



# The Bureau of Prisons (BOP): Operations and Budget

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## Summary

The Bureau of Prisons (BOP) was established in 1930 to house federal inmates, professionalize the prison service, and ensure consistent and centralized administration of the federal prison system. The BOP is the largest correctional agency in the country, in terms of the number of prisoners under its jurisdiction. The BOP must confine any offender convicted and sentenced to a term of imprisonment in a federal court.

All BOP correctional facilities are classified according to one of five different security levels: minimum, low, medium, high, or administrative. An inmate's designation to a particular institution is based primarily on the level of security and supervision the inmate requires; the level of security and staff supervision the institution is able to provide; and the inmate's program needs. All inmates undergo a comprehensive intake screening when they are admitted to a BOP facility. The BOP provides health care for all inmates either through each prison's ambulatory care clinics or by contracting for services through local hospitals. The BOP also provides mental health treatment to inmates who demonstrate a need for it through staff psychologists. The BOP has an established inmate disciplinary system, whereby sanctions are imposed on inmates for committing prohibited acts. An inmate is allowed to request a review of his or her conditions of confinement through the BOP's Administrative Remedy Program. Inmates have access to a variety of rehabilitational programs including education programs, substance abuse treatment, vocational education, and work opportunities. In order to help aid an inmate's transition back into the community, inmates can be placed in a Residential Reentry Center (i.e., a halfway house) for a period of time before their sentence expires.

Changes in federal criminal justice policy since the early 1980s have resulted in a continued increase in the federal prison population. The number of inmates under the BOP's jurisdiction has increased nearly eight-fold (788%) from approximately 25,000 inmates in FY1980 to nearly 219,000 inmates in FY2012. Since FY1980, the federal prison population has increased, on average, by approximately 6,100 inmates each year.

The burgeoning federal prison population has led Congress to increase appropriations for the BOP's operations and infrastructure. In FY1980, Congress appropriated \$330.0 *million* for the BOP. By FY2013, the total appropriation for the BOP reached \$6.445 *billion*. The additional funding for the BOP was necessary to cover the costs of providing services to a growing prison population, expanding prison capacity, and hiring additional staff to manage the expanding federal prison system.

The annual growth in the federal prison population has outstripped the BOP's prison capacity, resulting in overcrowding in the federal prison system. Congress could choose to mitigate some of the issues related to federal prison population growth by appropriating more funding so the BOP could hire additional staff and expand prison capacity to alleviate overcrowding. On the other hand, Congress could also consider ways to reduce the number of inmates held in federal prison by considering alternatives to incarceration, such as increasing good time credit for inmates who participate in certain rehabilitative programs, placing more low-level offenders on community supervision in lieu of incarceration, or reducing mandatory minimum penalties for some offenses.

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## Introduction

The Bureau of Prisons (BOP) is the largest correctional agency in the country, in terms of the number of prisoners under its jurisdiction.<sup>1</sup> The BOP must confine any offender convicted and sentenced to a term of imprisonment in a federal court.

Changes in federal criminal justice policy since the early 1980s—enforcing a growing number of federal crimes, replacing indeterminate sentencing with a determinate sentencing structure through sentencing guidelines, and increasing the number of federal offenses subject to mandatory minimum sentences—have led to continued rapid growth in the federal prison population. The number of inmates under the BOP’s jurisdiction has increased from approximately 25,000 inmates in FY1980 to nearly 219,000 inmates in FY2012. Since FY1980, the federal prison population has increased, on average, by approximately 6,100 inmates each year.

The burgeoning federal prison population has led Congress to increase appropriations for the BOP’s operations and infrastructure. In FY1980, Congress appropriated \$330.0 million for the BOP; by FY2013, the total appropriation for the BOP reached \$6.445 billion (see **Figure 1**). Even after adjusting for inflation, the BOP’s budget increased by nearly \$166.3 million per year between FY1980 and FY2013.<sup>2</sup>

The annual growth in the federal prison population has outstripped the BOP’s current capacity, resulting in overcrowding in the federal prison system. The BOP reports that at the end of FY2012, the federal prison system was operating at 38% over rated capacity.<sup>3</sup> Congress could choose to mitigate some issues related to federal prison population growth by appropriating more funding so the BOP could hire additional staff and expand prison capacity to alleviate overcrowding. On the other hand, Congress could also consider ways to reduce the number of inmates held in federal prison by considering alternatives to incarceration, such as increasing good time credit for inmates who participate in certain rehabilitative programs, placing more low-level offenders on community supervision in lieu of incarceration, or reducing mandatory minimum penalties for some offenses.

This report provides an overview of how the BOP manages the growing federal prison population and examines the BOP’s appropriations since FY1980.

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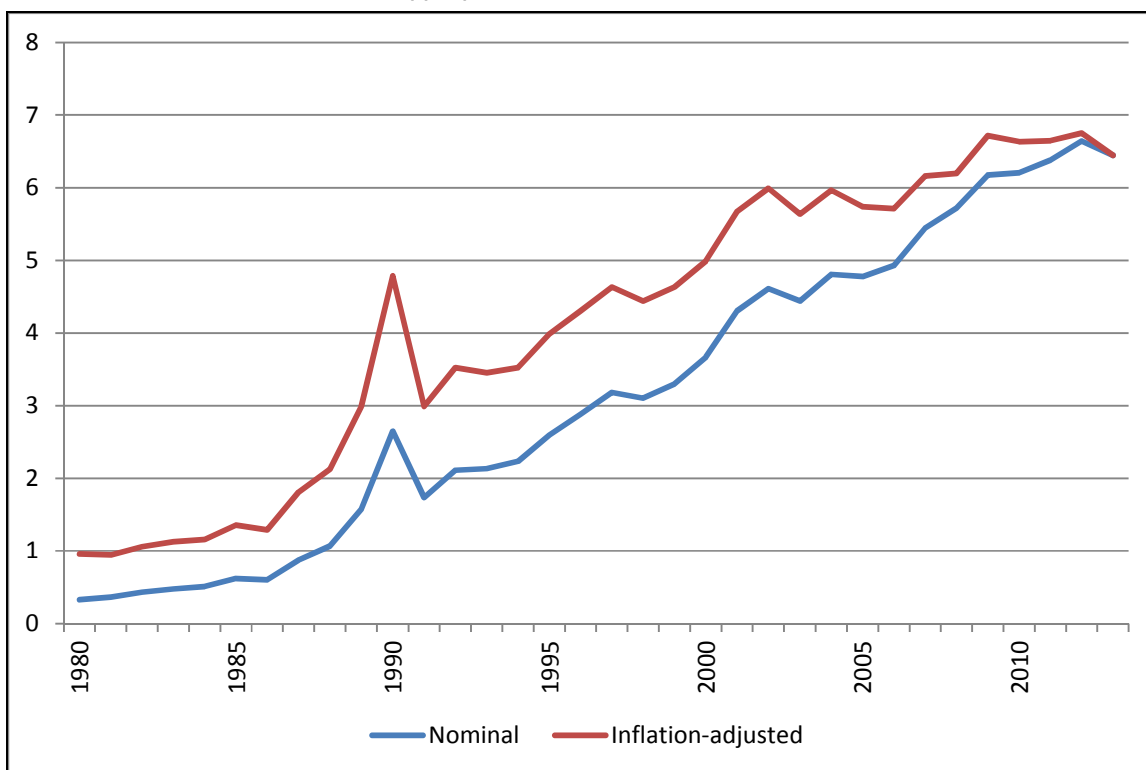
<sup>1</sup> Heather C. West, William J. Sabol, and Sarah J. Greenman *Prisoners in 2009*, U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics, NCJ 231675, Washington, D.C., December 2010, p. 16, <http://bjs.ojp.usdoj.gov/content/pub/pdf/p09.pdf>; hereinafter, *Prisoners in 2009*.

