

Greenbook

LBO Analysis of Enacted Budget

Department of Rehabilitation and Correction

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Attachment:

 Appropriation Spreadsheet

LBO Greenbook

Department of Rehabilitation and Correction

Quick look...

- The budget appropriates a total of \$5.14 billion for use by the Department of Rehabilitation and Correction (DRC) during the FY 2026-FY 2027 biennium, of which \$4.92 billion, or 95.6%, is appropriated from the General Revenue Fund (GRF).
- The budget earmarks GRF funding for purposes such as: (1) procuring a software analytics platform to transcribe and analyze all inmate phone calls, (2) reimbursing counties for their costs incurred in the prosecution of felonies that occur on the grounds of state correctional institutions, (3) making distributions to the Frederick Douglass Project and to Relink, and (4) advancing the expedited pardon initiative.
- The budget provides new dedicated GRF funding of \$11.3 million over the biennium for probation improvement and incentive grants (previously funded via one-time GRF transfers).

Fund Group	FY 2024 Actual	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
General Revenue (GRF)	\$2,148,569,630	\$2,245,458,027	\$2,395,260,316	\$2,520,529,169
Dedicated Purpose (DPF)	\$11,562,568	\$11,148,612	\$86,270,000	\$11,270,000
Internal Service Activity (ISA)	\$35,764,229	\$36,637,849	\$58,955,000	\$58,955,000
Federal (FED)	\$3,560,149	\$3,861,135	\$4,800,000	\$4,800,000
Total	\$2,199,456,576	\$2,297,105,622	\$2,545,285,316	\$2,595,554,169
% change	--	4.4%	10.8%	2.0%
<i>GRF % change</i>	--	4.5%	6.7%	5.2%

Overview

Agency overview

The Department of Rehabilitation and Correction (DRC) can be viewed as the administrator of a felony sanctioning system comprised of three relatively distinct components:

1. Reception centers where inmates are assessed and assigned to the appropriate correctional institution;
2. Institutional operations in which inmates are housed, secured, and support services are offered, including medical and educational services; and
3. Release mechanisms through which inmates are returned to the community and potentially subject to state supervision and control by the Adult Parole Authority (APA). The Department also manages a system of community control sanctions (supervision and

control services, halfway house beds, and subsidies) that provide judges with a range of sentencing options that reduce or eliminate the time that offenders spend in prison or jail.

Of note relative to DRC's prison system of 28 correctional institutions is the following:

- The North Central Correctional Complex is state-owned, but privately operated by the Management and Training Corporation (MTC).
- The Lake Erie Correction Institution and the Northeast Ohio Correctional Center are both owned and operated by CoreCivic.
- Three institutions house female inmates: the Ohio Reformatory for Women, the Dayton Correctional Institution, and the Northeast Reintegration Center.
- The Corrections Medical Center serves as a medical hospital for males and females.
- The Oakwood Correctional Facility houses both males and females in need of intensive psychiatric treatment.
- The Ohio State Penitentiary, located in Youngstown, is Ohio's "supermax" prison.

Appropriation summary

The budget provides a total appropriation of \$2.55 billion and \$2.60 billion for FY 2026 and FY 2027, respectively. DRC relies primarily on GRF funding, which constitutes 95.6% of the funding for the FY 2026-FY 2027 biennium, to manage the offender population of approximately 45,000 within a system of 28 prisons.

Staffing levels

DRC's July 2025 staffing report shows a total of 11,706 staff, including: 6,196, or 52.9%, correction officers and 600, or 5.1%, parole officers. For the FY 2026-FY 2027 biennium, DRC plans to fill several hundred vacated positions. The table below summarizes "vacancies" for correction and parole officers from FY 2019-FY 2024. The total number of vacant correction and parole officer positions increased from 381 (3%) in FY 2020 to 811 (14%) in FY 2021. From FY 2021 to FY 2024, vacancy rates decreased modestly, from 14% to 12%.

Correction and Parole Officer Vacancies, FY 2020-FY 2024					
Vacancies	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Vacancies (Vacancy Rate)	381 (3%)	811 (14%)	933 (13%)	892 (12%)	863 (12%)
Correction Officer	338	784	849	822	810
Parole Officer	43	27	84	70	53

Budget highlights

GRF increases

The budget appropriates \$1.49 billion in FY 2026 and \$1.56 billion in FY 2027 for the operation of Ohio's prisons (ALI 501321), increases of 7.6% and 4.9%. GRF appropriations for

medical services for inmates (ALI 505321) are \$374.5 million in FY 2026 and \$397.2 million in FY 2027, increases of 8.1% and 6.1%. The budget increases GRF funding for education services in prisons (ALI 506321) by 21.9% to \$51.5 million in FY 2026 and by 8.1% to \$55.7 million in FY 2027. The budget also provides increases to the majority of other GRF lines under DRC's budget.

