



**STATE OF MISSISSIPPI**

DEPARTMENT OF CORRECTIONS

**MARSHALL FISHER**  
COMMISSIONER

October 7, 2016

Speaker Philip Gunn  
Mississippi State Capitol  
P.O. Box 1018  
Room 306  
Jackson, MS 39215

***RE: BUDGET WORKING GROUP - CONTRACTS***

Dear Speaker Gunn:

Thank you for the opportunity to provide responses in advance of the Oct. 11, 2016 budget working group meeting regarding contractual services. Please accept the following information on behalf of MDOC:

1. How much annually do you spend on contracts, whether it be employees or RFPs for projects?
  - a. What are those positions and projects?
  - b. How much for each?

**A:** MDOC spends \$176,706,023 annually for contractual services in the following areas:

- Personnel Services – Currently, there are 55 contracts, totaling approximately \$161,286,937 annually.
- Medical - MDOC spends approximately \$12,000,000 with 735 medical professionals, hospitals and clinics.
- Office leases – MDOC rents 162,289 square feet of office space statewide at 42 locations at an annual cost of \$1,169,086, which is an average of \$7.18 per square foot.
- Contract workers – MDOC employs 93 contract workers for approximately \$2,250,000, which is an average annual cost of \$23,936 per contract worker including payroll taxes. The largest percentage of these contract workers are teachers. Of the total number of contract workers, 19 are retired state employees.

2. How many RFPs are awarded to MS companies? How many are awarded to out-of-state companies?

A: Five RFPS are awarded to MS companies and 35 are awarded to out-of-state companies.

3. How many employees can receive a 1099 to do work they were doing before as state employees?
  - a. How many of these are retired state employees?
  - b. Furthermore, do your independent contractors meet the IRS criteria for independent contractors as defined by IRS Publication 15-A?

A: MDOC has no employees who can receive a 1099 to do work they were doing before as state employees. As such, none are retired state employees. Further, MDOC only has two independent contractors and said contractors meet the IRS criteria defined by Publication 15-A.

4. Can you provide us a mock up in-house contract, personnel involved, etc.?

A: Please see the attachment.

5. What percent of your contracts, if any, are mandated by MS Legislature?

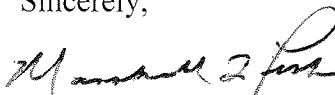
A: MDOC has 27 percent of its contracts mandated by lawmakers.

6. Please indicate if your agency has entered into any Maintenance of Effort agreements with the federal government or a subdivision thereof. If your agency is currently under a Maintenance of Effort agreement, could you briefly outline the terms of that agreement?

A: MDOC does not have a Maintenance of Effort agreement with either of the stated parties.

Should you have any questions regarding the information provided, feel free to contact me. I look forward to presenting at next week's meeting.

Sincerely,



Marshall L. Fisher, Commissioner  
Mississippi Department of Corrections