



December 2013

BUREAU OF PRISONS

Opportunities Exist to Enhance the Transparency of Annual Budget Justifications

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GAO Highlights

Highlights of [GAO-14-121](#), a report to congressional requesters

Why GAO Did This Study

BOP, a component of DOJ, is responsible for the custody and care of over 219,000 federal inmates—a population that has grown by 27 percent over the past decade. BOP had a fiscal year 2013 operating budget of about \$6.5 billion, and BOP projects that its costs will increase as the federal prison population grows. According to officials, BOP's biggest challenge is managing the increasing federal inmate population, and related responsibilities, within budgeted levels. Generally, BOP is appropriated funds through two accounts: S&E and B&F. To prepare its annual congressional budget justification for DOJ, BOP estimates its costs and resource requirements and sends its requested amounts to DOJ. GAO was asked to review BOP's budget justifications.

This report (1) identifies the types of costs that compose BOP's budget accounts as presented in its budget justifications, and (2) assesses the extent to which opportunities exist to enhance the transparency of information in BOP's budget justifications for congressional stakeholders and decision makers. GAO analyzed DOJ and BOP budget justification documents for fiscal years 2008 through 2014 and interviewed officials to determine how they develop budget justifications.

What GAO Recommends

GAO recommends that the Attorney General consult with congressional decision makers on providing additional BOP funding detail in future budget justifications, and in conjunction with BOP, take action as appropriate. DOJ concurred.

View [GAO-14-121](#). For more information, contact David C. Maurer at (202) 512-9627 or maurerd@gao.gov.

BUREAU OF PRISONS

Opportunities Exist to Enhance the Transparency of Annual Budget Justifications

What GAO Found

The largest account in the Department of Justice's (DOJ) Bureau of Prisons (BOP) budget justification—its Salaries and Expenses (S&E) account—is composed mainly of costs associated with Inmate Care and Programs and Institution Security and Administration, both of which have grown steadily since 2008. This growth is due predominantly to increases in prison populations, which are the primary cost driver of BOP's budget. The other two program, project and activity (PPA) elements in the S&E account are associated with the care and custody of federal offenders in contract facilities and maintenance and administration. BOP's Buildings and Facilities (B&F) account, which makes up on average less than 3 percent of its budget, pays for costs associated with site planning; acquisition; and construction of new facilities and costs of remodeling and renovating existing facilities, and related costs. In fiscal year 2014, the budget justification reflected a total of \$6.9 billion; of which over 95 percent (\$6.8 billion) was for BOP's S&E account. BOP also provides narrative summaries of its initiatives, services, and organizational units in categories and subcategories under each PPA. BOP officials said that they include these narrative descriptions to provide additional information to congressional decision makers.

GAO found that BOP is collecting more detailed quantitative cost data on the components that constitute each PPA, which could be useful to congressional decision makers when reviewing BOP's budget justification. In accordance with departmental and Office of Management and Budget guidance, BOP's budget justifications summarize amounts by PPA, so BOP is not required to provide additional funding data below the PPA level in its budget justification. Providing this information to Congress could help clarify what BOP proposes to spend on specific categories and subcategories reflected in its budget justification. For example, BOP's budget justification for fiscal year 2014 included \$2.5 billion for the Inmate Care and Programs PPA element and included narrative information for categories such as Medical Services, Food Service, Education and Vocational Training, Psychology Services, and Religious Services, as well as narrative summaries for various subcategories. However the budget justification did not include proposed funding amounts for each of these categories. GAO's analysis shows that this additional information can be useful in identifying trends and cost drivers that may affect future costs. For example, GAO's analysis identified variations in the dollar amounts associated with the cost components that constitute the PPA, such as drug abuse treatment and education, which could affect decision making for that PPA. However, BOP's current budget justification does not include this detail. Congressional decision makers have previously requested additional information about BOP's budget presentations and data below the PPA level. BOP's budget requests for its S&E account have increased 33 percent since fiscal year 2008, which makes transparency in its budget justifications even more crucial. Consulting with congressional decision makers to determine if it would be helpful to include in its budget justifications the additional cost information that DOJ already collects would help provide reasonable assurance that BOP is fully meeting congressional decision makers' needs and would enhance the transparency of its budget justifications.

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Abbreviations

AOE	advanced occupational education
B&F	Buildings and Facilities
BOP	Bureau of Prisons
CCC	community corrections contracting
CRS	Congressional Research Service
DOJ	Department of Justice
DRI	Dietary Reference Intakes
ESL	English as a Second Language
FLETC	Federal Law Enforcement Training Center
FMIS	Financial Management Information System
FPI	Federal Prison Industries, Inc.
HSD	Health Services Division
ICE	Immigration and Customs Enforcement
ICT	Introduction to Correctional Techniques
JMD	Justice Management Division
M&A	Management and Administration
NCA	National Corrections Academy
NIC	National Institute of Corrections
OMB	Office of Management and Budget
PPA	program, project, and activity
RDAP	Residential Drug Abuse Program
RRC	Residential Reentry Centers
S&E	Salaries and Expenses
STA	Staff Training Academy
USPHS	U.S. Public Health Service
VA	Department of Veterans Affairs
VCCLEA	Violent Crime Control and Law Enforcement Act

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December 6, 2013

The Department of Justice’s (DOJ) Federal Bureau of Prisons (BOP) is responsible for the custody and care of over 219,000 federal inmates—a population that has grown by 27 percent over the past decade. BOP is composed of 119 institutions, 6 regional offices, 2 staff training centers, 22 residential reentry management offices (previously called community corrections offices), and a central office in Washington, D.C. With a fiscal year 2013 operating budget of about \$6.5 billion—the second-largest budget within DOJ—BOP projects that its costs will increase as the federal prison population grows through 2018.¹ According to BOP officials, BOP’s biggest challenge is managing the continually increasing federal inmate population, and providing for inmates’ care and safety, as well as the safety of BOP staff and surrounding communities, within budgeted levels. A variety of factors contribute to the size of BOP’s population. These include national crime levels, law enforcement policies, and federal sentencing laws, all of which are beyond BOP’s control.²

The federal budget process provides the means for the President and Congress to decide how much money to spend and what to spend it on. The process begins when federal agencies develop budget requests to be considered in the development of the President’s budget request to Congress and, as applicable, provide the budget requests through their respective departments to the Office of Management and Budget (OMB). In support of the President’s budget request, departments also submit congressional budget justifications to the appropriate appropriations committees, typically to provide additional information regarding the changes between the current appropriation and the amounts requested

¹These projections are from BOP’s 2020 capacity plan dated January 10, 2010. BOP’s 2020 long-range capacity plan projected continued growth in the federal prison population from fiscal years 2012 through 2020, with system-wide crowding exceeding 45 percent through 2018. For more information, see GAO, *Bureau of Prisons: Growing Inmate Crowding Negatively Affects Inmates, Staff, and Infrastructure*, [GAO-12-743](#) (Washington, D.C.: Sept. 12, 2012). According to BOP’s fiscal year 2014 budget justification, as the inmate population continues to increase, BOP projects a continued increase in required resources to provide for safe inmate incarceration and care, and the safety of BOP staff and the surrounding communities. Residential reentry management offices identify a need for residential reentry center (i.e., halfway house) services in a specific area and administer contract services related to the centers’ operations.

²[GAO-12-743](#).

for the next fiscal year.³ OMB provides general guidance to federal agencies and ensures that budget requests are consistent with relevant statutes and presidential objectives.⁴ DOJ also provides annual department-specific guidance to its component agencies for submitting budget justifications.

We previously evaluated the budget justifications of other agencies to assess, for example, whether the budget justifications are presented so that agency priorities are clear and the proposed use of funds is transparent.⁵ In conducting these evaluations, we identified opportunities for federal agencies to improve information on program costs and results that could aid congressional stakeholders in resource decision making and program oversight.⁶ In addition, we reported on various aspects of BOP's budget and operations. For example, in November 2009, we found that BOP faced funding gaps in its operations account that left it with limited management flexibility.⁷ We also found that while BOP had sound cost estimation practices, the agency could improve the transparency and documentation of its budget development process.⁸ Specifically, we recommended that BOP (1) analyze the extent to which operations costs could vary because of changes in key cost assumptions and (2) improve documentation of calculations used to estimate its costs. BOP concurred with the recommendations and procured the services of a consulting

³See GAO, *A Glossary of Terms Used in the Federal Budget Process*, [GAO-05-743SP](#) (Washington, D.C.: September 2005).

⁴Office of Management and Budget, *Preparation, Submission, and Execution of the Budget*, OMB Circular No. A-11.

⁵For example, see GAO, *Veterans' Health Care Budget: Transparency and Reliability of Some Estimates Supporting President's Request Could Be Improved*, [GAO-12-689](#) (Washington, D.C.: June 11, 2012); *Internal Revenue Service: Assessment of Budget Justification for Fiscal Year 2011 Identified Opportunities to Enhance Transparency*, [GAO-10-687R](#) (Washington, D.C.: May 26, 2010); *Army Corps of Engineers: Budget Formulation Process Emphasizes Agencywide Priorities, but Transparency of Budget Presentation Could Be Improved*, [GAO-10-453](#) (Washington, D.C.: Apr. 2, 2010).

⁶ For example, see GAO, *IRS 2013 Budget: Continuing to Improve Information on Program Costs and Results Could Aid in Resource Decision Making*, [GAO-12-603](#) (Washington, D.C.: June 8, 2012).

⁷GAO, *Bureau of Prisons: Methods for Cost Estimation Largely Reflect Best Practices, but Quantifying Risks Would Enhance Decision Making*, [GAO-10-94](#) (Washington, D.C.: Nov. 10, 2009).

⁸[GAO-10-94](#).

company to conduct the analysis. In September 2011, and subsequently in March and July 2012, BOP transmitted the results of the analysis to DOJ and OMB to support preparation of the 2013 and 2014 budget justifications, which fully addressed our recommendation. BOP also took action to improve the documentation of its budget cost estimation methods. In August 2010, we met with BOP budget officials to review their fiscal year 2011 budget justification documentation and found BOP's calculations and results to be well documented.⁹

Growth in the federal inmate population and its effect on BOP's budget is a matter of continuing congressional interest. For example, in the conference report for the Consolidated and Further Continuing Appropriations Act, 2012,¹⁰ congressional decision makers expressed concern that the current upward trend in the prison inmate population was unsustainable.¹¹ You asked us to review BOP's budget justifications. This report (1) identifies the types of costs that compose BOP's budget accounts as presented in its budget justifications, and (2) assesses the extent to which opportunities exist to enhance the transparency of information in BOP's budget justifications for congressional stakeholders and decision makers.

