,171	\$40,000	\$40,000
Technology Services	Digital Mail for Inmate Population - implemented as a value add to the current inmate communications contract.	Cost avoidance	\$650,000	\$650,000	\$650,000
Technology Services	ICON system maintenance – negotiated contract to avoid an increase.	Cost avoidance	\$322,452	\$644,904	\$144,903



\* Hours, FTE, square feet, etc.

# Agency Goals and Key Performance Metrics



Goal		Metric	FY 25 Target	FY 25 Actuals	FY 26 Target
1	Become the nation's leader in correctional innovation.	Recidivism rate and national ranking			
2		Number of inmate-on-inmate assaults with serious injury			
3		Number of inmate-on-staff assaults with serious injury			
4	Invest in our people to build for our future state.	Employee retention rate	83%		
5		Employee engagement rate	75%		
6	Drive successful Oklahoma rehabilitative initiatives.	Total number of inmates participating in and completing Reentry/Transition programming	Participation 13,000 Completion 6,100	Participation 17,325 Completion 9,914	Participation 15,000 Completion 10,000
7	Transition eligible Probation & Parole to mobile/online visits to enhance access and efficiency.	Number of offenders under supervision utilizing the mobile/online application	6,000	315	10,000



# Projects for FY 2026

- 1) Integrate body-worn camera technology with facial recognition and AI capabilities. This will enhance our ability to improve public safety and support more efficient operations.
- 2) Procure and implement tasers for correctional officers. This initiative is aimed at enhancing officer safety and reducing the likelihood of incidents by providing an additional non-lethal option in high-risk situations.
- 3) Expand partnerships with OU, Lindsay Municipal Hospital and other community providers for telehealth services. This will help reduce the number of medical transports required for doctor visits.
- 4) Awarding achievement credits for tablet-based programing, efficiently expanding inmate educational opportunities.
- 5) Implementation of officer tablets for live count reporting into ICON system.
- 6) Modernize inmate visitation by centralizing scheduling and background processes.
- 7) Transition eligible Probation & Parole to mobile/online visits to enhance access and efficiency.
- 8) Financial dashboards have been created using Power Bi to improve financial visibility in real-time for leadership across the agency.



# Projects for FY 2027

- 1) Continue transition to mobile check-in access for Probation & Parole visits.
- 2) Utilize tablets to support programs and officers in their daily operations.
- 3) Automate distribution of legal mail for inmates.
- 4) Contract for mobile optometry services to improve access to eye care for inmates.
- 5) Utilize Fusus technology and drones to enhance operational monitoring and safety.
- 6) Privatize food service to improve efficiencies, and the quality of food provided to inmates.
- 7) Establish a Tulsa-area hospital partnership to better serve inmates in the eastern region.



# Total Historic Actual Expenditures (FY 2021-25) and Current Year Budget (FY 2026)

## Explanation of Changes and Trends

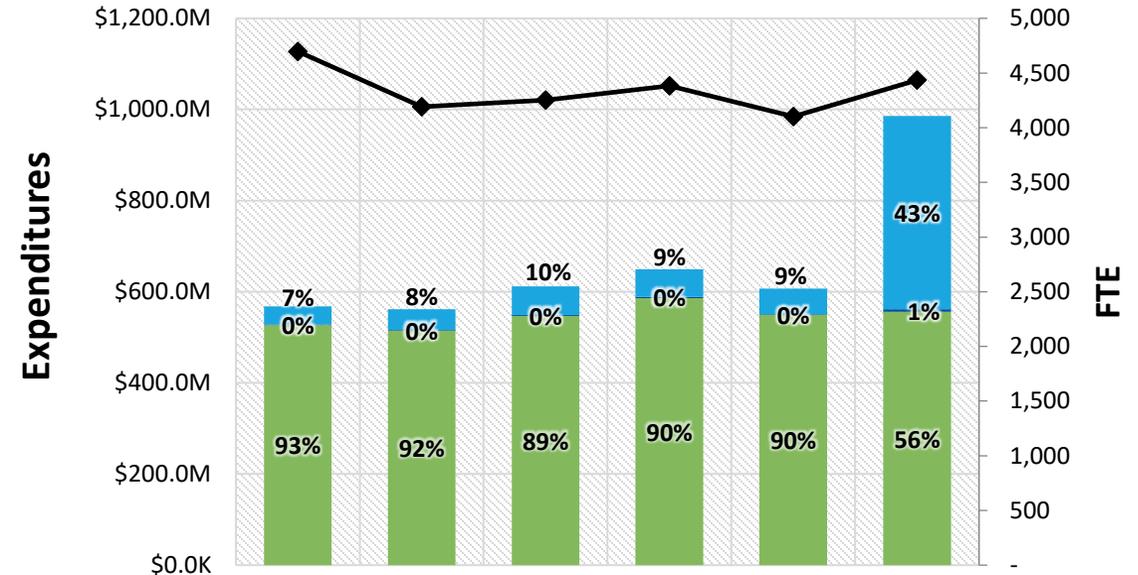
-FY26 agency received an additional appropriation of \$312M for the purchase of Lawton Correctional Facility from GEO Group (Prison Acquisition Revolving Fund). Lawton was the last private prison contract in place to house state inmates.