<sup>2</sup> Based on a CRS analysis of the BOP’s annual appropriation for FY1980-FY2013 (see **Table 1**). Annual appropriations were adjusted using the Consumer Price Index for All Urban Consumers (CPI-U).

<sup>3</sup> Data provided by the U.S. Department of Justice, Bureau of Prisons.

**Figure I. Nominal and Inflation-Adjusted Appropriations for the Bureau of Prisons, FY1980-FY2013**

Appropriations in billions of dollars



**Source:** U.S. Department of Justice, Bureau of Prisons.

**Notes:** Nominal appropriations were adjusted for inflation using data from the Consumer Price Index for All Urban Consumers (CPI-U). Inflation-adjusted amounts are presented in FY2013 dollars. The Consumer Price Index for FY2013 was based on the Congressional Budget Office's projected increase in inflation (taken from Table B-2 in *The Budget and Economic Outlook: Fiscal Years 2013 to 2023*). The spike in the BOP's funding for FY1990 was the result of Congress appropriating \$1.512 billion for the B&F account (see **Table I**). The FY2013-enacted amount includes the amount sequestered per the Budget Control Act of 2011 (P.L. 112-25).

## BOP Operations

The BOP was established in 1930 to house federal inmates, professionalize the prison service, and ensure consistent and centralized administration of the federal prison system.<sup>4</sup> Congress has continued to modify the responsibilities of the BOP since its founding. Currently, the BOP has several congressionally mandated obligations, including

- managing and regulating all federal correctional institutions;
- providing suitable quarters and for the safekeeping, care, and subsistence of all persons charged with or convicted of federal crimes, or held as witnesses;

<sup>4</sup> U.S. Department of Justice, Bureau of Prisons, *About the Bureau of Prisons*, p. 1, <http://www.bop.gov/about/index.jsp>; hereinafter, *About the Bureau of Prisons*.

- providing for the protection, instruction, and discipline of all persons charged with or convicted of federal crimes; and
- preparing inmates for reentry after serving a term of incarceration.<sup>5</sup>

The sections below provide an overview of how the BOP operates the federal prison system in order to meet its responsibilities.

## Managing Federal Correctional Facilities

All BOP correctional facilities are classified according to one of five different security levels: minimum, low, medium, high, or administrative. In general, high security facilities are referred to as U.S. Penitentiaries (USP),<sup>6</sup> medium and low security facilities are called Federal Correctional Institutions (FCIs), and minimum security facilities are known as Federal Prison Camps (FPC).<sup>7</sup> Federal Correctional Complexes (FCC) house more than one type of institution on the same grounds.<sup>8</sup> Administrative facilities are facilities with specialized missions (i.e., pretrial detention centers, which hold inmates who are on or awaiting trial; and medical referral centers, which hold inmates who need specialized medical care) and are capable of confining inmates at all security levels.<sup>9</sup> A facility's security level is based on the facility's features, which include the presence of external patrols, towers, security barriers, or detection devices; the type of housing within the institution; internal security features; and the staff-to-inmate ratio.<sup>10</sup>

After an offender is sentenced and remanded to the custody of the BOP by the U.S. courts to serve a period of incarceration, the BOP assigns the new inmate to one of its facilities. All assignments are conducted by the Designation and Sentence Computation Center (DSCC). All federal inmates are assigned both a security and medical classification and then assigned to an institution with a commensurate security level (i.e., minimum, low, medium, high, or administrative) and medical care level (i.e., Care Level I through IV, see below). An inmate's assignment to a particular institution is based primarily on

- the level of security and supervision the inmate requires;
- the level of security and staff supervision the institution is able to provide; and
- the inmate's program needs (i.e., sex offender, substance abuse treatment, educational/vocational training, individual counseling, group counseling, or medical/mental health treatment).<sup>11</sup>

Other factors that might influence the initial designation for an inmate include

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<sup>5</sup> 18 U.S.C. §4042(a).

<sup>6</sup> In some cases, USPs can be designated to house medium security inmates. For example, USP Marion, USP Leavenworth, and USP Atlanta house medium security inmates.

<sup>7</sup> U.S. Department of Justice, Bureau of Prisons, *Prison Types & General Information*, <http://www.bop.gov/locations/institutions/index.jsp>.

<sup>8</sup> *Ibid.*

<sup>9</sup> *Ibid.*

<sup>10</sup> *Ibid.*

<sup>11</sup> U.S. Department of Justice, Bureau of Prisons, *Inmate Security Designation and Custody Classification*, Program Statement 5100.08, p. 1, [http://www.bop.gov/policy/progstat/5100\\_008.pdf](http://www.bop.gov/policy/progstat/5100_008.pdf); hereinafter, *Security Designation*.

- the inmate's release residence,<sup>12</sup>
- the level of overcrowding at an institution;
- any security, location, or program recommendations made by the sentencing court; and
- any additional security measures to ensure the protection of victims or witnesses and the public in general.<sup>13</sup>

Inmates can be reclassified and reassigned to a new facility based on a review by the DSCC at the request of the staff at the institution where the inmate is incarcerated. Inmates are also assigned custody levels (i.e., community, out, in, or maximum) in addition to their security classifications.<sup>14</sup> Each custody level dictates the amount of staff supervision the inmate requires.<sup>15</sup> An inmate's custody classification is based on the inmate's criminal history, current offense, and institutional adjustment.<sup>16</sup> An inmate's custody level is routinely reviewed and often changes during the period of incarceration.

