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THE FEDERAL BUREAU OF PRISONS' EXPERIENCE
WITH PRIVATIZATION

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Abstract

Privatization in corrections has received a good deal of attention recently due to the marketing and use of private prisons. Many reports and articles have been written on the advantages and disadvantages of private prisons, but there is little analysis to support some authors' positions. The first part of this paper relates the Federal Bureau of Prisons' experience with private contracting. Examples of large-scale contracting for services are mentioned, with particular attention placed on contracts with private correctional facilities. The second part of the paper discusses the Bureau of Prisons' experience with private correctional facilities in relation to various issues raised by critics of private prisons. Thus far, the primary benefit of privatization to the Bureau of Prisons has been the flexibility afforded by contracting.

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Privatization in government refers to private sector involvement in typically governmental activities through contracts, the issuing of vouchers for services, deregulation, the selling of government assets, and voluntary citizen participation (President's Commission on Privatization, 1988; Savas, 1987). Private sector involvement in corrections in recent times has been limited mainly to the contracting out of certain programs and services such as education and vocational training, halfway house and aftercare programs, staff training, health and medical services (Camp and Camp, 1984), and prison industries (Sexton et al., 1985). Correctional administrators who contract for programs and services have done so out of concern for the quality and cost of services, and the flexibility afforded through contracting (Camp and Camp, 1984).

The private sector has been involved in operating juvenile facilities and non-secure, community-based adult residential correctional facilities for several decades. Lately, however, the private sector has become increasingly involved in the operation of secure facilities. The impetus for privatization of secure prisons comes from two main sources: (1) the courts, which have ordered improvements in prison conditions in numerous jurisdictions; and (2) public concern over the rising cost of government. The marketing and use of private prisons has led to a lively debate over the advantages and disadvantages in relation

to legal, financial, and operational considerations (Anderson et al., 1985; Bowditch and Everett, 1987; Brakel, 1988; Cikins, 1986; Cullen, 1986; DiIulio, 1988; Evans, 1987; Gentry, 1986; Gruber et al., 1987; Hackett et al., 1987; Keating, 1985; Logan, 1989; Logan and Rausch, 1985; Mayer, 1986; McConville, 1988; Mullen et al., 1985; Ring, 1987; Robbins, 1988; Thomas et al., 1988; Woolley, 1985). This paper relates the Federal Bureau of Prisons' experience in contracting with the private sector. It reviews the various types of large-scale contracts the Bureau has procured, particularly with private correctional facilities. The paper also discusses the way in which some issues raised by private prison critics relate to the Bureau of Prisons' experience. All information in this paper was current as of June 1989.

The Federal Bureau of Prisons' Experience

The Federal Bureau of Prisons (BOP) for many years has relied on some contract services in its institutions. Most of these contracts have dealt with the provision of health services and educational services. Almost all institutions have contracts with doctors, dentists, optometrists, and other medical professionals who serve as consultants or who supplement the facilities' hospital operations. Contract health services personnel provide services both within the institution and from their offices in the community. In addition, many institutions have contracts with local hospitals to provide inpatient treatment when care is beyond the capabilities of institution resources. Costs for outside medical care in the BOP came to \$20.72 million in 1988 and

are expected to total \$24.45 million in 1989 (State of the Bureau, 1988). Many BOP institutions also have contracts with private security companies to provide guard services when inmates are admitted as patients in community hospitals.

The majority of BOP institutions also contract for some educational services. Most of the contracts are with individual educators who provide instruction in areas such as Adult Basic Education, General Education Development, and English as a Second Language. Contracts with community colleges and junior colleges in local communities provide instructors for Adult Continuing Education and Post-Secondary Education programs. Other contracts are secured for vocational training and technical trade education by outside instructors. The majority of educational contracts are for part-time services.

Three examples where the BOP contracted for a large service operation in a facility are the food service contract at the Federal Prison Camp (FPC) in Duluth, Minnesota; the medical services contract at FPC Duluth; and the medical services contract at the Metropolitan Correctional Center (MCC) in Chicago.

Food Service Contracts at FPC Duluth

When FPC Duluth first opened, a 120-day temporary contract for catered food service was awarded to the Neil Bort Company of Duluth, Minnesota. The cost was \$6.45 per inmate per day. The contract provided meals until kitchen equipment was ready at the institution for on-site food preparation. A second contract was awarded to Best, Inc., of St. Paul, Minnesota, and ran from

February to September 1984. The Best, Inc., contract cost was \$4.12 per inmate per day. At contract renewal, new bids ranged from per diems of \$4.64 to \$8.57. No contract was approved due to the high cost of submitted bids. The institution resumed in-house food service operation at a cost of \$3.46 per inmate per day.