Jail grants

For FY 2026, \$75.0 million is appropriated to ALI 501505, Local Jail Grants, for local jail capital improvements projects meeting certain specified conditions. The appropriation is supported by a prior one-time transfer from the FY 2023 GRF ending balance to the Local Jails Grant Fund (Fund 5ZQ0). No additional funds are directed to Fund 5ZQ0 under the current budget for the FY 2026-FY 2027 biennium.

Population and cost impact statement for legislative bill

The budget changes the threshold for when DRC must prepare a population and cost impact statement for a bill introduced in the General Assembly, requiring the impact statement if the DRC Director determines the bill is likely to have more than a "de minimis" impact, instead of a "significant impact," on the population or operating cost of any or all state correctional institutions under DRC. This change potentially could increase administrative costs for DRC if additional impact statements are prepared as a result.

DRC food service – Ross Correctional Institution

The budget requires DRC to create a pilot program in the Ross Correctional Institution that ensures that no private entity provides food service in that institution and instead requires the institution utilize state employees to oversee meals and food service, to extent that the pilot program does not conflict with existing contracts. The operational costs for in-house food service compared to costs under a contractual agreement.

Analysis of FY 2026-FY 2027 budget

Introduction

This section provides an analysis of the funding for each appropriation line item (ALI) in the Department of Rehabilitation and Correction's (DRC) budget. For organizational purposes, these ALIs are grouped into four major categories based on their funding purposes. The analysis for an ALI with a lower category or subcategory designation will appear before that for an ALI with a higher category or subcategory designation. That is, the analysis for an ALI with a category designation of C1:8 will appear before the analysis for an ALI with a category designation of C2:1 and the analysis for an ALI with a category designation of C1:3 will appear before the analysis for an ALI with a category designation of C1:8.

To aid the reader in locating each ALI in the analysis, the following table shows the category in which each ALI has been placed, listing the ALIs in order within their respective fund groups and funds.

In the analysis, each ALI's expenditures for FY 2025 and appropriations for FY 2026 and FY 2027 are listed in a table. Following the table, a narrative describes the line item's revenue source(s) and purpose(s).

The narrative is divided into four categories: (1) Institutional Operations, (2) Parole and Community Services, (3) Program Management Services, and (4) Debt Service.

Categorization of DRC's Appropriation Line Items for Analysis of FY 2026-FY 2027 Budget				
Fund	ALI	ALI Name		Category
General Revenue Fund				
GRF	501321	Institutional Operations	1:1	Institutional Operations
GRF	501405	Reentry, Housing, and Support Services	2:1	Parole and Community Services
GRF	501406	Adult Correctional Facilities Lease Rental Bond Payments	4:1	Debt Service
GRF	501407	Community Nonresidential Programs	2:2	Parole and Community Services
GRF	501408	Community Misdemeanor Programs	2:3	Parole and Community Services
GRF	501411	Probation Improvement and Incentive Grants	2:4	Parole and Community Services
GRF	501501	Community Residential Programs – CBCFs	2:5	Parole and Community Services
GRF	503321	Parole and Community Operations	2:6	Parole and Community Services
GRF	504321	Administrative Operations	3:1	Program Management Services
GRF	505321	Institution Medical Services	1:2	Institutional Operations
GRF	506321	Institution Education Services	1:3	Institutional Operations
Dedicated Purpose Fund Group				
4B00	501601	Sewer Treatment Services	1:6	Institutional Operations
4D40	501603	Prisoner Programs	3:2	Program Management Services
4L40	501604	Transitional Control	2:7	Parole and Community Services

Categorization of DRC's Appropriation Line Items for Analysis of FY 2026-FY 2027 Budget				
Fund	ALI	ALI Name		Category
4S50	501608	Education Services	1:7	Institutional Operations
5AF0	501609	State and Non-Federal Awards	3:5	Program Management Services
5H80	501617	Offender Financial Responsibility	2:8	Parole and Community Services
5ZQ0	501505	Local Jail Grants	2:9	Parole and Community Services
Internal Service Activity Fund Group				
1480	501602	Institutional Services	1:4	Institutional Operations
2000	501607	Ohio Penal Industries	1:5	Institutional Operations
4830	501605	Leased Property Maintenance and Operating	3:3	Program Management Services
5710	501606	Corrections Training Maintenance and Operating	3:4	Program Management Services
5L60	501611	Information Technology Services	3:6	Program Management Services
Federal Fund Group				
3230	501619	Federal Grants	3:7	Program Management Services
3CW0	501622	Federal Equitable Sharing	3:8	Program Management Services