The BOP considers proper management of the housing units in each facility to be one of the hallmarks of its inmate management philosophy.<sup>17</sup> Unit staff (e.g., the unit manager, case manager, and correctional counselor) have offices in inmate living units. This management structure facilitates regular contact between staff and inmates and allows BOP employees to identify inmate concerns and potential problems.<sup>18</sup> Unit staff are responsible for involving the inmates housed in their units in programs designed to meet their needs (see below). Unit staff meet with inmates on a regular basis to develop, review, and discuss their work assignments, program opportunities, and progress, as well as to address any other concerns the inmate might have.<sup>19</sup>

## Providing for the Safekeeping, Care, and Subsistence of Inmates

All inmates undergo a comprehensive intake screening when they are admitted to a BOP facility. The intake screening includes

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<sup>12</sup> It is the BOP's policy to try to incarcerate an inmate in a facility that is within 500 miles of the inmate's release residence. U.S. Department of Justice, Bureau of Prisons, *Designations*, [http://www.bop.gov/inmate\\_programs/designations.jsp](http://www.bop.gov/inmate_programs/designations.jsp).

<sup>13</sup> *Security Designation*, pp. 1-2.

<sup>14</sup> An inmate's custody level (i.e., community, out, in, or maximum) refers to the level of staff supervision the inmate requires. For example, an inmate with a "community" custody level may be eligible for the least secure housing, including any that is outside the institution's perimeter; may work on outside details with minimal supervision; and may participate in community-based program activities if other eligibility requirements are satisfied. However, an inmate with an "in" custody level is assigned to regular quarters and is eligible for all regular work assignments and activities under a normal level of supervision, but these inmates are not eligible for work details or programs outside the institution's secure perimeter.

<sup>15</sup> *Ibid.*, p. 2.

<sup>16</sup> *Ibid.*

<sup>17</sup> Traditionally, each BOP facility is divided into multiple housing units to which inmates are assigned. *About the Federal Bureau of Prisons*, p. 4.

<sup>18</sup> *Ibid.*

<sup>19</sup> *Ibid.*

- conducting a social screening;
- administering a physical examination;
- screening for tuberculosis and other contagious diseases;
- assessing suicide risk and mental health;
- recording a history of current and prior medical conditions;
- performing a dental screening;
- dispensing appropriate and necessary medications;
- ordering appropriate tests;
- collecting DNA for inclusion in the National DNA database; and
- developing a medical treatment plan, if needed.<sup>20</sup>

After intake, newly admitted inmates complete an Admission and Orientation (A&O) program.<sup>21</sup> Each institution's A&O program provides inmates with information on

- the inmate's rights and responsibilities;
- the institution's programs; and
- the institution's disciplinary system.<sup>22</sup>

The program also provides institutional staff with an opportunity to identify and assist inmates who may be experiencing difficulty with adjusting to being incarcerated.<sup>23</sup>

Each inmate is assigned a "Care Level" based on the level of health care the inmate requires. Care Levels range from Care Level I, which is assigned to inmates with no health care needs or needs that are easily managed, to Care Level IV, which is assigned to inmates with complicated medical needs that may require hospitalization. BOP then ensures that inmates are assigned to a facility that is able to care for an inmate's specific health care needs or is in close proximity to a community hospital that may provide the appropriate health care.

All BOP facilities operate outpatient ambulatory care clinics.<sup>24</sup> In instances where inmates have an emergency medical situation that cannot be treated at the facility, they are transported to the nearest community hospital emergency department.<sup>25</sup> The BOP contracts with local hospitals to provide care to inmates who cannot be cared for in the facility's clinic. Each BOP facility solicits

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<sup>20</sup> U.S. Department of Justice, Bureau of Prisons, *FY2013 Performance Budget, Congressional Submission, Salaries and Expenses*, p. 19, <http://www.justice.gov/jmd/2013justification/pdf/fy13-bop-se-justification.pdf>; hereinafter, BOP's FY2013 S&E Budget Justification.

<sup>21</sup> Pretrial and holdover (e.g., inmates who are temporarily held in the institution while awaiting transfer to another institution) inmates are not required to complete the Admission and Orientation program. U.S. Department of Justice, Bureau of Prisons, *Admission and Orientation Program*, Program Statement 5290.14, pp. 1, [http://www.bop.gov/policy/progstat/5290\\_014.pdf](http://www.bop.gov/policy/progstat/5290_014.pdf).

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

<sup>24</sup> BOP's FY2013 S&E Budget Justification, p. 18.

<sup>25</sup> Ibid., p. 19.



medical contracts that cover health care facility and physician services. Institutions may solicit comprehensive contracts in which costs are based on the prevailing Operating Federal Medicare rate for the applicable area for inpatient facility services, and the prevailing Medicare STET for the area for outpatient and physician services.<sup>26</sup> In cases where comprehensive medical contracts are not available, institutions may use blanket purchase agreements for a negotiated rate, but the rate may not be benchmarked to prevailing Medicare rates.<sup>27</sup> The BOP operates six medical referral centers that provide care to inmates with a variety of chronic and sub-acute medical and psychiatric conditions.<sup>28</sup>

The BOP also provides a variety of mental health services through staff psychologists and psychiatrists, including formal counseling and treatment on an individual or group basis.<sup>29</sup> The BOP's policies dictate that all inmates receive an initial mental health screening (which consists of psychological interviews, social history reviews, and behavioral observation) upon admission to a BOP facility.<sup>30</sup> The purpose of the interview is to

- identify inmates who need referral for mental health, sex offender, or substance abuse treatment services;
- collect information that can be used in future crisis counseling situations;
- identify strengths as well as potential adjustment problems to incarceration; and
- discuss possible programmatic needs with inmates.<sup>31</sup>

Inmates with acute mental illness may receive psychiatric services within one of the BOP's medical referral centers, but most mental health treatment is provided in regular BOP facilities.<sup>32</sup>

## **Providing for the Protection, Instruction, and Discipline of Inmates**

The BOP has an established inmate disciplinary system whereby sanctions are imposed on inmates for committing prohibited acts. Prohibited acts are divided into four categories based on severity: greatest, high, moderate, and low.<sup>33</sup> Penalties for committing a prohibited act include losing good time credit,<sup>34</sup> placement in disciplinary segregation, fines, or the loss of privileges.<sup>35</sup> The severity of the penalty is based on the severity of the offense the inmate committed.<sup>36</sup>

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<sup>26</sup> Ibid., p. 20.