To identify the types of costs that compose BOP's budget accounts, we reviewed DOJ and BOP budget justification documents, budget and performance summaries and accompanying budget exhibits for fiscal years 2008 through 2014, as well as the standards and guidance for developing budget information and leading practices for developing program costs outlined in GAO's *Cost Estimating and Assessment Guide*.¹² Generally, BOP is appropriated funds through two accounts:

⁹[GAO-10-94](#). GAO closed these recommendations as implemented.

¹⁰Pub. L. No. 112-55, 125 Stat. 552 (2011).

¹¹H.R. Conf. Rep. No. 112-284, at 241 (2011).

¹²Office of Management and Budget, *Preparation, Submission, and Execution of the Budget*, OMB Circular No. A-11; Department of Justice, *Memorandum for Heads of Department Components, Guidance for Preparing Fiscal Year 2013 Budgets* (Washington, D.C.: May 23, 2011); and GAO, *GAO Cost Estimating and Assessment Guide: Best Practices for Developing and Managing Capital Program Costs*, [GAO-09-3SP](#) (Washington, D.C.: March 2009). GAO's *Cost Estimating and Assessment Guide* is a compilation of cost-estimating best practices drawn from across industry and government.

Salaries and Expenses (S&E) and Buildings and Facilities (B&F).¹³ Because BOP's S&E account generally represents over 95 percent of BOP's budget, we focused our review on the S&E account. Moreover, we selected 2008 as the starting point for our analysis because BOP began using a consistent format for presenting information on its programs, projects, and activities (PPA) in its 2008 budget justification.

To assess the extent to which opportunities exist to enhance the transparency of information in BOP's budget justifications, we obtained and analyzed the cost component funding information that composed three of BOP's four PPAs for the S&E account—Inmate Care and Programs, Institution Security and Administration, and Contract Confinement PPAs.¹⁴ Specifically, we identified the changes in dollar amounts associated with these cost components for fiscal years 2008 through 2014. BOP's fourth PPA—Management and Administration (M&A)—constituted about 3 percent of the total amount requested for fiscal years 2008 through 2014; thus, we focused our analysis on the three PPAs that constituted the largest amount of funds requested. Our report in November 2009 included an assessment of the reliability of information that BOP officials gathered from DOJ's Financial Management Information System (FMIS) and concluded that the data were sufficiently reliable for the purposes of the review.¹⁵ To assess the reliability of FMIS data, we interviewed BOP budget officials who said no changes were made to FMIS or data gathered from this system since fiscal year 2009; thus we determined that the data were sufficiently

¹³The S&E account includes annual and multiyear appropriations, while the B&F account includes no-year appropriations. No-year appropriation is budget authority that remains available for obligation for an indefinite period of time. In addition, BOP is responsible for a Trust Fund account that receives spending authority from offsetting collections for revenue earned through the sale of goods and services. According to BOP's 2012 financial audit, Federal Prison Industries, Inc. (FPI)—also called UNICOR—is a separate reporting component of DOJ. FPI employs and provides job skills training to federal inmates. We did not include the Trust Fund and FPI budget accounts in our review because they are non-appropriated accounts.

¹⁴According to BOP officials, they use the cost data they maintain in DOJ's Financial Management Information System to develop estimated dollar amounts for the cost components that compose BOP's PPAs.

¹⁵[GAO-10-94](#). FMIS supports DOJ components' financial management requirements. FMIS includes various modules to support the financial and administrative requirements of DOJ's components. BOP officials said that they use FMIS to maintain BOP's historical cost and budget data.

reliable for the purposes of this review. We also interviewed officials in DOJ's Justice Management Division (JMD) and budget officials in BOP's Administration Division and Budget Development and Execution branches to discuss their approach for developing and presenting information in the budget justification. Specifically, we discussed with DOJ officials the guidance they provided to components for developing budget justifications. We discussed with BOP officials the type of funding information and financial management systems used to develop their budget justifications.

We conducted this performance audit from February 2013 to December 2013 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

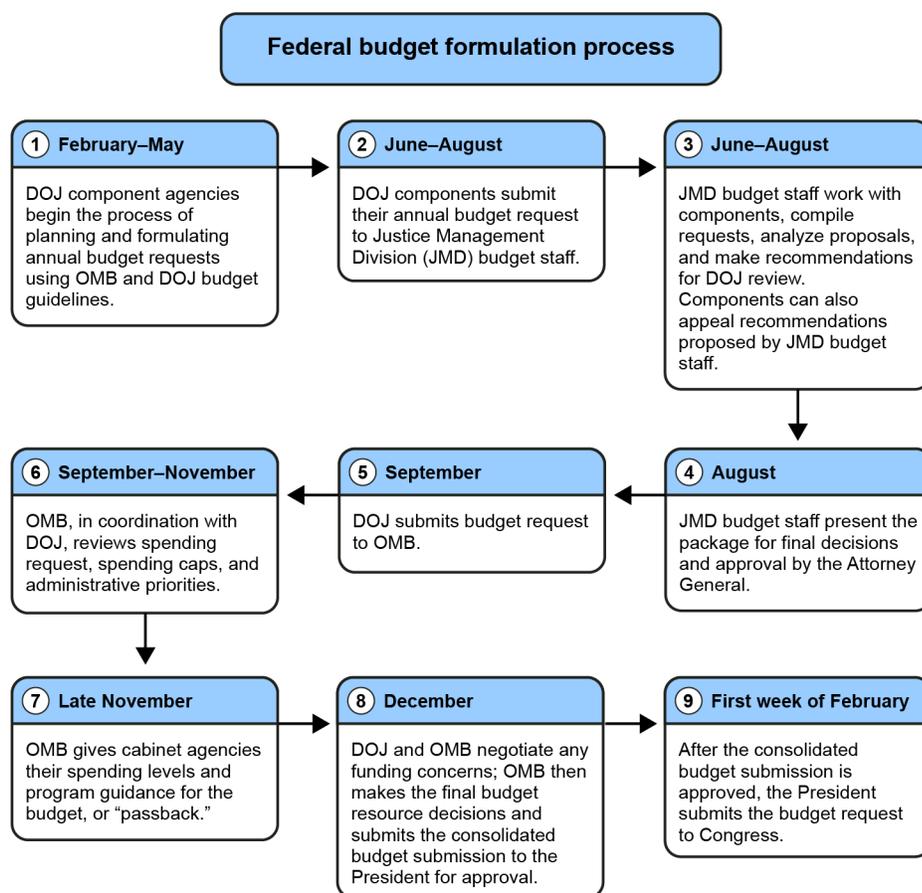
Overview of Federal Budget Process and BOP Budget Development

Through the budget system, the President and Congress determine the allocation of resources among the agencies of the federal government. OMB, as part of the Executive Office of the President, guides the annual budget process, makes decisions on executive agencies' budgets, aggregates submissions for departmental components, and submits the consolidated document for the executive branch as the *President's Budget Request to Congress*. OMB issues guidance to federal agencies through OMB Circular A-11, which provides instructions for submitting budget data and materials, as well as criteria for developing budget justifications.¹⁶ Within DOJ, the Justice Management Division issues additional annual budget development guidance to DOJ's components, including BOP, usually about 1.5 years before the fiscal year begins for the budget cycle. JMD budget staff (1) collect and analyze all of the components' budget requests, taking into consideration department-wide policy priorities and OMB guidance; (2) coordinate with DOJ policy

¹⁶Office of Management and Budget, *Preparation, Submission, and Execution of the Budget*, OMB Circular No. A-11.

offices; and (3) secure approval and submit the Attorney General's budget submission to OMB. Key steps in this process are shown in figure 1.

Figure 1: Formulation of the Federal Budget Process and Roles of the Office of Management and Budget (OMB), Department of Justice (DOJ), and Bureau of Prisons (BOP)



Source: GAO analysis of BOP information.

Note: JMD is DOJ's Justice Management Division.

When developing its budget justification, BOP estimates costs for budget accounts using three steps, as described below.

- First, BOP estimates cost increases for maintaining the current level of services for operations as provided in the prior year's enacted budget. These include costs to address mandatory staff pay raises

and benefit increases, inmate medical care, and utilities. BOP analyzes historical obligations from the past 5 years to identify average annual operating cost increases. BOP records its obligations in FMIS—one of DOJ’s financial accounting and reporting systems. According to BOP officials, FMIS is BOP’s primary tool for cost reporting and budget execution.¹⁷ BOP also considers economic indicator information to estimate general inflationary cost increases using data from the Bureau of Labor Statistics’ Consumer Price Index, among other sources.

- Second, BOP projects inmate population changes for the budget year and for 9 years into the future.¹⁸ For example, for the fiscal year 2014 budget justification, BOP projected a net growth in its inmate population of 5,400 (2.4 percent) for fiscal years 2013 and 2014.¹⁹
- Third, BOP estimates costs to house the projected number of new inmates, including building and facility requirements. According to BOP, the increasing inmate population is the primary driver of new service costs. BOP also identifies and estimates costs for new initiatives, such as the opening of a new BOP facility, by reviewing the proposals submitted by its divisions and regional offices, as well as historical data on costs for implementing such initiatives.

Prior GAO work on BOP Costs and Budget Justification Reviews

In November 2009, we found that BOP’s methods for cost estimation largely reflected best practices outlined in the *GAO Cost Estimating and Assessment Guide*.²⁰ We concluded that for fiscal year 2008, BOP followed a well-defined process for developing a mostly comprehensive, well-documented, accurate, and credible cost estimate, and we made

¹⁷FMIS supports BOP’s financial management requirements. FMIS includes various modules to support the financial and administrative requirements of DOJ’s components.

¹⁸BOP uses a calculation model to identify the number of inmates currently in BOP’s system and the length of those inmates’ sentences, as well as the number of inmates estimated to enter the BOP system and the length of their sentences. Using this model, BOP identifies each inmate as a unique record tied to variables such as conviction year, sentence term, and conviction type, with data obtained from a variety of sources, including the Administrative Office of the U.S. Courts, the U.S. Sentencing Commission, and the Executive Office for U.S. Attorneys. .

¹⁹According to BOP officials, after the budget was submitted they revised the projected inmate growth based on their current estimate of 3,200 for fiscal year 2014, which is equal to a 1.4 percent change in inmate population.