Category 1: Institutional Operations

This category of appropriation line items provides the funding used by DRC to pay for the maintenance of buildings and contents, utilities, support services, and secure supervision for 45,000 plus inmates. DRC's prison system consists of 28 correctional institutions, three privately operated. A notable component is the Ohio Penal Industries (OPI) that provides job opportunities, work experience, and training for inmates along with offering inmate programming, including self-help, stress management, enhancement of life skills, communication, anger control, and pre-release planning.

C1:1: Institutional Operations (ALI 501321)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 501321, Institutional Operations	\$1,383,186,976	\$1,487,713,893	\$1,559,983,411
% change	--	7.6%	4.9%

This line item primarily pays for the operation of prisons, generally costs directly associated with security, unit management, facility administration and maintenance, and support services. Approximately 70% of the line item's appropriation in each fiscal year is expended for personal services, and secondarily, in order of magnitude, supplies and maintenance, and purchased personal services.

The factors that drive the line item's expenses include population changes, aging prison infrastructure, the cost of contracted goods and services, salary and wage increases, and payroll and service charges.

Earmarks up to \$1,750,000 in FY 2026 and up to \$750,000 in FY 2027 by related temporary law provisions that:

- Require \$1 million in FY 2026 to be used by DRC to procure a software analytics platform to establish a pilot program to transcribe and analyze all inmate phone calls to increase the security and safety of DRC facilities.
- Permit up to \$500,000 in each fiscal year to be used by DRC to support projects connecting rehabilitated citizens with community projects to advance the expedited pardon initiative and to help eligible individuals navigate the process and access clemency.
- Require \$250,000 in each fiscal year to be used for reimbursements to counties (prosecuting attorney, indigent defense counsel, the court of common pleas, the clerk of the court of common pleas, and the sheriff) for their costs incurred in the prosecution of felonies that occur on the grounds of state correctional institutions operated by DRC.

C1:2: Institution Medical Services (ALI 505321)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 505321, Institution Medical Services	\$346,490,554	\$374,507,269	\$397,184,187
% change	--	8.1%	6.1%

This line item primarily pays for the following services and activities provided to offenders housed in the state's prison system:

- Medical: screening services for all medical conditions at reception centers, primary care services at all institutions, short-term acute services at all institutions, and centralized specialty, acute, and chronic care services in affiliation with the Ohio State University Wexner Medical Center (OSUMC).
- Behavioral health: providing comprehensive outpatient, inpatient residential treatment, intellectual and developmental disability (IDD), sex offender, acute inpatient psychiatric, pre-parole evaluation, peer support, and reentry services.

Of the line item's appropriation in each fiscal year, around 50% is typically expended for personal services and another 35% for supplies and maintenance.

The factors that drive the line item's expenses include population changes, aging prison population with chronic diseases, specialty medical services and pharmaceutical needs, mental health needs, the cost of contracted goods and services (notably pharmaceuticals), expansion of the Medication Assisted Treatment (MAT) Program to assist inmates prior to their release, salary and wage increases, and payroll and service charges.

A related ongoing temporary law provision:

- Requires the OSUMC, including the Arthur G. James Cancer Hospital and Richard J. Solove Research Institute and the Richard M. Ross Heart Hospital, at the request of DRC to provide necessary care to persons who are confined in state adult correctional facilities; and

- Requires the provision of necessary inpatient care billed to DRC to be reimbursed at the rate not to exceed the authorized reimbursement rate for the same service established by the Department of Medicaid under the Medicaid Program.

C1:3: Institution Education Services (ALI 506321)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 506321, Institution Education Services	\$42,244,425	\$51,496,437	\$55,665,093
% change	--	21.9%	8.1%

This line item primarily pays for the costs of fulfilling DRC's statutory mandate to establish and operate a school system that is approved and chartered by the Ohio Department of Education and Workforce and designated as the Ohio Central School System (OCSS). This includes the provision of basic, vocational, and post-secondary education services. OCSS, through partner colleges, awarded 5,448 degrees and career training certificates to incarcerated post-secondary students in 2024 and over 2,700 industry recognized credentials.