<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

<sup>29</sup> U.S. Department of Justice, Bureau of Prisons, *Mental Health Treatment and Counseling*, [http://www.bop.gov/inmate\\_programs/mental.jsp](http://www.bop.gov/inmate_programs/mental.jsp).

<sup>30</sup> BOP's FY2013 S&E Budget Justification, p. 27.

<sup>31</sup> Ibid.

<sup>32</sup> Ibid.

<sup>33</sup> U.S. Department of Justice, Bureau of Prisons, *Inmate Discipline Program*, Program Statement 5270.09, p. 9, [http://www.bop.gov/policy/progstat/5270\\_009.pdf](http://www.bop.gov/policy/progstat/5270_009.pdf).

<sup>34</sup> Each prisoner serving a term of imprisonment of more than one year, but not prisoners serving a life sentence, can receive a good time credit of up to 54 days per year to count toward serving the sentence. The amount of the credit is subject to the determination of BOP. 18 U.S.C. §3624(b).

<sup>35</sup> Ibid., pp. 44-54.

<sup>36</sup> Inmates sentenced for a federal offense after September 13, 1994, but before April 26, 1996, and who committed a crime of violence (as defined by the Violent Crime Control and Law Enforcement Act of 1994, P.L. 103-322), inmates (continued...)

Incidents are resolved by either a Unit Disciplinary Committee (UDC) or a Disciplinary Hearing Officer (DHO). Allegations of misconduct are initially reviewed by a UDC. If the UDC determines that the inmate committed the prohibited act(s), the committee can impose any authorized sanction other than the loss of good time credit, disciplinary segregation, or fines. Inmates are allowed to appear before the UDC (unless it would jeopardize institutional security), where they can make a statement and present documentary evidence on their behalves.

The DHO is an independent officer who holds hearings and imposes sanctions for incidents of misconduct. The DHO can only hold hearings on cases referred by the UDC. All inmates charged with the two highest levels of prohibited acts (i.e., “greatest” or “high”) or who are facing the loss of good time credit as a mandatory sanction have their cases forwarded to a DHO. In addition, the UDC, at its discretion, can forward a case to the DHO based on the seriousness of the charges. Accused inmates are allowed to appear at a DHO hearing (unless it would jeopardize institutional security) and they are permitted to have a staff representative to assist them at the hearing. Like a hearing before the UDC, inmates are allowed to make a statement and present documentary evidence on their behalves; however, the DHO can call and question witnesses, and inmates can request that witnesses appear at the hearing to testify on their behalves. If the DHO determines that the inmate committed the prohibited act(s), the DHO can impose any authorized sanction. Misconduct that rises to the level of criminal behavior is referred to the United States Attorneys for prosecution.

At times, inmates might be placed in the institution’s Special Housing Unit (SHU) in order to ensure the safe, secure, and orderly operation of the facility.<sup>37</sup> Inmates placed in the SHU are separated from the general population. Inmates in the SHU are either on administrative detention status, which is non-punitive and includes inmates placed in segregation to protect them from other inmates, or disciplinary segregation status, which is punitive and is a sanction for violating regulations concerning inmate behavior. An inmate’s status is reviewed regularly by BOP while he or she is housed in the SHU.

In some instances, inmates who demonstrate that they are unable or unwilling to comply with institutional rules and who engage in repeated acts of serious misconduct are transferred to Special Management Units (SMUs). Currently, five BOP facilities have SMUs.<sup>38</sup> Transfer to a SMU is non-punitive and is meant to help inmates habituate so that they can be returned to the general population without posing a threat to the safe, secure, and orderly operations of BOP correctional facilities and the public.<sup>39</sup> Candidates for transfer to a SMU are inmates who

- participated or had a leadership role in a disruptive group or gang;
- have a history of serious and/or disruptive disciplinary infractions;

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(...continued)

who were sentenced for a federal offense after April 26, 1996, and inmates who were sentenced for a District of Columbia Code offense after August 5, 2000, all lose some amount of good time credit as a mandatory sanction for committing a prohibited act. *Ibid.*, p. 11.

<sup>37</sup> U.S. Department of Justice, Bureau of Prisons, *Special Housing Units*, Program Statement 5270.10, [http://www.bop.gov/policy/progstat/5270\\_010.pdf](http://www.bop.gov/policy/progstat/5270_010.pdf).

<sup>38</sup> Facilities with SMUs are USP Allenwood, USP Lewisburg, FCI Talladega, FCC Florence, and FCC Oakdale.

<sup>39</sup> U.S. Department of Justice, Bureau of Prisons, *Special Management Units*, Program Statement 5217.01, pp. 1-2, [http://www.bop.gov/policy/progstat/5217\\_001.pdf](http://www.bop.gov/policy/progstat/5217_001.pdf).

- committed a serious institutional violation while a member of a disruptive group or gang;
- participated in, organized, or facilitated any group misconduct that adversely affected the operations of a correctional facility; or
- otherwise participated in or was associated with activity such that the inmate requires a higher level of supervision to ensure the safety, security, and orderly operation of BOP facilities, or protection of the public.<sup>40</sup>

Inmates are expected to complete the four-level SMU program in 18-24 months, though inmates who continue to demonstrate disruptive conduct can be held in a SMU beyond 24 months.<sup>41</sup> When inmates complete the program they are returned to the general population at another facility that is appropriate for their security and supervision level. Inmates housed in SMUs are separated from the general inmate population in the facility, and their movements and interaction with other inmates are more controlled and restricted than they would be if they were housed in the general population, but they are granted more freedom of movement as they progress through the levels of the program.<sup>42</sup> Inmates also have access to rehabilitative programming while in a SMU, albeit with some restrictions.<sup>43</sup>

In addition to SMUs, the BOP also operates Communications Management Units (CMUs) at two facilities.<sup>44</sup> Inmates housed in CMUs are subject to increased monitoring of their communications with persons in the community.<sup>45</sup> Like SMUs, inmates housed in CMUs are separated from the general inmate population, but inmates' movements are not as restricted and controlled as they would be in a SMU.<sup>46</sup> Examples of inmates who might be housed in a CMU include inmates who

- have a history of or a nexus to international or domestic terrorism;
- repeatedly attempt to contact their victims;
- attempt to coordinate illegal activities via approved communication methods (e.g., mail, telephone calls, or meetings with visitors) while incarcerated; or
- have received disciplinary actions due to their continued abuse of approved communication methods.<sup>47</sup>

An inmate is allowed to request a review of his or her conditions of confinement through the BOP's Administrative Remedy Program. Before an inmate can submit a formal request for an administrative remedy, the inmate is ordinarily required to present the issue informally to staff, and staff must attempt to remedy the issue.<sup>48</sup> Formal requests for administrative remedies are first

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<sup>40</sup> Ibid., p. 2.