²⁰[GAO-09-3SP](#)

recommendations to further improve BOP's process.²¹ Specifically, we recommended that BOP (1) analyze the extent to which operations costs could vary because of changes in key cost assumptions and (2) improve documentation of calculations used to estimate its costs. BOP concurred with the recommendations and took appropriate actions to address them as noted above. In November 2009, we also reported on various challenges that BOP faced, including prison crowding levels. For example, we found that from fiscal years 2000 through 2009, BOP's total inmate population level increased by 44 percent—from 145,125 to 209,027.²² In November 2009, we also reported that BOP estimated its total inmate population would continue to increase by about 4,500 inmates per year over the next decade.²³ In September 2012, we reviewed the growth in BOP's population and found that the 9.5 percent population growth from fiscal years 2006 through 2011 exceeded the 7 percent increase in its inmate capacity, and reported that BOP projects continued population growth.²⁴

In our work related to budget reviews across the federal government, we have reported that an agency's budget justification may be the single most important policy document because it depicts and reconciles policy objectives, and we have identified the potential to enhance the transparency of agencies' budget justifications by providing additional details and information.²⁵ For example, in our September 2012 review of the U.S. Department of Veterans Affairs' (VA) health care budget, we concluded that federal agencies' congressional budget justifications should be transparent—that is, they should be clear and easy to understand—in part because Congress relies on this information to make resource allocation decisions and conduct oversight.²⁶ Further, we

²¹[GAO-10-94](#).

²²According to BOP officials, the revised total inmate population for fiscal year 2009 was 208,759.

²³According to BOP officials, they have revised their projected annual increase in total inmate population to about 3,000 inmates per year over the next 10-year period.

²⁴[GAO-12-743](#).

²⁵[GAO-10-687R](#).

²⁶GAO, *Veterans' Health Care Budget: Better Labeling of Services and More Detailed Information Could Improve the Congressional Budget Justification*, [GAO-12-908](#) (Washington, D.C.: Sept. 18, 2012).

concluded that in order to facilitate decision making, information needs to be clear and organized in a way that is meaningful to decision makers. We recommended, among other things, that VA further consult with congressional decision makers to determine what detailed information related to its appropriations accounts should be included—and how—in its congressional budget justification. VA concurred with the recommendations and has begun taking actions to address them.

Institution Security and Inmate Care Constitute the Majority of BOP's Salaries and Expenses Account Costs as Presented in Its Budget Justifications

BOP's largest account—its S&E account— is composed mainly of costs associated with Inmate Care and Programs and Institution Security and Administration, both of which have grown steadily since 2008, predominantly because of increases in prison populations, which are the primary cost driver of BOP's budget.²⁷ The other two PPAs in the S&E account are associated with the care and custody of federal offenders in contract facilities and maintenance and administration.²⁸ BOP's budget justification for fiscal year 2014 reflected the President's budget request of a total of \$6.9 billion, including \$6.8 billion for its S&E account.²⁹ Figure 2 shows that the President's budget request for BOP's S&E account has increased from fiscal years 2008 through 2014.³⁰

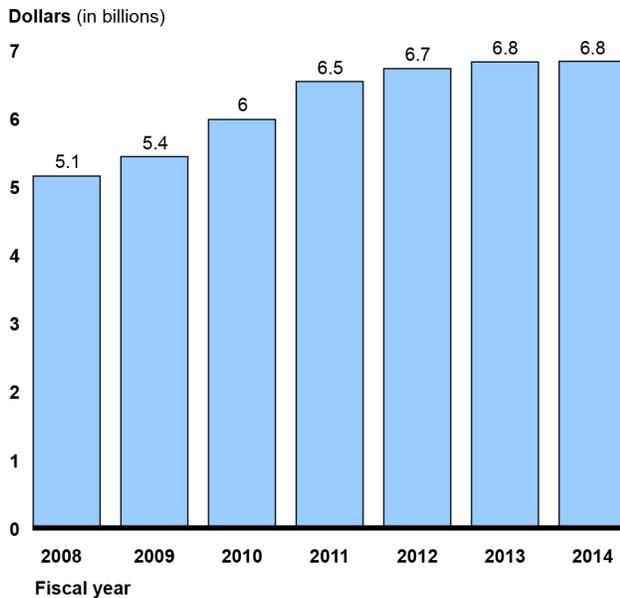
²⁷According to OMB, cost drivers are those variables that, when changed in value, create the greatest changes in cost. Office of Management and Budget, *Capital Planning Guide, Supplement to OMB Circular No. A-11: Planning, Budgeting, and Acquisition of Capital Assets* (July 2013).

²⁸BOP's B&F account, which makes up on average less than 3 percent of its budget, pays for costs associated with site planning; acquisition; and construction of new facilities and costs of remodeling, renovating, and equipping existing facilities for penal and correctional use. BOP's S&E account on average makes up more than 95 percent of its budget.

²⁹The President's 2014 budget request also included \$105 million for BOP's B&F account.

³⁰According to our analysis of the President's budget request for BOP, the S&E account increased slightly from \$6,820,217,000 for fiscal year 2013 to \$6,831,150,000 for fiscal year 2014.

Figure 2: President’s Budget Requests for Bureau of Prisons’ (BOP) Salaries and Expenses Account for Fiscal Years 2008 through 2014



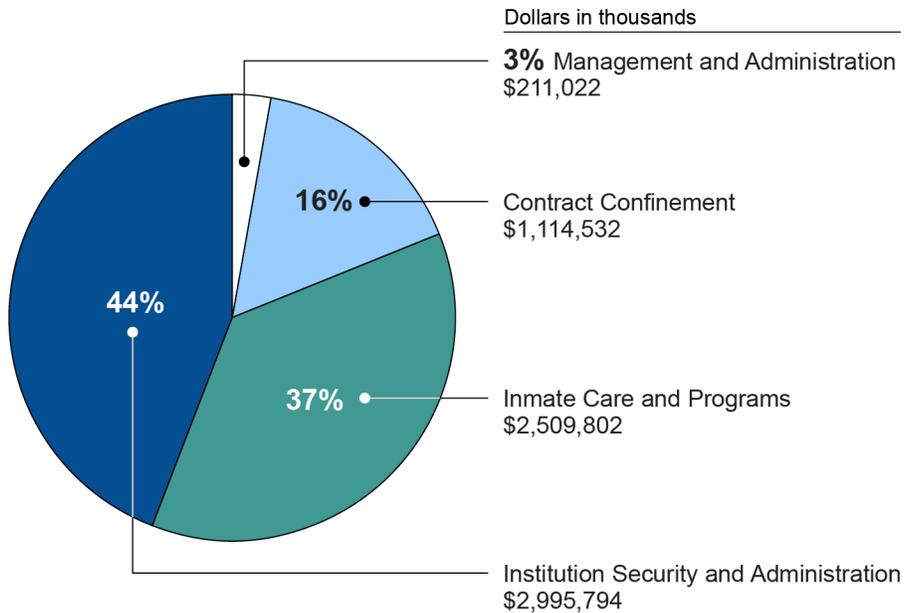
Source: GAO analysis of BOP’s annual congressional budget justifications.

Note: The dollar amounts are rounded to the nearest \$0.1billion.

BOP’s budget justification includes its proposed use of funds for each account by PPA.³¹ BOP’s budget for S&E costs consists of four PPAs, and as shown in figure 3, the Inmate Care and Programs PPA, and Institution Security and Administration PPA, and Contract Confinement PPA accounted for about 97 percent of the President’s 2014 budget request for BOP’s S&E account, according to BOP’s budget justification.

³¹OMB and GAO define “program, project, or activity” as an element within a budget account. For budgetary purposes, DOJ uses the term “decision units” to refer to PPAs. BOP’s budget justification also includes summary cost information for each account by object classification, such as personnel compensation, supplies and materials, and equipment. The B&F account has two PPA elements: (1) New Construction funding to expand existing facilities and acquire or construct new prison facilities, and (2) Modernization and Repair funding to keep existing facilities in an adequate state of repair to provide a safe and secure environment to continue prison operations.

Figure 3: The President's Budget Request for the Bureau of Prisons' (BOP) Salaries and Expenses Account by Program, Project, or Activity Elements for Fiscal Year 2014



Source: BOP's fiscal year 2014 Performance Congressional Budget Justification.

Below is a description of the four PPAs that compose BOP's S&E account.

- The Inmate Care and Programs PPA covers the operational costs of functions directly related to providing inmate care, including inmate food, medical care, drug treatment, and psychological services; education and vocational training; institutional and release clothing; welfare service; and transportation. For example, the budget justification for fiscal year 2014 proposes the use of funds to help address increases in chronic medical care for inmates. Additionally, the budget justification for fiscal year 2014 proposes the use of funds to expand evidence-based treatment practices to treat drug offenders and reduce recidivism.³²

³²BOP's Residential Drug Abuse Program (RDAP) is an evidence-based treatment program intended to treat drug offenders and reduce recidivism. RDAP requires inmates to identify, confront, and alter the attitudes, values, and thinking patterns that lead to criminal and drug-using behavior.

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- The Institution Security and Administration PPA covers costs associated with institution security, administration, maintenance, and staff training.³³ These costs include salaries for correctional officers assigned to every BOP institution and expenses for facility maintenance and utilities.
 - The Contract Confinement PPA covers costs associated with BOP inmates in contract care and costs associated with management and oversight of contract facilities and residential reentry centers as well as the National Institute of Corrections.³⁴
 - The Management and Administration PPA covers costs associated with general administration and provides funding for the executive staff as well as headquarters and regional office program managers in the areas of budget development and execution, financial management, procurement and property management, human resource management, inmate systems management, safety, legal counsel, research and evaluation, and systems support.

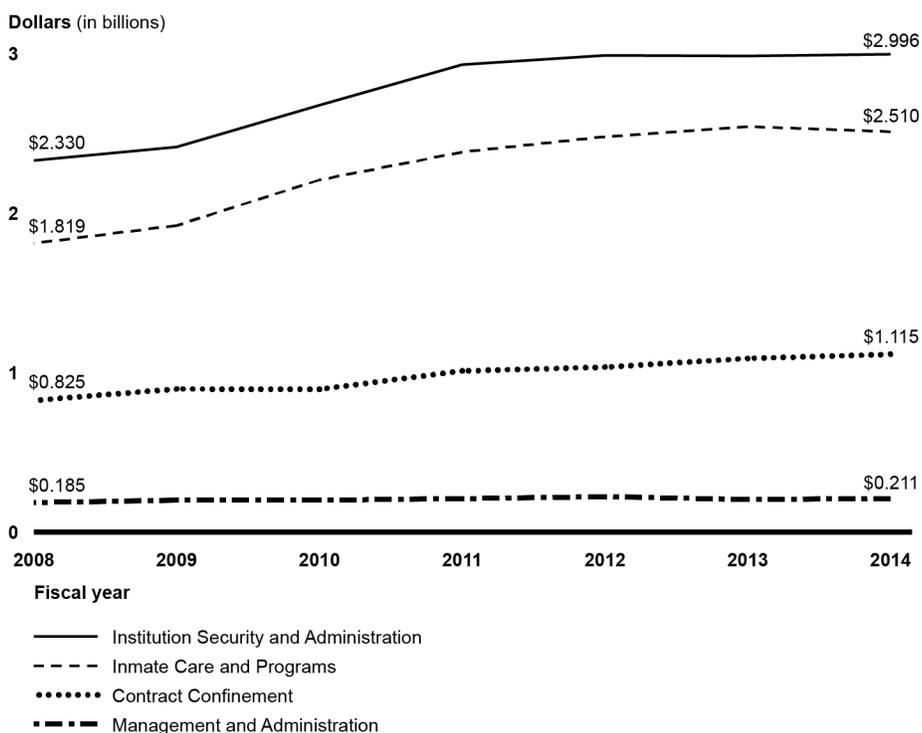
As shown in figure 4, while the amounts reflected for BOP's Management and Administration PPA have remained relatively constant, the Inmate Care and Programs and Institution Security and Administration PPAs, and to a lesser extent the Contract Confinement PPA, have grown steadily

³³All institutions are assigned a security classification level based in part on the physical design of each facility. There are four security levels: minimum, low, medium, and high. Additionally, there is an administrative category for institutions that house a variety of specialized populations such as pretrial, medical, mental health, sex offender, and U.S. Department of Homeland Security Immigration and Customs Enforcement (ICE) detainees.