The line item also is used for the cost of providing inmates with reentry services designed to facilitate employment, including career development, career enhancement, job application instruction, and resume workshops. Roughly 70% to 90% of the line item's appropriation in each fiscal year is expended for personal services. The factors that drive the line item's expenses include the cost of contracted goods and services, salary and wage increases, and payroll and service charges.

The budget earmarks \$350,000 in FY 2026 and \$150,000 in FY 2027 for direct distribution to the Frederick Douglass Project for Justice to operate in all prisons.

C1:4: Institutional Services (ALI 501602)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
ISA Fund 1480 ALI 501602, Institutional Services	\$2,648,754	\$3,500,000	\$3,500,000
% change	--	32.1%	0.0%

This line item is used principally for costs incurred in providing services between departmental institutions, including the purchase of materials, supplies, and equipment, and the erection and extension of buildings used in these services. The source of the line item's appropriation is the Services and Agricultural Fund (Fund 1480), which consists of money received by DRC for labor and services performed, including warehouses shared by correction institutions, and litter pickup crews for the Department of Transportation. Around 85% of the line item's appropriation in each fiscal year is expended for supplies and maintenance.

C1:5: Ohio Penal Industries (ALI 501607)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
ISA Fund 2000 ALI 501607, Ohio Penal Industries	\$30,424,728	\$46,515,000	\$46,515,000
% change	--	52.9%	0.0%

This line item supports the Ohio Penal Industries (OPI), which operates factories and shops in the state's correctional institutions. OPI currently operates factories and shops at 12 correctional facilities. OPI products and services include institutional clothing and furniture, construction services/asbestos abatement, janitorial products, metal storage units, tables, print services, license plates, toilet paper, and vehicle services.

The source of the line item's appropriation is the Ohio Penal Industries Manufacturing Fund (Fund 2000), which consists of money received by DRC from the sale of goods and services by OPI, primarily to state agencies. The largest single purchaser is DRC. Around 80% of the line item's appropriation in each fiscal year is expended for a mix of personal services and goods and services for resale. Revenues for FY 2026 and FY 2027 are expected to be \$47 million and \$48 million, respectively.

C1:6: Sewer Treatment Services (ALI 501601)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 4B00 ALI 501601, Sewer Treatment Services	\$531,309	\$600,000	\$600,000
% change	--	12.9%	0.0%

This line item draws its appropriation from the Correctional Institution Water and Sewage Treatment Facility Services Fund (Fund 4B00), which receives payments for institutional usage of water and/or sewage treatment services and from user contracts with political subdivisions and the Chillicothe VA Medical Center. Annual revenue has been decreasing, as DRC is operating fewer treatment facilities than in the past.

The appropriated funds are used to pay costs associated with operating and maintaining the water or sewage treatment facility. DRC has water and/or sewage treatment facilities at four of its correctional institutions. Virtually, the entirety of the line item's appropriation in each fiscal year is expended for supplies and maintenance.

C1:7: Education Services (ALI 501608)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 4S50 ALI 501608, Education Services	\$2,201,270	\$4,660,000	\$4,660,000
% change	--	111.7%	0.0%

This line item's appropriation is supported by cash transfers from the Ohio Department of Education and Workforce to support institutional education services, specifically special education, adult high school, vocational education, and GED testing. Historically, the majority of the line item's appropriation in each fiscal year is expended for a mix of personal services and supplies and maintenance.

Category 2: Parole and Community Services

This funding category includes the appropriations that pay for the provision of community supervision for felony offenders, victim services, and community correction options as alternatives to prison and jail. Community Corrections Act (CCA) programs divert nonviolent offenders away from prisons and jails and into community-based sanctions. The sanction continuum includes electronic house arrest, day reporting, and intensive supervision.

C2:1: Reentry, Housing, and Support Services (ALI 501405)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 501405, Reentry, Housing, and Support Services	\$84,448,384	\$87,812,700	\$90,670,600
% change	--	4.0%	3.3%

This line item pays for the costs of the community residential program that provides supervision and treatment services for offenders released from state prisons, referred by courts of common pleas, or sanctioned because of a violation of conditions of supervision. These services and activities include drug and alcohol treatment, electronic monitoring, job placement, educational programs, supportive housing programs, and specialized programs for sex offenders and mentally ill offenders. In FY 2024, DRC's Bureau of Community Sanctions contracted with 11 halfway house agencies that served 8,145 offenders, with an average length of stay of 83 days.