<sup>41</sup> Ibid.

<sup>42</sup> Ibid., p. 5.

<sup>43</sup> Ibid., pp. 7-10.

<sup>44</sup> Facilities with CMUs are FCC Terre Haute and USP Marion.

<sup>45</sup> U.S. Department of Justice, Bureau of Prisons, *State of the Bureau 2009*, p. 37, <http://www.bop.gov/news/PDFs/sob09.pdf>.

<sup>46</sup> Ibid.

<sup>47</sup> Ibid.

<sup>48</sup> U.S. Department of Justice, Bureau of Prisons, *Administrative Remedy Program*, Program Statement 1330.13, p. 4, [http://www.bop.gov/policy/progstat/1330\\_013.pdf](http://www.bop.gov/policy/progstat/1330_013.pdf).

reviewed and investigated at the institutional level. Wardens can also waive the requirement for inmates to first attempt to resolve the issue informally if the warden determines that the sensitivity of the issue makes informal resolution inappropriate.<sup>49</sup> If an inmate is not satisfied with the warden's response, he or she can appeal the claim to the regional office; and if the inmate is not satisfied with the regional office's response, he or she can appeal to the central office.<sup>50</sup> Inmates can appeal rejections of claims through the same process. Inmates may file appeals of *disciplinary actions* (e.g., confinement in a SHU) directly with the regional office. Inmates can submit a formal request for an administrative remedy directly to the regional office if the inmate reasonably believes the issue is sensitive and his or her safety would be in jeopardy if someone in the institution was aware that the inmate was pursuing a claim.<sup>51</sup>

## Preparing Inmates for Reentry

The BOP offers a variety of rehabilitative programs to federal inmates, including

- mental health, sex offender, and substance abuse treatment;
- educational programming;
- vocational education;
- work opportunities through prison work assignments and the Federal Prison Industries (FPI);<sup>52</sup>
- parenting programs;
- cognitive-behavioral interventions that focus on promoting pro-social behavior; and
- religious programs.<sup>53</sup>

The BOP has developed a coordinated prisoner reentry strategy. The strategy involves assessing each inmate's strengths and weaknesses as they relate to the inmate's readiness for release, using the assessment to develop a skill development plan, and linking inmates with certain deficiencies to programs to address those needs.<sup>54</sup> The BOP also collaborates with other agencies to ensure that inmates with certain needs are provided targeted services.<sup>55</sup>

In addition to the rehabilitative programming offered to federal inmates, the BOP has a release preparation program for inmates who are within 18 months of release. The program includes classes on résumé writing and job search and retention skills.<sup>56</sup> The BOP's Inmate Transition

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<sup>49</sup> Ibid.

<sup>50</sup> Ibid., p. 7.

<sup>51</sup> Ibid.

<sup>52</sup> The FPI is a government-owned corporation that employs federal inmates. For more information on the FPI, see CRS Report RL32380, *Federal Prison Industries: Overview and Legislative History*, by Nathan James

<sup>53</sup> U.S. Department of Justice, Bureau of Prisons, *State of the Bureau 2008*, pp. 2-3, <http://www.bop.gov/news/PDFs/sob08.pdf>.

<sup>54</sup> BOP's FY2013 S&E Budget Submission, p. 34.

<sup>55</sup> Ibid.

<sup>56</sup> U.S. Department of Justice, Bureau of Prisons, *Release Preparation*, [http://www.bop.gov/inmate\\_programs/release\\_emp.jsp](http://www.bop.gov/inmate_programs/release_emp.jsp).

Branch (ITB) provides inmates with pre-release employment assistance. The ITB holds mock job fairs in BOP facilities to provide inmates with an opportunity to test their job interview skills and to put inmates in touch with potential post-release employers.<sup>57</sup> The ITB also helps inmates prepare release folders that contain a résumé, education certificates, diplomas, transcripts, and other documentation that might be required during a job interview.<sup>58</sup>

The BOP contracts for Residential Reentry Centers (RRCs, i.e., halfway houses) to provide assistance to inmates nearing release.<sup>59</sup> RRCs provide inmates with a structured and supervised environment along with employment counseling, job placement services, financial management assistance, and other community-based social services and programs.<sup>60</sup> RRCs facilitate inmates' efforts at reestablishing ties to the community while allowing staff at the RRC to supervise inmates' activities.<sup>61</sup> Pre-release inmates placed in a RRC remain under the jurisdiction of BOP until their sentences are completed. Inmates are expected to be employed in a full-time job within 15 days of arriving at a RRC and 25% of their gross income (not to exceed the negotiated per diem rate under the contract the BOP signed with the RRC) goes to a subsistence fee paid directly to the RRC contractor to contribute toward the cost of their confinement.<sup>62</sup> RRC staff can assist inmates with obtaining employment or locating post-release housing.<sup>63</sup> While housed in RRCs, inmates are eligible to receive mental health, sex offender, and substance abuse treatment services. Inmates who completed a residential substance abuse treatment program while incarcerated are required to participate in a transitional drug abuse treatment program while placed at a RRC.<sup>64</sup>

## BOP Appropriations

Nearly all of the BOP's operations are funded through annual appropriations provided by Congress.<sup>65</sup> The BOP's annual budget is divided between two major accounts: Salaries and Expenses (S&E) and Buildings and Facilities (B&F). The S&E account (i.e., the operating budget) provides for the custody and care of federal inmates and for the daily maintenance and operations of correctional facilities, regional offices, and the BOP's central office in Washington, DC. It also provides funding for the incarceration of federal inmates in state, local, and private facilities. The B&F account (i.e., the capital budget) provides funding for the construction of new facilities and the modernization, repair, and expansion of existing facilities.<sup>66</sup> Appropriations for both accounts are presented in **Table 1**.

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<sup>57</sup> Ibid.

<sup>58</sup> Ibid.

<sup>59</sup> U.S. Department of Justice, Bureau of Prisons, *Community Corrections*, <http://www.bop.gov/locations/cc/index.jsp>.

<sup>60</sup> Ibid.

<sup>61</sup> Ibid.

<sup>62</sup> Ibid.

<sup>63</sup> Ibid.

<sup>64</sup> Ibid.

