

## Department of Corrections Administrative Services and Information Technology (Report Highlights)

August 2001

The Administrative Services program facilitates minor prison construction, renovation and remodeling, and maintenance, and manages financial services.

The Information Technology (IT) program manages and maintains computer resources and supports telecommunication services.

### Our Conclusions:

Improved planning and management of the maintenance function is needed to help maintain the useful life of prison facilities. In addition, the Department needs to continue recent efforts to address numerous deficiencies in its information technology (IT) planning and oversight.

#### Department Can Improve Facilities Maintenance Management

The Department has identified over \$82.7 million in major building projects and maintenance needs. These needs include:

- Replacing 30-year-old boilers at Florence;
- Installing or repairing fire alarms at most complexes;
- Replacing aging doors and locks throughout the system; and
- Installing a water treatment system at Yuma, one of its newer facilities.

#### Corroding Pipes at Yuma Prison



#### Department Facilities

- 1,152 structures
- Over 7 million square feet
- \$760 million replacement value

**Needs outstrip funding**—Appropriations for fiscal years 2002 and 2003 will:

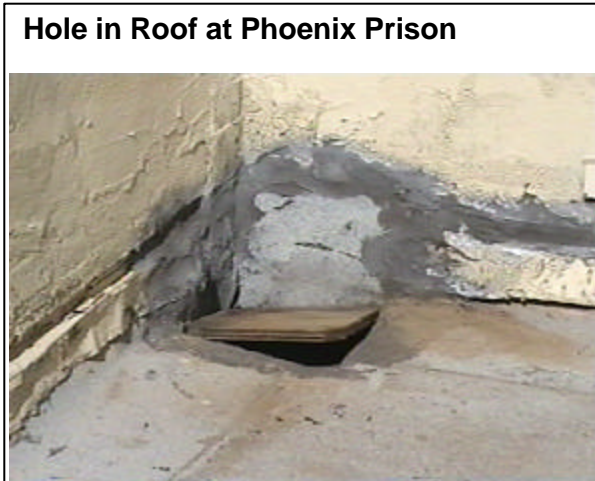
- Fully fund the building renewal formula for the Department over the next two years; and
- Address lock replacements.

However, even these appropriations will address only one-quarter of the current building renewal needs.

These extensive maintenance needs make it important to get the most out of every dollar available.

The Department needs to better manage its contingency funds. The Department sets aside monies for contingencies. If emergencies do not use all of these funds, they can then be used for maintenance needs. However, some contingency funds have reverted to the General Fund each year.

Because the Department could not plan and complete work before year-end, in fiscal year 2000, \$3.5 million in contingency funds reverted to the State General Fund.



**Long-term planning is needed.** The Department has primarily had a short-term focus on maintenance and facility needs. It does not have a facilities master plan to help it make long-term decisions. Such a plan could:

- Prioritize facility needs; and
- Establish a strategy to meet those needs.

The Department should also study whether removing prisons from the Department of Administration (DOA) building system would help streamline the building renewal process. Two other large building systems—the Department of Transportation’s and the Board of Regent’s—are not under the DOA system.

The Department should:

- ✓ Begin planning as early as possible to fully use contingency funds.
- ✓ Consider forming a prison facilities study committee to:
  - Establish a facilities master plan and assist in long-term facilities planning; and
  - Review the Department’s status as part of DOA’s building system.

### Insufficient Oversight and Planning Impede Information Technology

The Department has not adequately managed its information technology function.

- Data center charges increased from \$672,000 in fiscal year 1998 to \$1.6 million in fiscal year 2000, but the Department continued to run non-critical reports during prime-time hours.
- A vendor for a major software project was not adequately monitored. The project, which was due in September 1999, is still unfinished and the \$2.5 million budgeted has been spent.
- The Department retained Y2K consultants until April 30, 2001, to work on other projects, paying them over \$1 million.

**Reorganization is helping but improved planning still needed.** To address some of these problems, the Department has in the past year:

- Created a new IT division;
- Hired an experienced Chief Information Officer (CIO);
- Reduced the number of consultants; and
- Improved its tracking of project costs.

However, the Department needs realistic IT plans that can be incorporated in its budget requests and its strategic plan.

The Department also needs to improve justifications for its IT projects. In the past two years, the Government Information Technology Agency (GITA) has returned requests for two major Department projects because the requests were incomplete.

**The Department should:**

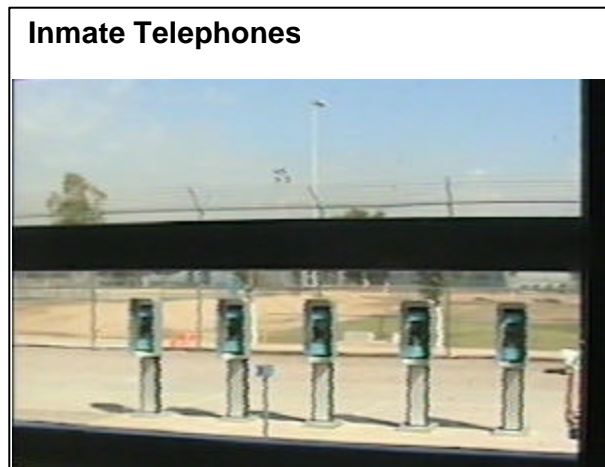
- ✓ Continue top-management oversight of IT efforts;
- ✓ Track, review, and reduce internal IT costs;
- ✓ Improve IT planning and include that in the strategic plan; and
- ✓ Ensure that IT project proposals are complete and justified.

**Other Pertinent Information on Inmate Phone System**

The Department contracts with a phone service provider for inmates' phone service.

**Inmate Phone Service**

- Collect calls only—none incoming;
- No 800/900 numbers, 3-way calling, or call forwarding;
- Call length based on inmate security level—5 to 210 minutes per week;
- Rates comparable to operator-assisted calls;
- The Department receives 40 percent of revenue—\$3.67 million in fiscal year 2000.



The Department must use the revenue from the phone service for the benefit, education, and welfare of inmates. The Department has used this money for:

- Recreation uniforms;
- Paralegal services for inmates;
- Renovation of recreation and visitation areas; and
- Medical treatment for inmates injured in assaults or by self-inflicted injuries.

**To Obtain More Information**

- A copy of the full report can be obtained by calling (602) 553-0333 or by visiting our Web site at:

[www.auditorgen.state.az.us](http://www.auditorgen.state.az.us)

- The contact person for this report is **Shan Hays**.