Related temporary law requires DRC, in using the line item's appropriation, to give priority to residential providers that accept and place individuals released from institutions operated by DRC to the supervision of the APA who were previously rejected by all other residential providers.

The budget earmarks \$112,500 in each fiscal year for distribution to Relink to connect individuals to local resources related to addiction recovery, anti-human trafficking, and incarceration reentry services.

C2:2: Community Nonresidential Programs (ALI 501407)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 501407, Community Nonresidential Programs	\$67,166,433	\$71,472,947	\$74,153,531
% change	--	6.4%	3.8%

This line item's appropriation finances all or some portion of three grant programs. These grant programs include: (1) Justice Reinvestment and Incentive Grants (JRIG), (2) Targeted Community Alternatives to Prison (T-CAP), and (3) Probation Services.

C2:3: Community Misdemeanor Programs (ALI 501408)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 501408, Community Misdemeanor Programs	\$9,599,642	\$10,101,000	\$10,555,545
% change	--	5.2%	4.5%

This line item's appropriation is distributed as grants to counties and cities to operate pretrial release, probation, or other local programs for misdemeanor offenders in lieu of confinement in jail.

Jail diversion programs include, but are not limited to, intensive supervision, standard probation, electronic monitoring, drug testing, day reporting, work release, and community service. Grant funding decisions consider department size and staffing needs, and awards have increased to reflect cost-of-living adjustments for these programs to offer competitive salaries. In FY 2024, this line item supported 65 program grants. A total of 9,262 eligible offenders were provided supervision services and 1,481 were provided programming/treatment services.

C2:4: Probation Improvement and Incentive Grants (ALI 501411)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 501411, Probation Improvement and Incentive Grants	\$0	\$5,512,500	\$5,760,562
% change	--	--	4.5%

This new line item supplements DRC's existing JRIG Program, primarily financed with money appropriated to GRF line item 501407, Community Nonresidential Programs.

A related temporary law provision requires the line item to be allocated by DRC to municipalities as grants with an emphasis on: (1) providing services to those addicted to opiates and other illegal substances and (2) supplementing the programs and services funded by grants distributed from GRF line item 501407, Community Nonresidential Programs. These grants were previously supported with money transferred from the GRF to the Targeted Addiction Program Fund (Fund 5TZ0) in FY 2024 and FY 2025.

C2:5: Community Residential Programs – CBCFs (ALI 501501)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 501501, Community Residential Programs – Community Based Correctional Facilities	\$99,643,072	\$99,715,600	\$100,161,800
% change	--	0.1%	0.4%

This line item's appropriation provides subsidies that fund the operation of CBCFs, which can be formed by counties or groups of counties with populations of 200,000 or more.

CBCFs exist for the diversion of nonviolent felony offenders from state prisons and are operated by facility governing boards, which are advised by judicial advisory boards. The state provides financing for the construction, renovation, maintenance, and operation of these residential facilities, which offer services such as education, job training, and substance abuse treatment as an alternative to incarceration in state prisons. In FY 2024, this line item funded 17 CBCFs serving all 88 counties. A total of 7,590 offenders were served. The average length of stay was 103 days.

C2:6: Parole and Community Operations (ALI 503321)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 503321, Parole and Community Operations	\$118,950,423	\$135,000,000	\$135,000,000
% change	--	13.5%	0.0%

This line item supports the operating expenses of DRC's Division of Parole and Community Services, which provides offender release and community supervision services, community sanctions assistance, and victim services.

All of the Division's personnel are paid from this line item, with over 80% of the line item's appropriation typically covering those costs. The factors primarily driving the line item's expenses include the cost of contracted goods and services, salary and wage increases, and payroll and service charges.

C2:7: Transitional Control (ALI 501604)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 4L40 ALI 501604, Transitional Control	\$1,633,957	\$2,450,000	\$2,450,000
% change	--	49.9%	0.0%

This line item supports DRC's Transitional Control Program, the purpose of which is to monitor closely a prisoner's adjustment to community supervision during the final 180 days of the prisoner's confinement.

The program is funded with money appropriated from the Transitional Control Fund (Fund 4L40), which consists of fees paid by offenders for reasonable expenses incurred by the Department in supervising or confining the prisoner while in the Transitional Control Program. The reimbursement rate is an amount up to 25% of the prisoner's total gross income.

The program emphasizes providing offenders with resources for employment, education, vocational training, and treatment so they may more successfully transition back into their communities. In FY 2024, the Transitional Control Program provided services for 3,038 offenders with an average length of stay of 99 days.