³⁴In fiscal year 2013, BOP reported that 19 percent of the inmate population was housed outside of BOP facilities in alternative confinement, including private prisons, Residential Reentry Centers (RRC or halfway houses), state and local facilities, and home detention. BOP's National Institute of Corrections provides training, technical assistance, information services, and policy and program development assistance to federal, state, and local correctional agencies.

since 2008, predominantly because of increases in prison populations which are the primary cost driver of BOP's budget.³⁵

Figure 4: Bureau of Prisons' (BOP) Budget Justification by Program, Project, and Activity Element for Salaries and Expenses Account for Fiscal Years 2008 through 2014



Source: GAO analysis of BOP's annual congressional budget justifications for fiscal years 2008 through 2014, and BOP budget data.

In addition to the budget justification broken down by PPA dollar amounts, the budget justification provides a summary of increases (i.e., improvements) and decreases (i.e., offsets) to the current year's

³⁵The President's budget request for BOP for fiscal years 2008 and 2009 reflects that BOP officials incorporated Management and Administration costs into the other PPA elements in the S&E and B&F accounts. In fiscal year 2010, officials reverted to the historical approach of reflecting M&A costs as a separate PPA element in response to congressional and OMB guidance. For the purposes of our analysis and to more clearly illustrate trends in BOP's budget, we prorated the M&A costs for these 2 fiscal years (2008 and 2009) to approximate the dollars associated with the M&A PPA element for those years. BOP officials agreed that the prorated allocation effectively approximated the dollars associated with M&A for those years.

appropriation.³⁶ For example, in BOP's budget justification for fiscal year 2014, BOP described the \$35.1 million net increase (1.2 percent) in the Institution Security and Administration PPA from fiscal year 2013 in terms of three increases and two decreases, as shown in table 1. Further, BOP described the dollar amounts associated with the \$1.7 million (0.07 percent) net increase in the Inmate Care and Programs PPA from fiscal year 2013 in terms of five increases and two decreases.

Table 1: Proposed Improvements and Offsets in the Bureau of Prisons' (BOP) Inmate Care and Programs and Institution Security and Administration Programs, Projects, and Activities Elements for Fiscal Year 2014

Salaries	Expenses
Institution Security and Administration	\$2,995,794,000
Net Program Improvements and Offsets	+\$35,134,000
1. Improvement: Open Administrative United States Penitentiary Thompson, IL	+\$28,504,000
2. Improvement: Open Facility Hazelton, WV	+\$15,910,000
3. Improvement: Open Facility Yazoo City, MS	+\$17,406,000
4. Offset: Good Conduct Time ^a	-\$22,455,000
5. Offset: Information Technology Savings	-\$4,231,000
Inmate Care and Programs	\$2,509,802,000
Net Program Improvements and Offsets	+\$1,738,000
1. Improvement: Open Administrative Thomson, IL	+\$15,196,000
2. Improvement: Open Facility Hazelton, WV	+\$9,072,000
3. Improvement: Open Facility Yazoo City, MS	+\$11,015,000
4. Improvement: Expand Residential Drug Abuse Treatment	+\$15,000,000
5. Improvement: Expand Reentry/Recidivism Reducing Programs	+\$20,000,000
6. Offset: Good Conduct Time ^a	-\$18,545,000
7. Offset: Medical Cost Adjustments	-\$50,000,000

Source: GAO analysis of BOP's fiscal year 2014 budget justification.

³⁶According to BOP's fiscal year 2014 budget justification, budget offsets reflect management actions to streamline operations, improve program efficiencies, and reduce costs to ensure the lowest possible costs despite the growing inmate population. According to BOP's fiscal year 2014 budget justification, the summary of increases reflects BOP's program changes or improvements such as facility openings and drug treatment program expansion and decreases reflect BOP's management actions to streamline operations, improve program efficiencies and reduce costs.

^aOffsets related to Good Conduct Time refer to potential savings related to proposed legislation. Specifically, according to BOP's fiscal year 2014 budget justification, the administration has proposed legislation to amend federal inmate good conduct time credit to provide inmates incentives that encourage positive behavior. The proposed sentencing reforms include (1) an increase in the amount of credit an inmate can earn for good behavior, and (2) a new sentence reduction credit, which inmates can earn for participation in education and vocational programming.

BOP also provides narrative summaries of its initiatives, services, and organizational units in categories and subcategories under each PPA.³⁷ BOP officials said that they include these narrative descriptions to provide additional information to congressional decision makers. Figure 5 provides an example of the structure of the budget justification reflecting categories and subcategories for which BOP provided narrative descriptions to support its justification for the four PPA elements under the S&E account in fiscal year's 2014 congressional budget justification.

Figure 5: Bureau of Prisons' (BOP) Budget Justification Structure

Fiscal year 2014 salaries and expenses			
Inmate Care and Programs \$2,509,802,000	Institution Security and Administration \$2,995,794,000	Contract Confinement \$1,114,532,000	Management and Administration \$211,022,000
Categories including: Medical services Food service Education and vocational training Psychology services Drug abuse treatment Religious services Subcategories that provide additional narrative detail such as: Medical referral centers Drug abuse education Sex offender management programs	Categories including: Sentry Information System Correctional officers Inmate disciplinary process Administrative segregation Facility maintenance Physical plant Staff training academy Subcategories that provide additional narrative detail such as: Internal security External security	Categories such as: The Community Corrections and Detention Services Branch The Privatization Management Branch National Institute of Corrections	Categories such as: Central Office and Other Functions Correctional Programs Division Health Services Division Subcategories that provide additional narrative detail such as: Psychology Services Branch Occupational & Employee Health Section
<div style="border: 1px solid black; width: 20px; height: 10px; display: inline-block; margin-right: 5px;"></div> BOP does not identify proposed funding amounts for all categories and subcategories in its budget justification.			

Source: GAO analysis of BOP information.

³⁷For the purposes of our analysis, we used the terms “category” and “subcategory” to describe the structure of BOP’s annual budget justification based on our review of BOP’s annual budget justification for fiscal years 2012, 2013, and 2014. Although BOP officials did not use the terms “category” and “subcategory” to describe the initiatives, services, and organizational units reflected in BOP’s annual budget justification, they generally agreed to the use of these terms as a way to describe the organization of their annual budget justification.

BOP Could Enhance the Transparency of Its Budget Justification by Providing Additional Data on Cost Components within the Program, Project, and Activity Levels

We found that BOP is collecting more detailed quantitative cost data on the components that constitute each PPA, which could be useful to congressional decision makers when reviewing BOP's budget justification. In accordance with departmental and OMB guidance, BOP's budget justifications summarize amounts by PPA, so BOP is not required to provide additional funding data below the PPA level in its budget justification. Providing more comprehensive information could help clarify BOP's proposed spending on specific categories and subcategories reflected in its budget justification. For example, BOP's budget justification for fiscal year 2014 included \$2.5 billion for the Inmate Care and Programs PPA element and included narrative information for categories such as Medical Services, Food Service, Education and Occupational Training, Psychology Services, and Religious Services, as well as narrative summaries for various subcategories, but did not include proposed funding amounts for these categories. Our analysis shows that this additional information can be useful in identifying trends and cost drivers that may affect future costs, which could be particularly helpful given the 33 percent growth in BOP's budget request from fiscal years 2008 through 2014.

Our prior work has identified factors driving BOP's cost increases in specific categories that constitute each PPA. For example, in July 2013, we found that per capita mental health services costs have increased in BOP-operated institutions since fiscal year 2008 and are expected to continue to increase. Further, we found that these increases were generally due to three factors—inmate population increases, general inflationary increases, and increased inmate participation rates in psychology treatment programs.³⁸ As we reported in July 2013, BOP's expanded inmate participation in its Residential Drug Abuse Program, which helped reduce waiting lists for the program, had increased overall program costs.³⁹ In addition, the Congressional Research Service (CRS) reported in January 2013 that BOP's expenditures on utilities, food, and medical care have generally increased each fiscal year since 2000, although the per capita increase in the cost of food and utilities has not been as pronounced as the increase in the per capita cost of inmate

³⁸See GAO, *Bureau of Prisons: Timelier Reviews, Plan for Evaluation, and Updated Policies Could Improve Mental Health Services Oversight*, [GAO-13-1](#) (Washington, D.C.: July 17, 2013).

³⁹[GAO-13-1](#).

medical care.⁴⁰ CRS reported that BOP officials said conditions such as diabetes, hypertension, and infectious diseases have a slightly higher rate of incidence in the incarcerated population. Thus, understanding the differences in costs for medical care, food services, and drug programs—three of the cost components within the Inmate Care PPA—could help congressional decision makers evaluate how these trends may affect future costs.

We met with staff from the authorizing and appropriations committees to obtain their views on the adequacy of BOP's budget justification and these staff had mixed views. While some staff said that they were generally satisfied with the amount of information BOP provided concerning its budget, others said that BOP's budget justification lacked transparency and that they would benefit from receiving additional quantitative information on estimated amounts below the PPA elements. They said that receiving more detailed information from BOP on an as-needed basis would be helpful. In addition, congressional decision makers have previously requested additional information about BOP's budget presentations and, in particular, data below the PPA level. For example, the conference report accompanying the Consolidated Appropriations Act, 2010,⁴¹ stated that BOP's fiscal year 2011 budget request should provide detailed descriptions of the major categories of activities composing each decision unit and the proposed funding levels for each such category, including comparisons to prior year obligations for each category.⁴²

Our analysis of FMIS data shows that BOP is capturing detailed information on the cost components within the PPAs, which BOP is not currently providing in its budget justifications. For example, for the Inmate Care and Programs PPA, food service, psychology services, and religious services are three categories reflected in the budget justification that have comparable FMIS cost component data fields. However, the budget justification provides narrative descriptions that do not have comparable cost component data for these three categories, which DOJ captures in FMIS. According to BOP officials, while they use the historical cost data in

⁴⁰Congressional Research Service, *The Federal Prison Population Buildup: Overview, Policy Changes, Issues, and Options*, R42937 (Washington, D.C.: Jan. 22, 2013).