Payroll, contracted beds, and health services together make up 77% of the total expenditures.

Summary and analysis of the agency's expenditures and their changes from 2021 to 2025:

- Payroll costs are rising significantly.
  - Increased by \$43.7 million (14% increase)
- Contract bed expenditures have decreased as the agency brings more operations in-house.
- Private Prisons declined by \$26.4 million (31% decrease) (FY24 lease agreement for AGCC and GPCC - terminated lease for NFCC)
- Jail backup increased by \$833,544 (8% increase) (FY26 SB85 increase county jail backup daily per diem rate \$27 to \$32 → \$5.00/19%)
- Medical services operational costs continue to rise.
  - Increased by \$5.9 million (12% increase)
- Facility operations increased by \$19.2 million (38% increase) (Few examples of cost increases-fuel 523K/35%, food 11M/58%, utilities 1.6M/13%- FY24 agency entered lease agreements for AGCC 7.5M and GPCC 9.2M- terminated lease agreement for NFCC 12.2M – net increase 4.5M)
- Risk management increased by \$1 million (50% increase)
- Overall increase \$39 million (7% increase)
- The agency has seen a significant shift in staffing levels and a notable increase in overtime costs. With a reduction of 443 full-time employees from 2021 – 2025. Overtime costs have increased by \$14.4 million (70% increase).
  - 2021 actual average head count 4,057
  - 2025 actual average head count 3,614

### Historic Actual Expenditures and Current Year Budget



	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Current Budget
Appropriated	\$526.6M	\$514.6M	\$547.1M	\$586.1M	\$548.9M	\$556.1M
Revolving	\$39.2M	\$45.4M	\$63.0M	\$60.0M	\$56.0M	\$424.2M
Federal	\$1.9M	\$1.4M	\$1.8M	\$2.9M	\$1.8M	\$5.3M
<b>Total</b>	<b>\$567.7M</b>	<b>\$561.4M</b>	<b>\$611.9M</b>	<b>\$649.0M</b>	<b>\$606.7M</b>	<b>\$985.6M</b>
FTE	4,697	4,191	4,252	4,384	4,102	4,435



# Estimated Impact of Federal Funding Changes

<i>Program Name</i>	<i>Federal Agency</i>	<i>Description of expected change (s) (i.e. change in state match, admin costs, program requirements or client eligibility, etc.)</i>	<i>Actual FY 25 Total Federal Funding Received (\$)</i>	<i>Projected FY 26 Total Federal Funding To Be Received (\$)</i>	<i>Estimated FY 27 Total Federal Funding To Be Received (\$)</i>
State Criminal Alien Assistance Program (SCAAP)	US Dept. of Justice, OJP	The formula grant is calculated using CO pay and the number of days illegal aliens are detained in the state prison system. The recent push to remove/reduce this number has significantly reduced the revenues received. Currently, the grant application has not been made available for FY26.	\$730,612	\$0	\$0
Adult Basic Education (ABE), Title I, & IDEA – Special Ed	US Dept. of Education	These are sub award through OK Dept. of Education and Career Tech. They require a 50% match from agency funds. Continued federal funding is uncertain for FY27. If funds are not available in FY27, the agency will seek additional funds and adjust existing programs to accommodate the program needs.	\$1,008,647	\$1,042,240	\$1,042,240
CMS – Electronic Health Record System	US HHS - CMS-HHS	Newly awarded grant over a 4-year period. Sub Award through OHCA for the build and implementation of a bi-directional electronic health record system to aid in the implementation of the 5121 federal mandate.	\$0	\$2,720,000	\$1,401,294