C2:8: Offender Financial Responsibility (ALI 501617)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 5H80 ALI 501617, Offender Financial Responsibility	\$1,012,025	\$1,860,000	\$1,860,000
% change	--	83.8%	0.0%

This line item is used principally in DRC's parole and community service operations for nonresidential services and residential programs, and secondarily used in support of institutional operations, most notably medical services.

The source of this line item's appropriation is the Offender Financial Responsibility Fund (Fund 5H80), which consists of inmate user fees or copayments for services, including voluntary sick calls, and community supervision fees, notably for offenders participating in the Treatment Transfer Program. In each fiscal year, this line item's appropriation primarily allocated for purchased personal services and secondarily for supplies and maintenance.

C2:9: Local Jail Grants (ALI 501505)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 5ZQ0 ALI 501505, Local Jail Grants	\$0	\$75,000,000	\$0
% change	--	--	-100.0%

This line item is used by DRC to provide grants for county jail construction and renovation projects. Its appropriation is supported by the transfer of \$75 million cash from the FY 2023 GRF ending balance to the Local Jail Grants Fund (Fund 5ZQ0), as authorized by Section 513.10 of H.B. 33 of the 135th General Assembly (the previous budget bill).

These funds are the same that were appropriated under H.B. 33 – the projects are not complete, and as the H.B. 33 provisions expired in July 2025, these funds are being “re-appropriated” in order to allow the projects to be completed. The bill re-appropriates the funds with different guidelines, removing certain ranking and funding mechanisms from the previous version.

Associated temporary law:

- Requires DRC to accept and review applications and designate the projects involving the construction and renovation of county jails.
- Requires DRC to target county jails that have the greatest need for construction or renovation work, and projects that would improve substantially the condition, safety, and operational ability of the jail, and benefit jails that are, or will be, used by multiple counties.
- Allows DRC to establish guidelines for multicounty project applications.
- Requires DRC to award the funds to selected counties no later than July 1, 2027.

Category 3: Program Management Services

This funding category includes line items that pay for operating expenses related to centralized leadership, oversight, and coordination for all departmental operations. This includes the Office of the Director, the Office of Administration (penal industries, construction, activation, and maintenance, and fiscal), communications, legislative services, information technology, research, Corrections Training Academy, labor relations, human resources/personnel, legal services risk management, and offices of Prisons and the Chief Inspector.

C3:1: Administrative Operations (ALI 504321)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 504321, Administrative Operations	\$28,298,320	\$29,927,970	\$31,394,440
% change	--	5.8%	4.9%

This line item pays for operating expenses of DRC's administrative component, specifically Central Office, which oversees institutional, parole and community service operations, and the Corrections Training Academy.

Virtually the entirety of the line item's appropriation in each fiscal year is used to cover personal services. Because payroll constitutes the majority of this line's expenses, changes in compensation, health insurance and other benefits, and workforce composition are the primary cost drivers.

C3:2: Prisoner Programs (ALI 501603)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 4D40 ALI 501603, Prisoner Programs	\$177,181	\$400,000	\$400,000
% change	--	125.8%	0.0%

This line item supports institution education and program management services not otherwise funded with the GRF.

Funding for this line item is appropriated from the Prisoner Programs Fund (Fund 4D40), which currently consists of commissions from a contract with JPay to provide technologies and services to inmates, including money transfers, e-mail, videograms, video visitations, and music media.¹ The primary expense covered by the appropriation is the cost of supplies and maintenance.

C3:3: Leased Property Maintenance and Operating (ALI 501605)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
ISA Fund 4830 ALI 501605, Leased Property Maintenance and Operating	\$2,270,446	\$7,500,000	\$7,500,000
% change	--	230.3%	0.0%

This line item draws its appropriation from the Property Receipts Fund (Fund 4830), which consists of rent and utility charges collected from departmental personnel who live in housing under the DRC's control and leases and cost-recovery contracts for use of departmental facilities. The money appropriated to this line item maintains approximately seven state employee houses under the DRC's control, and various departmental properties leased to local government entities.

Recent revenue gains to Fund 4830 stem from the lease and sale of farmland owned by the Department. Permanent law allows DRC, after meeting the statutorily prescribed expenditure obligations for Fund 4830, to utilize any excess funds for facility maintenance, repair, reconstruction, or demolition of any other facilities or property owned by the Department.