<sup>65</sup> The operations of the Federal Prison Industries (FPI) are supported by revenue generated through the sale of prisoner-made goods to federal agencies. In addition, some programs, goods, and services (such as compensation for inmates participating in non-FPI jobs) are paid for by funds generated through the sale of goods to inmates through the prison commissary.

<sup>66</sup> In addition to appropriations for the S&E and B&F accounts, Congress usually places a cap on the amount of revenue generated by the FPI that can be used for administrative expenses in the annual Commerce, Justice, Science, (continued...)

**Table I. Appropriations for the Bureau of Prisons, FY1980-FY2013**

Appropriations in thousands of dollars

<b>Fiscal Year</b>	<b>Salaries and Expenses</b>	<b>Buildings and Facilities</b>	<b>Total</b>
1980	\$323,884	\$5,960	\$329,844
1981	351,759	10,020	361,779
1982	378,016	56,481	434,497
1983	412,133	66,667	478,800
1984	464,850	47,711	512,561
1985	536,932	86,043	622,975
1986	561,480	44,082	605,562
1987	656,941	219,249	876,190
1988	772,013	297,076	1,069,089
1989	962,016	612,914	1,574,930
1990	1,138,778	1,511,953	2,650,731
1991	1,363,645	374,358	1,738,003
1992	1,649,121	462,090	2,111,211
1993	1,793,470	339,225	2,132,695
1994	1,962,605	269,543	2,232,148
1995	2,319,722	276,301	2,596,023
1996	2,546,893 <sup>a</sup>	334,728	2,881,621
1997	2,748,427 <sup>b</sup>	435,200	3,183,627
1998	2,847,777 <sup>c</sup>	255,133	3,102,910
1999	2,888,853 <sup>d</sup>	410,997	3,299,850
2000	3,111,073 <sup>e</sup>	556,780	3,667,853
2001	3,469,739	833,822	4,303,561
2002	3,805,118	807,808	4,612,926
2003	4,044,788	396,632	4,441,420
2004	4,414,313	393,515	4,807,828
2005	4,571,385	205,076	4,776,461
2006	4,830,160	99,961	4,930,121
2007	5,012,433	432,425	5,444,858
2008	5,346,740	372,720	5,719,460
2009	5,600,792	575,807	6,176,599
2010	6,106,231	99,155	6,205,386

(...continued)

and Related Agencies appropriations act. Although Congress does not appropriate funding for the administrative expenses of FPI, the administrative expenses cap is scored as enacted budget authority.

Fiscal Year	Salaries and Expenses	Buildings and Facilities	Total
2011	6,282,410	98,957	6,381,367
2012	6,551,281	90,000	6,641,281
2013 <sup>f</sup>	6,349,248	95,356	6,444,604

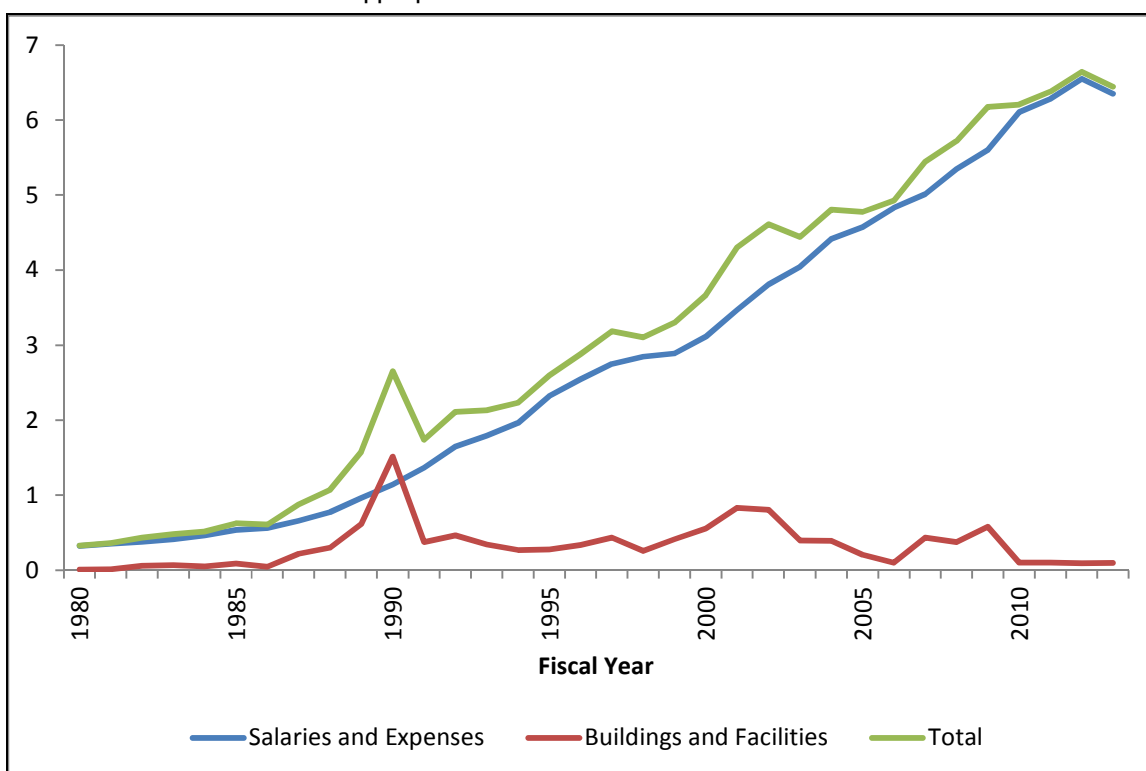
Source: U.S. Department of Justice, Bureau of Prisons.

Notes: Amounts in Table I include all supplemental appropriations and any rescissions of enacted budget authority, but they do not include rescissions of unobligated balances. From FY1980 to FY1995, funding for the National Institute of Corrections (NIC) was included in a separate account. Since FY1996, funding for the NIC has been included in the S&E account. In Table I, funding for the NIC for FY1980-FY1995 was added to the S&E account to make funding for the S&E account comparable across fiscal years.

- a. Includes \$13.5 million appropriated from the Violent Crime Reduction Trust Fund (VCRTF).
- b. Includes \$25.2 million appropriated from the VCRTF.
- c. Includes \$26.1 million appropriated from the VCRTF.
- d. Includes \$26.5 million appropriated from the VCRTF.
- e. Includes \$22.5 million appropriated from the VCRTF.
- f. The FY2013-enacted amount includes the amount sequestered per the Budget Control Act of 2011 (P.L. 112-25).

