

January 30, 2009

**MEMORANDUM**

To: All KDOC Staff

From: Roger Werholtz, Secretary

A handwritten signature in blue ink, appearing to read "Roger Werholtz", is positioned to the right of the "From:" line.

Re: Additional Update on FY 2009 Budget

I am writing to update you on the current status of the Department's FY 2009 budget reduction plan.

As I advised yesterday, January 29, the full Senate approved Substitute for Senate Bill 23 with provisions calling for a 1.5% reduction in the current year's budget. For the Department of Corrections, this would require us to cut approximately \$4.1 million between now and July 1, 2009, the end of the current fiscal year. These reductions are in addition to the 3% cut already proposed in the Governor's budget.

The FY 2009 revised budget approved by the Senate yesterday was considered this morning by the House Appropriations Committee. The Appropriations Committee passed a substitute bill to include a 1% reduction in lieu of a 1.5% reduction for FY 2009. For the Department of Corrections, a 1% reduction amounts to approximately \$2.7 million.

At the present time, senior Department staff are reviewing options available to us necessary to meet the \$2.7 reduction. At this point I would note that the current budget bill is still very much a work in progress. However, I can advise you that we are hopeful that we can reach the 1% reduction currently contained in the House committee version of the bill without closing a major facility and preserving the bulk of parole and post-release supervision. Offender programs will be impacted. We will advise you once we have completed this next round of decisions.

These are extremely difficult decisions. We recognize that a number of outstanding staff will be impacted. I would ask that each of you keep in mind that the process of reworking the 2009 budget is not complete. While the Department will be taking a number of steps necessary to prepare for changes which may occur, there is not yet a final decision regarding this budget bill. I do not want to raise any false hopes regarding what may happen during the remainder of this process, but I do want to ensure that we are providing you with the most current, accurate and complete information that we can as the process continues.