



STATE OF MICHIGAN
DEPARTMENT OF CORRECTIONS
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

PATRICIA L. CARUSO
DIRECTOR

DATE: January 30, 2009

TO: Senator Alan L. Cropsy, Chair
Senate Appropriations Subcommittee on Judiciary and Corrections

Representative Alma Wheeler Smith, Chair
House Appropriations Subcommittee on Corrections

FROM: Patricia L. Caruso *Patricia L. Caruso*
Director

SUBJECT: Prison Population Projections

Section 401 of PA 245 of 2008 requires that the Department of Corrections submit three-year and five-year prison population projection updates by February 1, including an explanation of the methodology and assumptions used in developing them. This report can be viewed at www.michigan.gov/corrections.

PLC

c: Bob Emerson, State Budget Director
Jacques McNeely, Office of the State Budget
Lindsay Hollander, Senate Fiscal Agency
Marilyn Peterson, House Fiscal Agency
MDOC Executive Policy Team

December 19, 2008

Director Pat Caruso
Michigan Department of Corrections
Grandview Plaza Building - 4th Floor
Lansing, MI 48909

Dear Director Caruso:

This letter summarizes my review of the December 2008 base projections developed using the Michigan Department of Corrections' (MDOC) prison population projection model. The review is based upon the supporting documents that I received from MDOC and from information gathered during meetings with your research staff and the Prison Populations Projections Assumptions Work Group and technical subcommittee.

The Department uses a stochastic entity simulation model that exceeds the technical capabilities of most state prison system projection models. Based on my observation, the MDOC staff has extensive knowledge about the model's capabilities, including how it functions and the data required to load the model's data parameters.

The new base projection has several key assumptions that underpin the projection which can be summarized as follows:

1. *Stable prison admissions for new court commitments.* Over the past year, there has been an unanticipated decline in the number of people sentenced by the courts to the Department of Corrections. The base projection assumes that number admitted in 2008, which is below the numbers experienced in 2007, will remain essentially at their current levels over the next few years, but the DOC has built in a reasonable assumption that there may be a slight rebound halfway to the 2007 levels based on the deteriorating economic conditions for the local counties.

2. *No changes in the sentencing patterns of the courts.* The model uses the recent offense and sentence length attributes of individuals being sentenced to the MDOC. The model assumes there will be no changes in these patterns.

3. *No changes in current Parole Board decision-making practices.* The model is designed to mimic the parole grant rates by the Board for both initial and subsequent hearings. The Board's grant rates for January through June 2008 have been adopted. It should be noted that since June 2008, the Board has been aggressively reviewing cases

that are past their earliest release dates (ERD) which has served to increase the number of persons being released on parole. However, it is anticipated that this accelerated review process may well have diminishing returns over time as the pool of eligible cases reviewed by the Board declines and/or reflects a higher risk population.

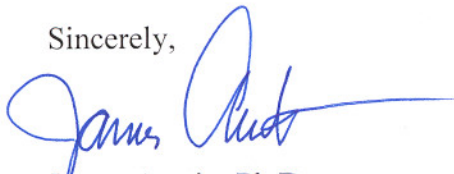
4. *No changes in current parole revocation and return to prison rates.* The model processes persons who fail parole either for a technical violation or for the conviction of a new felony crime. The base projection incorporates these current trends.

5. *Continuation of the Special Alternative Incarceration Program (SAI) for prisoners.* The base projection takes into account the recent expansion of the SAI program that is designed, in part, to reduce the expected length of stay for persons who complete the program. The SAI is currently scheduled to sunset on September 30, 2009. Should that sunset provision occur, the population forecast would have to be increased to reflect this change from current policy.

In summary, the new base projection now accurately reflects the state's current correctional policy trends, including demographics, crime, arrests, court processing and the Parole Board's grant rates. The model is now accurately mimicking the admission, release and daily population attributes of the prison population. The key assumptions and population estimates are reasonable and should be adopted by the MDOC at this time.

It is also recommended that the projection and its performance be internally reviewed and updated by the MDOC in advance of the required formal issuance of projections next year (and at other times as necessary) so that the impact of adopted legislative and correctional initiatives can be incorporated into the new official base projections.

Sincerely,

A handwritten signature in blue ink, appearing to read "James Austin", with a long horizontal flourish extending to the right.

James Austin, Ph.D.