Figure 2. Appropriations for the BOP, FY1980-FY2013

Appropriations in billions of nominal dollars



Source: U.S. Department of Justice, Bureau of Prisons.

**Notes:** Amounts in **Figure 2** include all supplemental appropriations and any rescissions of enacted budget authority, but they *do not* include rescissions of *unobligated balances*. From FY1980 to FY1995, funding for the National Institute of Corrections (NIC) was included in a separate account. Since FY1996, funding for the NIC has been included in the S&E account. In **Figure 2**, funding for the NIC for FY1980-FY1995 was added to the S&E account to make funding for the S&E account comparable across fiscal years. The FY2013-enacted amount includes the amount sequestered per the Budget Control Act of 2011 (P.L. 112-25).

A review of the appropriations presented in **Table 1** shows two trends in the BOP's appropriations. First, while there has been a nearly continuous increase in the overall appropriations for the BOP, it is in large part driven by an unbroken year-by-year increase in appropriations for the BOP's S&E account since FY1980 (see **Figure 2**). The one exception to this trend is the appropriation for FY2013, which is lower than the FY2012 appropriation for the S&E account due to the sequestration ordered pursuant to the Budget Control Act of 2011 (P.L. 112-25). It is not surprising that Congress would appropriate increasing amounts for the S&E account in light of the steadily growing federal prison population. Appropriations for the S&E account pay the salaries and benefits of both correctional officers and other institutional employees. The BOP has had to hire more officers and other employees as it opens more prisons and supervises more inmates. In addition, not only has the cost of operating the federal prison system increased because the BOP is responsible for confining more inmates, but the per capita cost of incarceration has also increased over the years. In FY2000, the nominal per capita cost for all inmates was \$21,603; by FY2012, the nominal per capita cost of incarceration had increased to \$29,027.<sup>67</sup> The increasing per capita cost of confinement is largely due to inflationary pressures, such as the increasing cost of health care, food, clothing, and utilities and the cost of hiring additional personnel to properly manage the inmate population.

Second, funding for the B&F account is more irregular, with Congress appropriating more in some fiscal years and less in others. Congress appropriated more funding in fiscal years where the BOP expanded its prison capacity in an effort to relieve overcrowding. Also, there is a lag between when Congress appropriates funding for construction of a new prison and when the prison is operational because the BOP must first plan the prison's construction, acquire the land, and then contract for the construction of the facility. It can take several years after construction begins before a prison is ready to accept inmates. For example, there was a noticeable spike in appropriations for the B&F account in FY1990, followed by three fiscal years of above-average funding for the account.<sup>68</sup> Between FY1990 and FY1997, the BOP opened 27 new prisons. There was another increase in funding for the B&F account between FY1999 and FY2004. Appropriations for the B&F account during this time period averaged approximately \$567.0 million per fiscal year. Between FY1999 and FY2005, the BOP opened 22 new prisons.

Each of the BOP's two appropriations accounts are divided into specific decision units, each of which fund more specific BOP operations. An examination of funding for the decision units under the S&E and B&F accounts provides more insight into how the BOP allocates its annual appropriation in light of the challenges it faces as it becomes responsible for confining more inmates. The S&E account is divided into four decision units, which are as follows:

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<sup>67</sup> Data provided by the U.S. Department of Justice, Bureau of Prisons.

<sup>68</sup> Between FY1980 and FY2012, the average appropriation for the B&F account was approximately \$299.0 million per fiscal year. This average excludes FY1990 funding for the B&F account because it was an outlier and including it would skew the average upwards (if FY1990 funding for the B&F account is included, the average appropriation for the account was approximately \$336.0 million per fiscal year).



- **Inmate Care and Programs:** This decision unit covers the cost of inmate food, medical supplies, institutional and release clothing, welfare services, transportation, gratuities, staff salaries, and operational costs of functions directly related to providing inmate care. It provides funding for inmate programs, including education and vocational training, psychological services, religious programs, and drug treatment. All of the drug treatment programs discussed above are funded from this decision unit. This decision unit also covers costs associated with regional and central office administration and support related to providing inmate care.
- **Institution Security and Administration:** This decision unit covers costs associated with the maintenance of facilities and institution security. It funds institution maintenance, motor pool operations, powerhouse operations, institution security, and other administrative functions. This decision unit also covers costs associated with regional and central office administrative and management support functions such as research and evaluation, systems support, financial management, budget functions, safety, and legal counsel.
- **Contract Confinement:** This decision unit provides for the costs associated with the confinement of federal inmates in contract facilities, which include private prisons, Residential Reentry Centers, state and local facilities, and home confinement. It provides funding for the management and oversight of contract confinement functions. This decision unit also provides funding for the National Institute of Corrections (NIC).
- **Management and Administration:** This decision unit provides funding for costs associated with general administration and provides funding for the central office, regional offices, and staff training centers.

The B&F account is divided into two decision units:

- **New Construction:** This decision unit covers lease payments for the Oklahoma Transfer Center, the salaries and administrative costs of staff involved in new prison construction, construction of inmate work program areas, and expansion and conversion projects (i.e., additional special housing unit space).
- **Modernization and Repair:** This decision unit provides resources to undertake essential rehabilitation, modernization, and renovation of correctional facilities and their grounds. This includes modifications to facilities to accommodate correctional programs, repair or replace utilities systems and other critical infrastructure, repair projects at existing institutions, and maintain all systems and structures in a good state of repair.

**Table 2. Appropriations for the BOP, by Decision Unit, FY1999-FY2013**

Appropriations in thousands of dollars

Fiscal Year	Salaries and Expenses				Buildings and Facilities	
	Inmate Care and Programs	Institution Security and Administration	Contract Confinement	Management and Administration	New Construction	Modernization and Repair
1999	\$1,090,148	\$1,401,349	\$255,062	\$142,249	\$322,963	\$88,034
2000	1,123,856	1,494,809	344,773	147,635	441,003	115,777
2001	1,208,480	1,601,518	511,579	148,162	710,816	123,006
2002	1,311,335	1,722,567	620,145	151,071	675,040	132,768
2003	1,454,481	1,868,538	567,365	154,404	262,956	133,676
2004	1,624,308	2,050,417	574,473	165,115	177,620	164,000
2005	1,682,656	2,094,917	627,135	166,677	25,372	179,704
2006	1,740,011	2,227,223	683,031	179,895	48,115	51,846
2007	1,774,048	2,297,055	757,851	183,479	368,875	63,550
2008	1,942,077	2,409,112	814,529	181,022	302,720	70,000
2009	2,070,002	2,495,196	840,933	194,661	465,180	110,627
2010	2,215,992	2,708,651	981,112	200,476	25,386	73,769
2011	2,294,174	2,783,664	996,772	207,800	25,335	73,622
2012	2,421,272	2,880,290	1,040,213	209,506	23,035	66,695
2013 <sup>a</sup>	2,424,620	2,717,938	1,017,297	189,393	23,649	71,707

**Source:** U.S. Department of Justice, Bureau of Prisons.

**Notes:** Amounts in **Table 2** include all supplemental appropriations and any rescissions of enacted budget authority, but they *do not* include rescissions of *unobligated balances*.