⁴¹Pub. L. No. 111-117, 123 Stat. 3034 (2009).

⁴²H.R. Conf. Rep. No. 111-366, at 671 (2009).

FMIS to inform their budget development process, the FMIS cost component data fields are not always directly linked to specific narrative categories in the budget justification for BOP because they use their judgment to identify categories that they consider to be of specific interest to congressional decision makers (e.g., dollar amounts, trends, or policy concerns) rather than standardized cost components. For example, BOP includes narrative in the budget justification to describe costs related to categories such as Medical Services and Food Service, among others. As figure 6 shows, there are similarities in the FMIS data fields for which BOP captures detailed cost information and those categories BOP uses to describe its budget justifications. This additional information could provide congressional decision makers with additional insights into factors driving BOP's budget.

Figure 6: Categories in the Bureau of Prisons' (BOP) Budget Justification for Fiscal Year 2014 for Inmate Care and Programs and Institution Security and Administration Program, Project, and Activity (PPA) Elements Compared with Cost Center Data Fields in the Department of Justice's (DOJ) Financial Management Information System (FMIS)

Categories with narrative description in BOP's 2014 budget justification	Data fields in BOP's FMIS with quantitative cost information ^a
Inmate Care and Programs PPA	Inmate Care and Programs PPA
Medical services	Medical program
Food service	Food services
Education and occupational training	Education
Psychology services	Psychology services
Religious services	Religious services
Drug abuse treatment	Drug treatment
	Unit management
	Inmate services
Institution Security and Administration PPA	Institution Security and Administration PPA
Facility maintenance	Institution maintenance
Staff training academy	Staff training academy
	Institution security
	Institution administration
Correctional officers	
Inmate disciplinary process	
Administrative segregation	
Physical plant	
Sentry Information System	

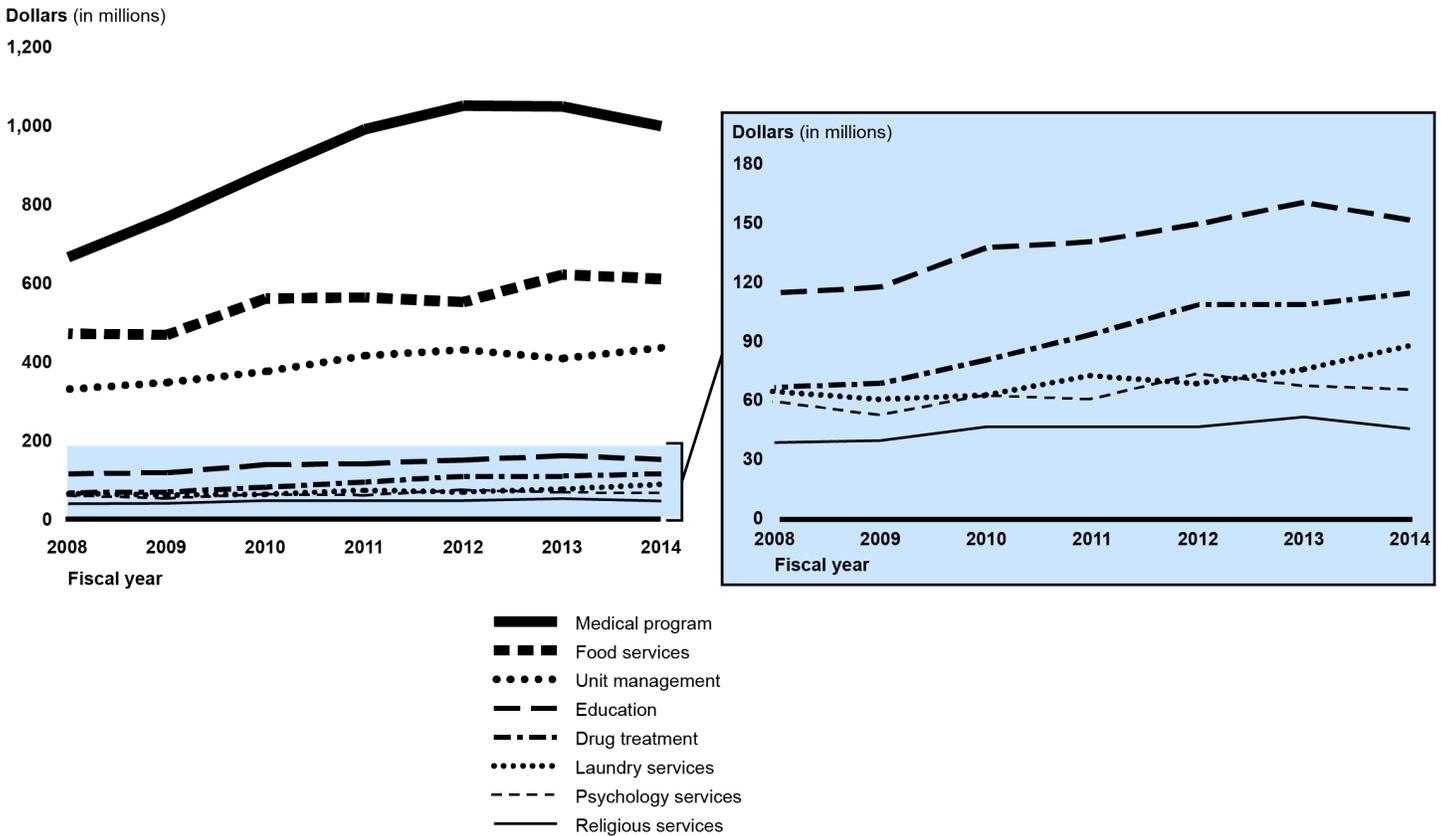
Source: GAO analysis of BOP data.

^aFor the purpose of analysis, we used the terms "category" and "subcategory" to describe the structure of BOP's budget justification, and although BOP officials did not use these terms to describe BOP's initiatives, services, and organizational units, they generally agreed to the use of the terms "category" and "subcategory" as a way to describe the organization of their budget justification.

While BOP does not provide in its budget justifications information on the cost components composing each PPA, BOP officials already capture this information, using data from FMIS, as part of their annual budget development process. We requested specific, quantitative information below the PPA level and BOP provided us with dollar amounts associated with the data fields in FMIS that constitute Inmate Care and Programs, Institution Security and Administration, and Contract Confinement PPAs for fiscal years 2008 through 2014. Using the additional detailed information from DOJ's FMIS provided by BOP budget officials, we were

able to identify changes over time in the cost components composing each PPA, which is information congressional decision makers could use when reviewing BOP's budget justification. For example, we analyzed changes in the dollar amounts associated with FMIS cost component data fields that make up the Inmate Care and Programs PPA element over time. The results of our analysis show that BOP's proposed spending for the Inmate Care and Programs PPA has continually increased from fiscal years 2008 through 2013; however, BOP's FMIS data showed variations in the dollar amounts associated with the cost components that constitute the PPA. For example, changes in dollar amounts for medical services have increased by about 50 percent from fiscal years 2008 to 2014, and decreased slightly for the 2 most recent fiscal years—2013 and 2014. According to officials, the changes in dollar amounts reflect changes in the prison population and implementation of policy initiatives intended to lower costs. The results of our analysis are presented in figure 7. The specific dollar amounts by fiscal year for the cost components composing the Inmate Care and Program PPA element are provided in appendix I.

Figure 7: Changes in Dollar Amounts Associated with Bureau of Prisons' (BOP) Financial Management Information System (FMIS) Data Fields for the Inmate Care and Programs' Program, Project, and Activity (PPA) from Fiscal Years 2008 through 2014.



Source: GAO analysis of BOP budget data.

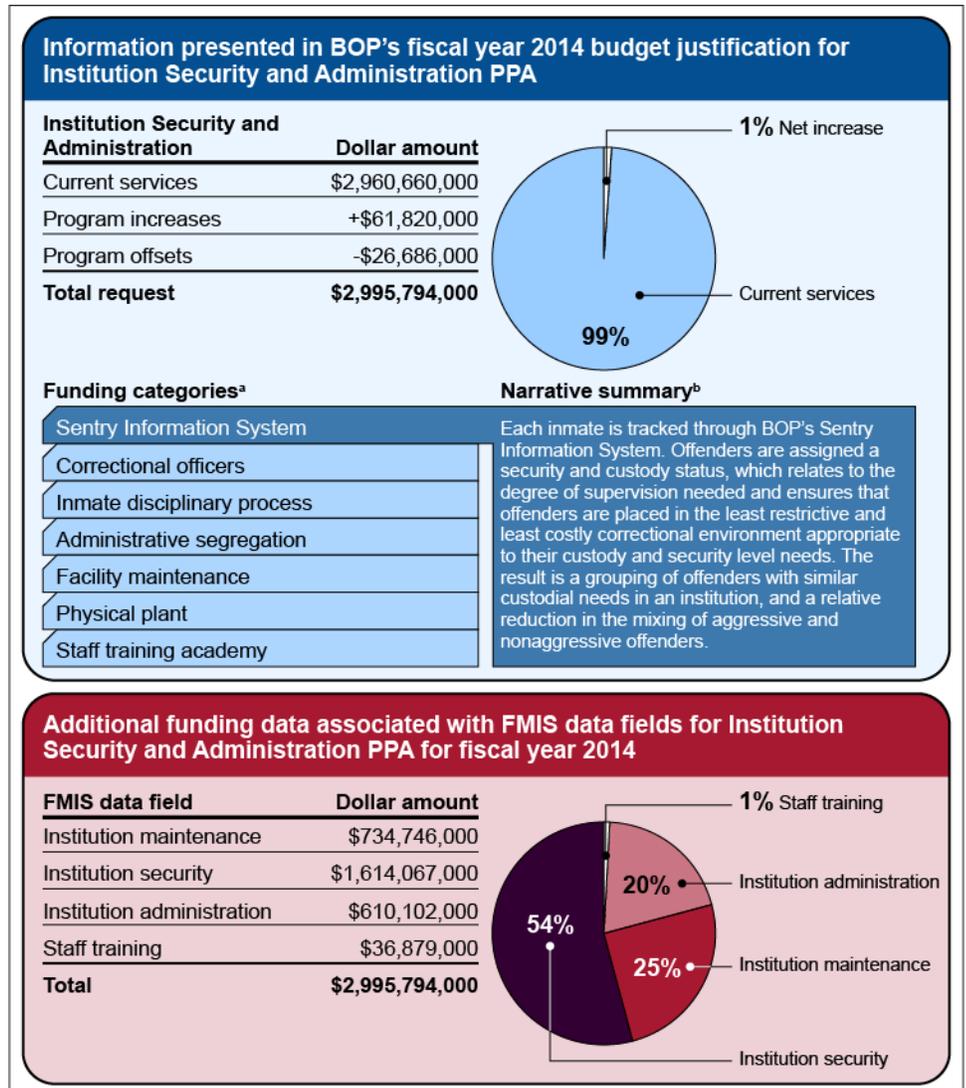
Note: The dollar amounts associated with FMIS data fields in this figure represent BOP's available funding information used to develop justification data for the Inmate Care and Programs PPA element. BOP officials stated that they maintain funding data for laundry services using the Inmate Services FMIS data field. BOP officials also noted that they include historical information in its budget justification for costs of inmate medical and food services.