C3:4: Corrections Training Maintenance and Operating (ALI 501606)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
ISA Fund 5710 ALI 501606, Corrections Training Maintenance and Operating	\$1,028,760	\$940,000	\$940,000
% change	--	-8.6%	0.0%

This line item supports expenses associated with the operation of DRC's Corrections Training Academy (CTA), which provides training to individuals charged with the security of DRC offenders and other law enforcement agencies. The training is provided at its location on the grounds of the Orient Correctional Complex in Pickaway County, as well as other locations.

The source of the line item's appropriation is the Training Academy Receipts Fund (Fund 5710), which consists of charges to train employees of private prison operators and law

¹ JPay is a private sector corrections-related service provider that contracts with state corrections departments, county jails, and private federal prisons to provide technologies and services including money transfers, email services, video visitation, and parole and probation payments throughout several states.

enforcement, and to provide specialized training to DRC employees on a reimbursement basis. The primary purpose of the appropriation is to cover the cost of supplies and maintenance.

C3:5: State and Non-Federal Awards (ALI 501609)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 5AF0 ALI 501609, State and Non-Federal Awards	\$514,152	\$1,300,000	\$1,300,000
% change	--	152.8%	0.0%

This line item supports various departmental operating expenses. The source of the line item's appropriation is the State and Non-Federal Awards Fund (Fund 5AF0), which consists of revenue collected from scrap and salvage materials sales, recycling and energy conservation programs, and transfers and grants from other state agencies.

C3:6: Information Technology Services (ALI 501611)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
ISA Fund 5L60 ALI 501611, Information Technology Services	\$265,160	\$500,000	\$500,000
% change	--	88.6%	0.0%

This line item is used to pay for the multi-year costs associated with information technology (IT) system upgrades and enhancements. The source of this line item's appropriation is the Information Technology Services Fund (Fund 5L60), which consists of money generated by data processing services agreements and prorated charges assessed to each departmental unit that benefits from information technology upgrades and enhancements.

C3:7: Federal Grants (ALI 501619)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
FED Fund 3230 ALI 501619, Federal Grants	\$3,825,229	\$4,500,000	\$4,500,000
% change	--	17.6%	0.0%

This line item is used to disburse various federal grants, directly or indirectly awarded, in support of the Department's institutional, parole, community services, education, and program management operations.

C3:8: Federal Equitable Sharing (ALI 501622)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
FED Fund 3CW0 ALI 501622, Federal Equitable Sharing	\$35,906	\$300,000	\$300,000
% change	--	735.5%	0.0%

This line item generally pays operating expenses associated with the APA, specifically training and equipment. The source of this line item's appropriation is the Federal Equitable Sharing Fund (Fund 3CW0), which consists of payments the APA receives from the U.S. Department of Justice for participation in operations conducted by the U.S. Marshals Service.

In addition to their regular caseloads, APA parole officers participate in task forces with the Marshals Service to search for and arrest offenders who have evaded supervision and become fugitives. The APA receives a share of any forfeiture that may result from these arrests, which frequently includes the vehicle the offender was using to avoid capture. Any law enforcement agencies that are part of a fugitive capture, along with the APA, are paid shares of the forfeiture based on their level of involvement, as well as any overtime incurred.

Category 4: Debt Service

This funding category includes money appropriated to retire bond debt related to various capital improvements projects financed through the Adult Correctional Building Fund (Fund 7027).

C4:1: Adult Correctional Facilities Lease Rental Bond Payments (ALI 501406)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 501406, Adult Correctional Facilities Lease Rental Bond Payments	\$65,429,798	\$42,000,000	\$60,000,000
% change	--	-35.8%	42.9%

This line item pays for the state's debt service for its obligations incurred from issuing bonds that cover the DRC's capital appropriations. The money made available as a result of these bonds have financed the design, construction, renovation, and rehabilitation phases of various departmental capital projects, as well as the construction and renovation costs associated with local projects (community-based correctional facilities and jails). The appropriation authority and actual spending levels are set and controlled by the Office of Budget and Management (OBM), and not by the Department.