- a. The FY2013-enacted amount includes the amount sequestered per the Budget Control Act of 2011 (P.L. 112-25).

As shown in **Table 2**, since FY1999 approximately 80% of the BOP's S&E funding has gone to combined appropriations for the Inmate Care and Programs and the Institution Security and Administration decision units. Funding for the Inmate Care and Programs and the Institution Security and Administration decision units have increased at about the same rate as funding for the S&E account overall. Between FY1999 and FY2013, funding for the Inmate Care and Programs decision unit increased 122.4% and funding for the Institution Security and Administration decision unit increased 94.0%. In comparison, funding for the S&E account increased 119.8% over the same time period. Funding for the Contract Confinement decision unit increased 398.8% between FY1999 and FY2013. The steeper increase in funding for the Contract Confinement decision unit comes as the BOP has relied on confining more inmates in contract facilities. For example, in FY1990 about 7,000 inmates under the BOP's jurisdiction were held in contract facilities; by FY2012, nearly 41,000 inmates were placed in contract facilities. Funding from the Contract Confinement decision unit covers the cost of contracts that the BOP signs with RRCs, and since the growing prison population also means that there will be more inmates released from federal prison each year, there has been a growing demand for RRC bedspace. While funding for the Contract Confinement decision unit outpaced the growth of funding for the S&E account overall, funding for the Management and Administration decision unit grew at a

rate below that of the S&E account. Between FY1999 and FY2013, funding for the Management and Administration decision unit increased 33.1%.

The data presented in **Table 2** also show that in most fiscal years since FY1999 a majority of the funding for the B&F account has been dedicated for new prison construction, which is probably not surprising given the BOP's need to expand prison capacity to handle an ever growing prison population. The BOP has, and continues to, face problems with prison overcrowding. Between FY1999 and FY2012, the BOP increased its capacity by more than 39,000 beds.<sup>69</sup> In addition, the BOP is in the process of activating or building three new facilities by FY2013, which would add approximately 4,300 new beds to the BOP's prison capacity. There are no additional ongoing construction projects to add beds beyond FY2016. Even though the BOP has expanded prison capacity, crowding in the federal prison system increased from 31% over rated capacity to 38% over rated capacity between FY1999 and FY2012,<sup>70</sup> and even with the planned addition of nearly 8,300 beds by FY2016, the BOP expects prison crowding to decrease one percentage point to 37% over rated capacity.<sup>71</sup>

As shown in **Table 2**, in most fiscal years between FY1999 and FY2013, a majority of the appropriation for the B&F account was for new prison construction rather than maintenance of existing facilities. Over this time period, the average appropriation for the New Construction decision unit was \$263.3 million while the average appropriation for the Modernization and Repair decision unit was \$101.3 million. Even in the four most recent fiscal years when funding for the Modernization and Repair decision unit exceeded the New Construction decision unit, the total appropriation for the B&F account was less than \$100.0 million, which is approximately 75% less than the average appropriation for the B&F account between FY1999 and FY2009. The lack of funding for maintenance projects could place as much strain on the BOP's future budget as prison overcrowding. The BOP reports that about 30% of its current facilities are over 50 years old.<sup>72</sup> Moreover, failure to perform adequate maintenance on existing facilities could result in larger capital investment in future years as prisons and utility systems deteriorate and, according to the BOP, could cause direct and/or indirect security problems.<sup>73</sup> It is possible that the demand for maintenance funding would increase in the future as greater demands are placed on an aging infrastructure by prison overcrowding, unless Congress provides funding for a large-scale expansion of new prisons, which could potentially allow the BOP to close some older facilities.

Congress could choose to mitigate some of the issues related to federal prison population growth by appropriating more funding so the BOP could expand prison capacity to alleviate overcrowding, but this would only continue the upward climb in the BOP's appropriations. There is a concern that the rate of growth in the BOP's appropriations is not sustainable in light of efforts to reduce discretionary spending in order to reduce the federal budget deficit.<sup>74</sup>

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<sup>69</sup> Data provided by the U.S. Department of Justice, Bureau of Prisons.

<sup>70</sup> Data provided by the U.S. Department of Justice, Bureau of Prisons.

<sup>71</sup> U.S. Department of Justice, Bureau of Prisons, *FY2014 Performance Budget, Congressional Submission, Buildings and Facilities*, p. 3, <http://www.justice.gov/jmd/2014justification/pdf/bop-se-justification.pdf>.

<sup>72</sup> *Ibid.*, p. 44.

<sup>73</sup> *Ibid.*

<sup>74</sup> In the conference report for the Consolidated and Further Continuing Appropriations Act, 2012 (i.e., the "minibus," P.L. 112-55), the conferees expressed concern that "the current upward trend in the prison inmate population is unsustainable and, if left unchecked, will eventually engulf the [Department of Justice's] budgetary resources." U.S. Congress, House of Representatives, *Agriculture, Rural Development, Food and Drug Administration, and the Related* (continued...)

Congress could also consider ways to reduce the number of inmates held in federal prison through methods such as increasing good time credit for inmates who participate in certain rehabilitative programs, placing more low-level offenders on community supervision in lieu of incarceration, or reducing mandatory minimum penalties for some offenses. Reducing the federal prison population could help bring down the cost of the federal prison system since the BOP would be housing and caring for fewer inmates. A smaller prison population would help alleviate prison crowding, and it could improve staff-to-inmate ratios. Shrinking the size of the federal prison population could possibly help the BOP deal with its aging infrastructure, assuming that the prison population decreased enough to allow the BOP to close some of its older facilities. If nothing else, fewer inmates would allow the BOP to shift funding from building prisons to properly maintaining the bureau's current facilities.

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*Agencies Programs for the Fiscal Year Ending September 30, 2012, and for Other Purposes*, Conference Report to Accompany H.R. 2112, 112<sup>th</sup> Cong., 1<sup>st</sup> sess., November 14, 2011, H.Rept. 112-284 (Washington, DC: GPO, 2011), p. 241.