*\* Only list programs with federal funding that are expected to change. Refer to the agency's Federal Funds Schedule in the Budget Request document.*



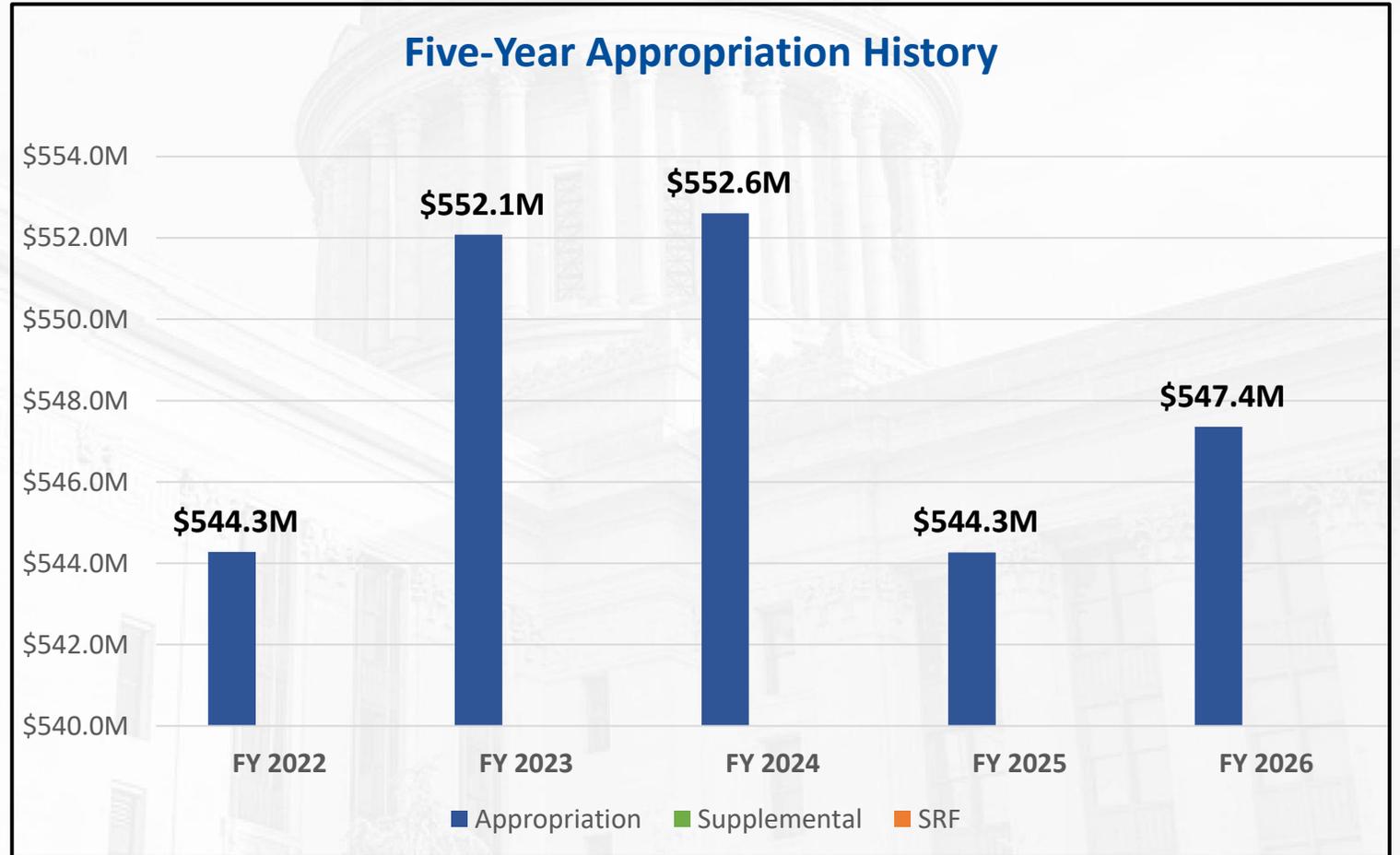
# FY 2026 Budgeted Full Time Equivalents (FTE)