In addition, using the additional cost component information, our analysis of BOP's FMIS data fields showed that changes in dollars associated with the budget justification for drug abuse treatment have increased by over 70 percent from fiscal years 2008 to 2014, and from fiscal years 2010 through 2012 increased by more than 15 percent each year—which reflects BOP's efforts to expand its drug treatment services. While trends in the dollar amounts associated with medical care and drug treatment reflect a relatively significant increase from fiscal years 2008 to 2014,

changes in the dollar amounts associated with food and religious services remained relatively constant for this same time frame.

Our analysis of BOP's FMIS data also showed the proportion of dollars associated with the FMIS data fields that compose each PPA element. For example, we found that for fiscal year 2014, institution security constituted over 50 percent of the funding based on cost components that compose the Institution Security and Administration PPA element. (See fig. 8.) In addition, we found that for this same time frame, medical program composed 40 percent of the funding for the Inmate Care and Programs PPA element, and private prison contracts made up over 60 percent of funding for the Contract Confinement PPA element. (See figs. 9 and 10) For additional details on each of the narrative categories, see appendix II. In an era of scarce federal resources and given BOP's projected growth in inmate population and substantial increased costs in recent years, this additional detail could be helpful to congressional decision makers when reviewing BOP's budget justification and making determinations about where to increase or decrease BOP funding.

Figure 8: Comparison of Information in the Bureau of Prisons' (BOP) Fiscal Year 2014 Budget Justification for Institution Security and Administration Program, Project, and Activity (PPA) Element with Funding Amounts Associated with Data Fields in the Financial Management Information System (FMIS)

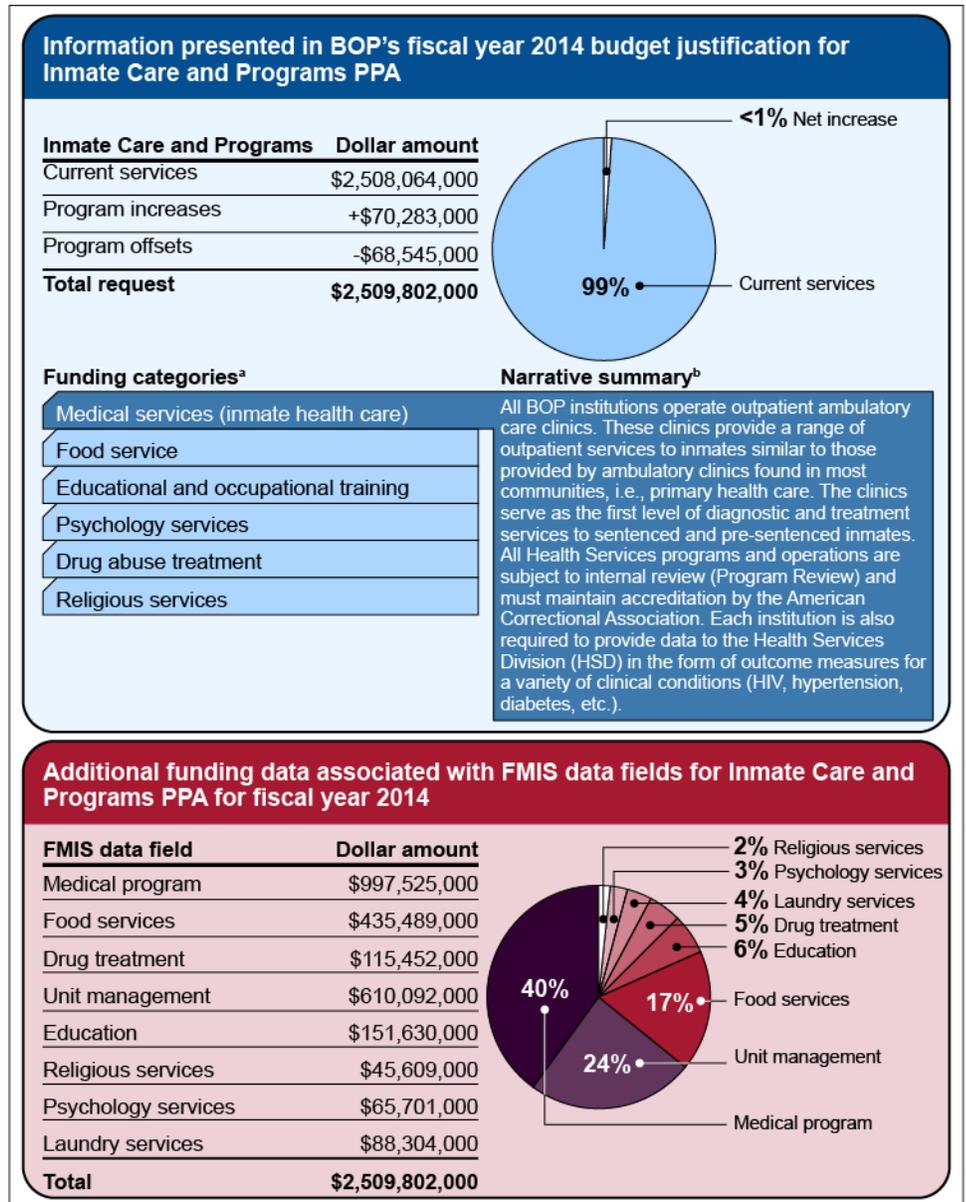


Source: GAO analysis of BOP budget data.

^aFor the purpose of analysis, we used the terms "category" and "subcategory" to describe the structure of BOP's budget justification, and although BOP officials did not use these terms to describe BOP's initiatives, services, and organizational units, they generally agreed to the use of the terms "category" and "subcategory" as a way to describe the organization of their budget justification.

^bThe figure reflects an example of the type of information provided in BOP's narrative summaries for its funding categories. For more details on narrative summaries for the other funding categories listed, see appendix II.

Figure 9: Comparison of Information in the Bureau of Prisons' (BOP) Fiscal Year 2014 Budget Justification for Inmate Care and Programs Program, Project, and Activity (PPA) Element with Funding Amounts Associated with Data Fields in the Financial Management Information System (FMIS)



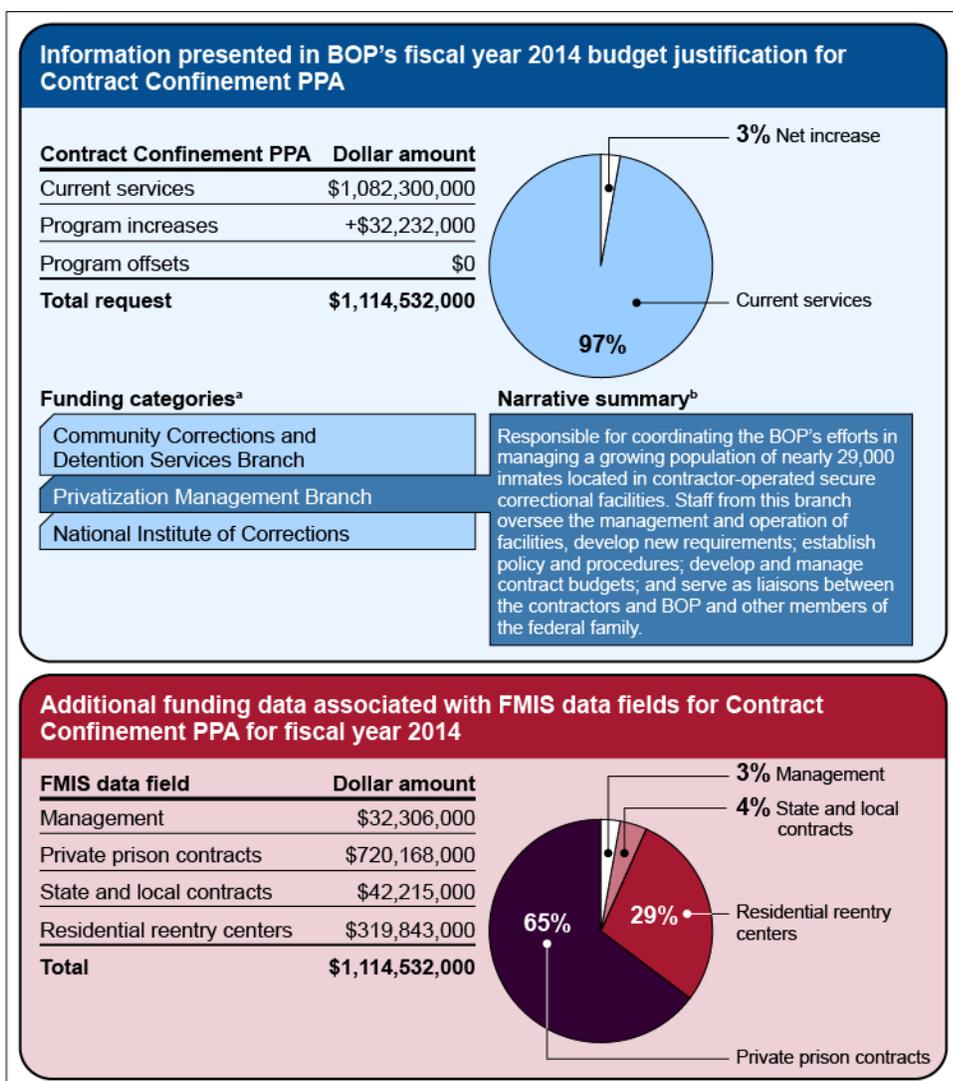
Source: GAO analysis of BOP budget data.

Notes: Percentages may not equal 100 because of rounding.

^aFor the purpose of analysis, we used the terms "category" and "subcategory" to describe the structure of BOP's budget justification, and although BOP officials did not use these terms to describe

BOP's initiatives, services, and organizational units, they generally agreed to the use of the terms "category" and "subcategory" as a way to describe the organization of their budget justification. ^bThe figure reflects an example of the type of information provided in BOP's narrative summaries for its funding categories. For more details on narrative summaries for the other funding categories listed, see appendix II.