**FY 2026 - FY 2027 Final Appropriations
All Fund Groups - Detail**

H.B. 96 - Main Operating Appropriations Bill

Detail by Agency			FY 2024	FY 2025	Appropriation FY 2026	Appropriation FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
DRC Department of Rehabilitation and Correction								
GRF	501321	Institutional Operations	\$1,315,393,768	\$1,383,186,976	\$1,487,713,893	\$1,559,983,411	7.56%	4.86%
GRF	501405	Reentry, Housing, and Support Services	\$77,412,288	\$84,448,384	\$87,812,700	\$90,670,600	3.98%	3.25%
GRF	501406	Adult Correctional Facilities Lease Rental Bond Payments	\$70,634,365	\$65,429,798	\$42,000,000	\$60,000,000	-35.81%	42.86%
GRF	501407	Community Nonresidential Programs	\$68,677,537	\$67,166,433	\$71,472,947	\$74,153,531	6.41%	3.75%
GRF	501408	Community Misdemeanor Programs	\$9,619,970	\$9,599,642	\$10,101,000	\$10,555,545	5.22%	4.50%
GRF	501411	Probation Improvement and Incentive Grants	\$0	\$0	\$5,512,500	\$5,760,562	N/A	4.50%
GRF	501501	Community Residential Programs - Community Based Correctional Facilities	\$94,545,000	\$99,643,072	\$99,715,600	\$100,161,800	0.07%	0.45%
GRF	503321	Parole and Community Operations	\$111,609,096	\$118,950,423	\$135,000,000	\$135,000,000	13.49%	0.00%
GRF	504321	Administrative Operations	\$27,033,809	\$28,298,320	\$29,927,970	\$31,394,440	5.76%	4.90%
GRF	505321	Institution Medical Services	\$336,219,035	\$346,490,554	\$374,507,269	\$397,184,187	8.09%	6.06%
GRF	506321	Institution Education Services	\$37,424,762	\$42,244,425	\$51,496,437	\$55,665,093	21.90%	8.10%
General Revenue Fund Subtotal			\$2,148,569,630	\$2,245,458,027	\$2,395,260,316	\$2,520,529,169	6.67%	5.23%
4B00	501601	Sewer Treatment Services	\$856,435	\$531,309	\$600,000	\$600,000	12.93%	0.00%
4D40	501603	Prisoner Programs	\$298,872	\$177,181	\$400,000	\$400,000	125.76%	0.00%
4L40	501604	Transitional Control	\$1,590,654	\$1,633,957	\$2,450,000	\$2,450,000	49.94%	0.00%
4S50	501608	Education Services	\$1,589,695	\$2,201,270	\$4,660,000	\$4,660,000	111.70%	0.00%
5AF0	501609	State and Non-Federal Awards	\$1,235,747	\$514,152	\$1,300,000	\$1,300,000	152.84%	0.00%
5H80	501617	Offender Financial Responsibility	\$727,700	\$1,012,025	\$1,860,000	\$1,860,000	83.79%	0.00%
5T20	501610	Probation Improvement and Incentive Grants	\$5,263,466	\$5,078,719	\$0	\$0	-100.00%	N/A
5ZQ0	501505	Local Jail Grants	\$0	\$0	\$75,000,000	\$0	N/A	-100.00%
Dedicated Purpose Fund Group Subtotal			\$11,562,568	\$11,148,612	\$86,270,000	\$11,270,000	673.82%	-86.94%
1480	501602	Institutional Services	\$2,743,013	\$2,648,754	\$3,500,000	\$3,500,000	32.14%	0.00%
2000	501607	Ohio Penal Industries	\$29,270,848	\$30,424,728	\$46,515,000	\$46,515,000	52.89%	0.00%
4830	501605	Leased Property Maintenance and Operating	\$2,771,064	\$2,270,446	\$7,500,000	\$7,500,000	230.33%	0.00%

**FY 2026 - FY 2027 Final Appropriations
All Fund Groups - Detail**

H.B. 96 - Main Operating Appropriations Bill

Detail by Agency			FY 2024	FY 2025	Appropriation FY 2026	Appropriation FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
DRC Department of Rehabilitation and Correction								
5710	501606	Corrections Training Maintenance and Operating	\$852,110	\$1,028,760	\$940,000	\$940,000	-8.63%	0.00%
5L60	501611	Information Technology Services	\$127,194	\$265,160	\$500,000	\$500,000	88.57%	0.00%
Internal Service Activity Fund Group Subtotal			\$35,764,229	\$36,637,849	\$58,955,000	\$58,955,000	60.91%	0.00%
3230	501619	Federal Grants	\$3,439,101	\$3,825,229	\$4,500,000	\$4,500,000	17.64%	0.00%
3CW0	501622	Federal Equitable Sharing	\$121,048	\$35,906	\$300,000	\$300,000	735.52%	0.00%
Federal Fund Group Subtotal			\$3,560,149	\$3,861,135	\$4,800,000	\$4,800,000	24.32%	0.00%
Department of Rehabilitation and Correction Total			\$2,199,456,576	\$2,297,105,622	\$2,545,285,316	\$2,595,554,169	10.80%	1.97%