	FY 2026 Budgeted FTE
<b>Total FTE</b>	4,435
<b>Supervisor FTE</b>	895
<b>Supervisors to Total FTE Ratio (%)</b>	20
<b>Current Budgeted but Unfilled FTE</b>	713

# Appropriation History

Fiscal Year	Legislated Appropriation (\$) (Includes supplementals and SRF/ARPA.)
FY 2022	\$544,278,904
FY 2023	\$552,082,900
FY 2024	\$552,606,940
FY 2025	\$544,269,306
FY 2026	\$547,359,022

\* Additional \$312,000,000 for prison acquisition



\*Includes Supplemental and Statewide Recovery Fund (ARPA) appropriations.



# Financial Resource Analysis

Carryover	FY 2022	FY 2023	FY 2024	FY 2025
Total appropriated carryover amount expended (\$)	\$21,477,807	\$41,902,502	\$46,884,757	\$13,369,909

Historical Cash Balances	FY 2022	FY 2023	FY 2024	FY 2025
Year End Revolving Fund Cash Balances <i>(All Revolving Funds)</i>	\$35,612,906	\$28,152,371	\$30,437,763.26	\$25,286,799

Revolving Class Fund # <i>(Unrestricted only)</i>	Revolving Class Fund Name <i>(Unrestricted only)</i>	Current cash balance (\$)	Projected FY 2026 year-end cash balance (\$)
200	Revolving Fund as of 11/1/25	\$8,115,159	\$
280	Prison Industries Revolving Fund as of 11/1/25	\$15,345,998	\$
#		\$	\$
#		\$	\$
#		\$	\$
#		\$	\$
<b>Total Unrestricted Revolving Fund Cash balance:</b>		\$ 23,461,157	\$



*Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.*

# FY 2024 – 2025 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount FY 2024</i>	<i>Amount FY 2025</i>	<i>Total amount received FY 2024 - 25</i>	<i>Total amount expended by 11/1/2025</i>	<i>Included in FY 2026 approp? (Yes/No)</i>	<i>If not expended fully, please explain.</i>
Debt Service	-\$-30,457	\$	\$	\$		
Teacher Pay	\$554,496	\$554,496	\$1,108,992	\$1,108,992	Yes	
Debt Service	\$	-\$3,537,634	\$	\$		
ICON	\$	-\$4,800,000	\$	\$		
<b>Totals</b>	\$524,039	-\$7,813,595	\$1,108,992	\$1,108,992		



*\*Do not include SRF / ARPA appropriation increases.*

# FY 2026 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount of increase or decrease (\$)</i>	<i>Does this need to be included in your FY 2027 appropriation? (Yes/No)</i>	<i>If yes, included in appropriation for same purpose? (Yes/No)</i>	<i>If not included for same purpose, please explain.</i>
Debt Service	\$3,089,716	Yes	Yes	
Private Prison Acquisition	\$312,000,000	No		
	\$			
	\$			
	\$			
	\$			
	\$			
	\$			
<b>Total adjustment</b>	<b>\$315,089,716</b>			



*\*Do not include SRF / ARPA appropriation increases.*

# Incremental & Supplemental Request Summary

Request Name		FY 2027 Incremental Appropriation Request Amount (\$) {or FY 2026 for Supplementals}	Type of Request: Recurring, One-time, or Supplemental
1	Jail Backup – SB85 daily per diem increase of \$5.00	\$2,000,000	Recurring
2	ICON System – support and maintenance	\$2,000,000	Recurring
3		\$	
4		\$	
5		\$	



# (1) Incremental Budget Request

## Jail Backup – SB85 daily per diem increase of \$5.00

Type: Recurring

\$2,000,000 Incremental Amount Requested for FY 2027

SB 85 revised state law to raise the daily reimbursement rate that the Department of Corrections pays counties for housing inmates from \$27 to \$32.



# (2) Incremental Budget Request

## ICON System – Maintenance and Support

Type: Recurring

\$2,000,000 Incremental Amount Requested for FY 2027

Transitioning to a system that is fully operational requires reoccurring costs of maintenance and support.





Agency logo here

# Appendix