Figure 10: Comparison of Information in the Bureau of Prisons' (BOP) Fiscal Year 2014 Budget Justification for Contract Confinement Program, Project, and Activity (PPA) Element with Funding Amounts Associated with Data Fields in the Financial Management Information System (FMIS)



Source: GAO analysis of BOP budget data.

Notes: Percentages may not equal 100 because of rounding.

^aFor the purpose of analysis, we used the terms “category” and “subcategory” to describe the structure of BOP’s annual budget submission, and although BOP officials did not use these terms to describe BOP’s initiatives, services, and organizational units, they generally agreed to the use of the terms “category” and “subcategory” as a way to describe the organization of their budget justification.

^bThe figure reflects an example of the type of information provided in BOP’s narrative summaries for its funding categories. For more details on narrative summaries for the other funding categories listed, see appendix II.

According to DOJ’s *Fiscal Years 2012-2016 Strategic Plan*, one of the department’s guiding principles is to promote transparency, performance, and accountability, including budget transparency.⁴³ According to the plan, the department and its components will continue to promote budget transparency, performance, and accessibility by coordinating with leadership and regularly reporting accomplishments, among other actions. Further, according to federal financial accounting standards, cost information can be used by Congress in making policy decisions about allocating federal resources among programs, authorizing and modifying programs, evaluating program performance, and making program authorization decisions by assessing costs and benefits.⁴⁴

BOP officials stated that they use historical cost information that BOP maintains in DOJ’s FMIS for budget execution and monitoring as an input to inform the annual budget development process. Specifically, budget development staff use data from the previous 3-year period for cost components in FMIS and adjust the funding levels based on projected changes in prison population and other factors to help them estimate the total funding needs for the future fiscal year by PPA. BOP officials further stated that they regularly provide additional information upon request on the budget justification to staff from congressional appropriations and congressional authorizing committees. For example, they said that JMD officials provide appropriators with funding information in response to requests for various congressional reports and hearings, as well as written responses to congressional inquiries related to the budget justification. To further clarify their budget justification to Congress and

⁴³Department of Justice, *Fiscal Years 2012-2016 Strategic Plan*, (Washington, D.C.).

⁴⁴Federal Accounting Standards Advisory Board, *Statement of Federal Financial Accounting Standards 4: Managerial Cost Accounting Standards and Concepts*, July 31, 1995. According to the standard, “It is important to note that the Board’s authority does not extend to recommending budgetary standards or budgetary concepts, and that is not the purpose of this statement. However, the Board is committed to providing relevant and reliable cost accounting information that supports budget planning, formulation, and execution.”

OMB, they said they have taken other steps, such as conducting tours of prison facilities with congressional and OMB stakeholders to demonstrate conditions and the basis for the President's budget request.

BOP's efforts to provide information upon request may meet some congressional committee needs; however, the additional information on projected costs would provide more detail on the cost drivers affecting the President's request for BOP and therefore facilitate congressional decision making. BOP officials reported spending a total of 40 staff hours to compile and analyze the quantitative information below the PPA level in order to recreate the historical quantitative information for the prior fiscal years. Thus, given that BOP already captures and has readily available this quantitative information below the PPA level as part of its annual budget development process, providing this more detailed information to congressional decision makers could facilitate congressional decision making by providing a more comprehensive understanding of the factors affecting BOP's budget and driving budget increases below the PPA elements. Consulting with congressional decision makers to determine if it would be helpful to include this information in its annual budget justification would help provide reasonable assurance that BOP is fully meeting congressional stakeholders' needs.

Conclusions

According to BOP officials, BOP's biggest challenges are managing the continually increasing federal inmate population while providing for inmates' care and safety, as well as the safety of BOP staff and surrounding communities, within budgeted levels. BOP officials project continuing inmate population growth and estimate increases in funding needs for the foreseeable future. Consultation with congressional decision makers could help BOP identify what additional information, if any, is needed, such as providing more comprehensive detailed information on projected costs using data already gathered by BOP. This could enhance the transparency of BOP's budget justification and the President's budget request and better inform congressional decision making.

Recommendation for Executive Action

To enhance the transparency of BOP's cost information as presented in DOJ's annual congressional budget justifications, we recommend that the Attorney General consult with congressional decision makers on providing additional BOP funding detail below the PPA level in future

budget justifications, and in conjunction with BOP, provide the data as appropriate.

Agency Comments

We provided a draft of the report to DOJ for comment. The department did not provide official written comments to include in our report. However, in an e-mail on November 21, the DOJ liaison stated that DOJ concurred with our recommendation. DOJ and BOP also provided technical comments, which we incorporated as appropriate.

We are sending copies of this report to the selected congressional committees, the Attorney General, and the Director of BOP, and other interested parties. In addition, this report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff have any further questions about this report, please contact me at (202) 512-9627 or MaurerD@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report are listed in appendix III.



David C. Maurer
Director, Homeland Security and Justice Issues

List of Requesters

The Honorable Charles E. Grassley
Ranking Member
Committee on the Judiciary
United States Senate

The Honorable Tom A. Coburn, M.D.
Ranking Member
Committee on Homeland Security
and Governmental Affairs
United States Senate

The Honorable John Cornyn
Committee on the Judiciary
United States Senate

The Honorable Orrin G. Hatch
Committee on the Judiciary
United States Senate

The Honorable Michael S. Lee
Committee on the Judiciary
United States Senate

The Honorable F. James Sensenbrenner, Jr.
Chairman
Subcommittee on Crime, Terrorism, Homeland Security,
and Investigations
Committee on the Judiciary
House of Representatives

The Honorable Jason Chaffetz
Committee on the Judiciary
House of Representatives

Appendix I: Dollar Amounts Associated with Bureau of Prisons' Budget Request Financial Management Information System (FMIS) Data Fields for Inmate Care and Programs

Dollars in thousands

FMIS data field ^a	2008	2009	2010	2011	2012	2013	2014
Medical program	\$664,650	\$766,768	\$881,271	\$989,611	\$1,049,803	\$1,047,842	\$997,525
Food services	330,026	346,715	374,704	414,675	430,234	407,556	435,489
Drug treatment	67,156	69,171	80,784	93,508	108,508	109,313	115,452
Unit management	470,970	468,029	560,354	562,789	551,150	620,722	610,092
Education	114,551	118,122	137,529	140,525	149,587	160,684	151,630
Religious Services	38,676	40,089	47,005	47,003	47,339	51,810	45,609
Psychology services	60,351	53,050	63,039	61,341	73,986	67,676	65,701
Laundry Services ^b	64,502	60,757	63,043	73,368	68,706	76,461	88,304
Total inmate programs	\$1,810,882	\$1,922,701	\$2,207,729	\$2,382,820	\$2,479,313	\$2,542,064	\$2,509,802

Source: BOP.

Notes: For fiscal years 2008 and 2009, BOP officials incorporated Management and Administration (M&A) costs into the other PPA elements in the Salaries & Expenses (S&E) and Buildings & Facilities (B&F) accounts. Therefore, the funding data in this appendix exclude dollar amounts associated for M&A for fiscal years 2008 and 2009.

^aAccording to BOP officials, they analyzed the funding data they collected for the following data fields in the Financial Management Information System to inform the amounts requested for each PPA, including the Inmate Care and Programs PPA element.

^bBOP officials stated that they maintain funding data for laundry services using the Inmate Services FMIS data field.

Appendix II: Narrative Summaries for Institution Security and Administration, Inmate Care and Programs, and Contract Confinement in the Bureau of Prisons' Fiscal Year 2014 Budget Justification

Institution security and administration	
Funding categories ^a	Narrative summaries
Sentry Information System	Each inmate is tracked through BOP's Sentry Information System. Offenders are assigned a security and custody status, which relates to the degree of supervision needed and ensures that offenders are placed in the least restrictive and least costly correctional environment appropriate to their custody and security-level needs. The result is a grouping of offenders with similar custodial needs in an institution, and a relative reduction in the mixing of aggressive and nonaggressive offenders.
Correctional Officers	<p>Within each institution, correctional officers are assigned to security posts that are primarily established on the basis of structural/visual considerations. The two basic categories of security are external security and internal security. External security consists of a walled or fenced perimeter supplemented by staffed security towers and armed mobile perimeter patrols. There is also razor wire strung between a double fence with high mast lighting to illuminate the perimeter and highly technical equipment such as alarm systems and video surveillance. Entrances through the perimeter are controlled by a series of gates, both electrical and manual, supplemented by metal detection systems and search procedures for weapon and contraband control. BOP has fully incorporated closed circuit television technology in its higher-security facilities, which has enhanced supervision and provides valuable intelligence in the management of federal inmates. For practical purposes, all other security measures, processes, and activities can be called internal security, commencing when an inmate is admitted and terminating upon his or her release.</p> <p>Staff supervise inmates in living units, work areas, visiting areas, dining halls, and any other area where inmates may be located or have access. Regularly scheduled counts are conducted several times a day (five on weekdays, six on weekends) in all institutions to monitor the whereabouts of inmates. Work supervisors and program personnel are held strictly accountable for all inmates under their supervision.</p>
Inmate Disciplinary Process	Violations of institution regulations are dealt with through the Inmate Disciplinary Process. Correctional staff members conduct investigations of the alleged misconduct and forward the findings to the Unit Discipline Committee. Depending on the seriousness of the charge, the Unit Discipline Committee will make a finding, or refer the report to the Discipline Hearing Officer for disposition. When practical, inmates are afforded the opportunity to participate in, and present evidence at a due process hearing before findings are made. Inmates may appeal these decisions utilizing the administrative remedy process.
Administrative Segregation	The Administrative Segregation program provides for the separation of inmates who require closer supervision and monitoring from those in the general population. Such cases include, but are not limited to, protective custody, serious escape risks, threats to the security and orderly running of the institution. The Disciplinary Segregation program provides for segregation of offenders who have been found guilty of violations of rules through the Inmate Disciplinary Process.
Facility Maintenance	<p>The Facility Maintenance program is designed to adequately maintain and continue to safely operate the physical plants of BOP institutions. Facilities vary in age from those recently constructed to those 100 or more years old. Thirty-four of the BOP facilities are over 50 years old. As of January 2013, BOP facilities are situated on 46,030 acres of land and contain approximately 63.4 million square feet of floor area, all of which must be maintained and furnished with utility services. Each institution maintains communication systems including complete private automatic branch exchange telephone systems, radio systems including base station and mobile units, and several electronic detection and control systems.</p> <p>Complex heating and air conditioning systems, high-pressure steam power plants, sophisticated hospital equipment, emergency electrical power systems and fire protection, and life safety systems all require regular maintenance. Despite energy-saving initiatives, discussed earlier in the budget, the growing inmate population and inflationary factors have significantly increased utility costs.</p>

**Appendix II: Narrative Summaries for
Institution Security and Administration, Inmate
Care and Programs, and Contract Confinement
in the Bureau of Prisons' Fiscal Year 2014
Budget Justification**

Institution security and administration

Funding categories^a	Narrative summaries
Physical Plant	<p>Physical plant requirements are identified through regular inspections conducted in the ongoing preventive maintenance program, formal semiannual inspections, and requests for specific needs identified by institution staff members. This program finances maintenance and minor improvement projects that normally cost \$10,000 or less. However, there are policy guidelines that allow funding of maintenance projects (work requests) costing more than \$10,000 in certain circumstances. Some exceptions would include emergencies or security threats such as hurricanes or disturbances. Maintenance and repair requirements in excess of \$10,000 are normally included in the Modernization and Repair program of the Buildings and Facilities budget.</p> <p>The work within the maintenance program is accomplished almost entirely by inmate crews under staff supervision. Each work crew consists of a staff foreman and 10 to 20 inmates. Each institution must have highly skilled staff with experience and training in every phase of construction and maintenance work including steam fitting, air conditioning, mechanics, or electronics repair. A few specific jobs are contracted out because special skills or equipment items are required, or because the work may be extremely dangerous. Examples of these jobs include elevator inspection and repair, radio frequency alignment, and water tower painting.</p>
Staff Training Academy	<p>The Staff Training Academy (STA) at the Federal Law Enforcement Training Center (FLETC) in Glynco, Georgia, provides introductory and advanced correctional training for BOP law enforcement staff. The Introduction to Correctional Techniques (ICT) program is a 5-week program for a total of 159 hours of instruction that is taught in two phases. Phase I consists of 2-weeks of training at the institution, and Phase II consists of a 3-week training program at the STA. The STA oversees the curriculum development and administration of the 2-week (56-hour) ICT Phase I course provided at all institutions for new employees prior to attending the ICT Phase II course at the STA. The ICT Phase II is a 3-week (103-hour) program of instruction that covers hostage situations, ethics, interpersonal communication skills, special offenders, diversity, inmate discipline, legal procedures, and so forth. Successful completion of this program (academics, firearms, and the Physical Ability Test) is required for continued employment of newly hired staff entering into law enforcement positions. In fiscal year 2012, 2,279 new employees participated in 60 classes of the ICT program. The STA provided advanced correctional skills training for trainers in disturbance control, firearms, bus operations, self-defense, and side-handle baton in fiscal year 2012. The STA also provides advanced correctional training for Marksman/Observer and Witness Security Escort. The majority of the advanced training programs are conducted at BOP institutions, resulting in substantial cost avoidance in training costs.</p>

Inmate care and programs

Medical Services (Inmate Health Care)	<p>All BOP institutions operate outpatient ambulatory care clinics. These clinics provide a range of outpatient services to inmates similar to those provided by ambulatory clinics found in most communities, that is, primary health care. The clinics serve as the first level of diagnostic and treatment services to sentenced and presentenced inmates. New institutions are typically given 2 years after activation to obtain accreditation from the Joint Commission. Care Level I institutions are not required to achieve or maintain this accreditation because they predominantly house healthy inmate populations. All Health Services programs and operations are subject to internal review (Program Review) and must maintain accreditation by the American Correctional Association. Each institution is also required to provide data to the Health Services Division (HSD) in the form of outcome measures for a variety of clinical conditions (HIV, hypertension, diabetes, and so forth). These evaluative and accreditation activities provide HSD with valuable data regarding the quality and appropriateness of health care in BOP. The majority of BOP medical staff are civil service clinical and support professionals, and the remaining staff are U.S. Public Health Service (USPHS) Commissions Corps Officers serving in a wide variety of clinical and specialty professions. USPHS provides these clinicians and administrators via an interagency agreement.</p>
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**Appendix II: Narrative Summaries for
Institution Security and Administration, Inmate
Care and Programs, and Contract Confinement
in the Bureau of Prisons' Fiscal Year 2014
Budget Justification**

Institution security and administration

Funding categories ^a	Narrative summaries
Food Service	<p>BOP provides daily meals with consideration to the Dietary Reference Intakes (DRI) for groups published by the Food and Nutrition Board of the National Academy of Sciences, for identified macro- and micronutrients. Meal preparation is accomplished primarily by inmate workers (about 12 percent of the population) under the supervision of staff. Food preparation and recipe and menu management are maintained by the use of a standardized national menu and a computerized Food Service management software system. United States Penitentiary Lompoc, California, and Federal Correction Institution El Reno, Oklahoma, utilize available land resources in limited production of beef and milk. Farm products are consumed at the producing institutions and are also shipped to nearby institutions to offset their need to purchase some products on the open market.</p> <p>During fiscal year 2014, BOP estimates serving over 206 million meals, which is nearly 566,000 meals per day and over 3.9 million meals per week. Despite cost containment measures, the annual costs have risen because of the growing inmate population and inflationary factors.</p>
Educational and Vocational Training	<p>Inmate education programs include literacy, English as a Second Language (ESL), occupational education, advanced occupational education (AOE), parenting, release preparation courses, and a wide range of adult continuing, wellness, and structured and unstructured leisure time activities. Education programming provides inmates with an opportunity to learn the functional skills that support their reintegration into the community. At the end of fiscal year 2012, 35 percent of the designated inmate population was enrolled in one of more education/recreation program. BOP's Office of Research has found that participation in education programs leads to a 16 percent reduction in recidivism by inmates who participate in these programs.</p>
Psychology Services	<p>Psychology Services staff are an integral part of correctional treatment, as they administer programs of group and individual psychotherapy, crisis intervention, prosocial skill building, and staff consultation and training. BOP policy requires that every inmate admitted to a BOP facility be given an initial psychological screening, which consists of psychological interviews, social history reviews, and behavioral observation. The purposes of the screening are to identify special treatment or referral needs, provide information useful in future crisis counseling situations, identify strengths as well as potential adjustment problems to imprisonment, and discuss possible program needs with the inmates and provide information about these programs. In addition, BOP psychologists have traditionally provided the courts, parole officials, and prison administrators with comprehensive psychological evaluations of offenders.</p> <p>Inmates with mental health needs are offered a range of services, including crisis counseling, individual and group psychotherapy, clinical case management, psychiatric treatment, and specialized residential treatment programs. Acutely mentally ill inmates may receive these services within BOP's Psychiatric Referral Centers. However, most mental health treatment is provided in regular institutions. In addition to the treatment of mental illnesses, Psychology Services provides specialized drug abuse treatment and sex offender treatment programs.</p> <p>BOP psychologists also offer treatment services designed to develop inmates' life skills, such as anger management, problem solving, social skills training, and stress management.</p>
Drug Abuse Treatment	<p>In response to the rapid growth of federal inmates with a diagnosis of a drug disorder (40 percent of inmates entering BOP), BOP continues to develop evidence-based treatment practices to manage and treat drug-using offenders. BOP's strategy includes early identification through a psychology screening, drug education, nonresidential drug abuse treatment, intensive residential drug abuse treatment, and community transition treatment.</p> <p>The Violent Crime Control and Law Enforcement Act (VCCLEA) of 1994 requires BOP, subject to the availability of appropriations, to provide appropriate substance abuse treatment for 100 percent of inmates who have a diagnosis of substance abuse or dependence and who volunteer for treatment. In fiscal year 2012, BOP was able to provide appropriate substance abuse treatment for 100 percent of eligible inmates.</p>

**Appendix II: Narrative Summaries for
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Budget Justification**

Institution security and administration

Funding categories ^a	Narrative summaries
Religious Services	BOP employs full-time chaplains in all institutions to accommodate the constitutional right to the free exercise of religion, manage religious programs, and provide pastoral care to inmates. Chaplains routinely evaluate the needs of inmates in the institution and facilitate programs that address those needs. Religious Services departments offer programs directly related to spiritual development, community reentry, family relationships, personal responsibility, and basic religious instruction. Chaplains provide spiritual programs across the spectrum of faiths represented in the inmate population. Chaplains also train and familiarize staff regarding diverse religious beliefs and practices of inmates while providing guidance for institution compliance with the First Amendment and legal standard established by the Religious Freedom Restoration Act and the Second Chance Act of 2007. The passage of the Second Chance Act of 2007 ushered in the opportunity to utilize mentors in the delivery of pastoral care. Policy is being developed to expand the use of mentors; 23 mentor coordinator positions have been approved at Life Connections and Threshold Program sites.

Contract confinement

Community Corrections and Detention Services Branch	Responsible for the general program and policy development for BOP's network of approximately 250 contract residential reentry centers. Community Corrections and Detention (CCD) also works with community corrections contracting (CCC) to offer technical assistance in the acquisition process for Residential Reentry Centers services. CCD provides technical assistance to BOP's 22 community corrections offices in the areas of contract oversight, case management, inmate systems management, and financial management. Responsibility for BOP's network of contract confinement facilities for federal juvenile offenders and short-term detention facilities also rests with CCD.
Privatization Management Branch	Responsible for coordinating BOP's efforts in managing a growing population of nearly 29,000 inmates located in contractor-operated secure correctional facilities. Staff from this branch oversee the management and operation of facilities, develop new requirements, establish policy and procedures, develop and manage contract budgets, and serve as liaisons among the contractors and BOP and other members of the federal family.
National Institute of Corrections	Also included in this decision unit is the National Institute of Corrections (NIC), a federal entity that is authorized by statute 18 U.S.C. §4351 to provide training, technical assistance, and information services to federal, state, and local correctional agencies, including BOP. NIC provides technical assistance by sending a technical resource provider or staff to the requesting agency, or an individual or team of individuals from the requesting system visits another agency to gain expertise and experience in the specific area of concern. In fiscal year 2012, NIC delivered 244 technical assistance training events to federal, state, and local justice agencies. NIC is also responsible for the National Corrections Academy (NCA), which serves as the training division that provides training and related services for federal, state, and local correctional practitioners. By developing and delivering training to prisons, jails and community corrections practitioners, the academy enhances interaction among correctional agencies, other components of the criminal justice system, public policymakers, and public and private stakeholder organizations, thus improving correctional programming throughout the country.

Source: BOP fiscal year 2014 budget justification.

^aFor the purpose of analysis, we used the terms "category" and "subcategory" to describe the structure of BOP's budget justification, and although BOP officials did not use these terms to describe BOP's initiatives, services, and organizational units, they generally agreed to the use of the terms "category" and "subcategory" as a way to describe the organization of their annual budget justification.

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

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Staff Acknowledgments

In addition to the contact named above, Chris Keisling (Assistant Director), Carol Henn (Assistant Director), Melissa Wolfe (Assistant Director), Kristen Kociolek (Assistant Director), Vanessa D. Dillard, John Vocino, Billy Commons, Pedro Almoguera, Lara Miklozek, Linda Miller, Mary Catherine Hult, and Eric Hauswirth made key contributions to this report.

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