An evaluation of the food service contract concluded that inmates felt the quality, variety, appearance, and selection of the food was better during the Best, Inc., contract operation and declined afterward. Inmates were also asked to compare the quality, variety, and appearance of food and the sanitation of the facilities at Duluth to that of other institutions where they had been incarcerated. Proportions of respondents who rated various dimensions of FPC Duluth's food service as much better than other institutions were highest during the period of the Best, Inc., contract. A comparison of the contract at Duluth to the Government food service operation at three other Federal prison camps found that two camps located on military bases received the best ratings. These camps are on Air Force reservations and often received food and sundries to supplement their food budgets. The other comparison camp, which was not on a military base, received ratings generally below the contract operation at Duluth (Gaes and Giglio, 1985; Gaes et al., 1985).

Medical Services Contracts at MCC Chicago and FPC Duluth

The difficulty of filling medical positions at both MCC Chicago and FPC Duluth due to the location of the facilities and the salary levels available for staff prompted a pilot program for

contracting services. A contract at MCC Chicago in late 1984 was awarded to Basil Health Services. The contract lasted for a couple of years and was not renewed.

The first contract at FPC Duluth was also with Basil Health Services. That contract ran from 1983 to March 1986. At that time, a new contract was secured with St. Luke's Hospital in Duluth. The contract stipulates 16 hours of coverage every day with medical and dental services provided by practitioners during weekday hours. Some inpatient services are also provided at St. Luke's Hospital. The only BOP staff member inside the institution hospital is the facility's hospital administrator. The hospital administrator is also the contract monitor. Contract staff have passes which allow them to move unescorted around the institution. This relieves Bureau staff from having to supervise contract staff and allows contract staff to respond immediately to medical emergencies. Many of the contract staff also participate in Bureau training. The contract is scheduled for renewal every year based on performance criteria and assessments by the contract monitor.

While no evaluations have been done on the specific medical service contracts at FPC Duluth or MCC Chicago, a more general survey on outside medical contracts provides some interesting information. In the survey, BOP wardens, institution hospital administrators, and chief medical officers related that use of community medical treatment was primarily for emergency care. Other considerations for use included liability and responsibility concerns, unavailability of bed space at a medical referral

institution, the capabilities of institution professionals for emergency or postoperative care, and costs of transportation and escorting staff. Liability was especially important as most respondents placed perceived medical liability at a standard equal to or better than the level of care in the community. Further, increasing costs of contract medical care were viewed to be the result of the general increase in medical costs, liability concerns causing more reliance on outside experts, and an increasing number of inmates with chronic health problems (Gaes and Giglio, 1984).

Previous Secure Facility Contracts

While the majority of facility contracts are with non-secure halfway houses, the Bureau of Prisons has had some experience contracting with private secure facilities. In April 1983, the BOP contracted with Eclectic Communications, Inc., for space at the Hidden Valley Ranch facility in La Honda, California, to house older, more sophisticated juvenile offenders. That phase of the contract ended in July 1984. The average daily population was 21. The contract was redefined and, from August 1984 to January 1986, 60 beds at the La Honda facility were used to house offenders sentenced under the Youth Corrections Act (YCA). During the YCA phase, the average daily population was 46. Flexibility was the reason for contracting. During the second part of the contract's time period, the population of YCA offenders in the BOP rose to a level necessitating bed space beyond that available in Bureau YCA facilities. At that time, YCA offenders (youths) could not be housed with adult offenders and entire institutions were designated

as YCA facilities. The repeal of the Youth Corrections Act in 1984 has led to a significant reduction in the YCA offender population. The contract provided the flexibility to house some YCA offenders without acquiring additional permanent space. While expensive, the contract was viewed as cost-effective based on the short-term need. The cost per inmate per day was \$92. This included the per diem charged by La Honda, the placement of a full-time BOP employee at the facility, and the costs of some education and vocational programs. In comparison, the per capita daily costs at the Bureau's YCA institutions was approximately \$55. However, the populations at these public institutions were approximately six times the number of inmates at La Honda, which helped reduce the cost per inmate (Hearings, 1986).

Another experience the BOP had contracting for a secure facility was the agency's use of the Houston Processing Center under a contract which the Immigration and Naturalization Service (INS) has with Corrections Corporation of America. The Bureau's use ran from September 1984 to early 1987. Use of this facility was discontinued after other contracts were established with facilities and providers in the southwestern United States. The Houston facility housed up to 80 short-term illegal aliens serving Federal sentences and who were awaiting deportation proceedings following completion of their sentences. The average daily population was approximately 61. Again, the BOP's need for flexibility was the reason underlying this contract. While the sentenced aliens were kept physically separated from other INS

detainees, the proximity of their incarceration eased the transition to INS jurisdiction and processing upon completion of their Federal sentences (Hearings, 1986). The daily cost per inmate was \$26.84. This compares to INS operated detention centers which range in per diems from \$17.65 to \$68.14 and average out at \$31.89 (Ring, 1987).

Juvenile Facility Contracts

The Bureau of Prisons currently has contracts with 13 private facilities for housing juvenile offenders. BOP contract quotas for bed space range from 1 to 25 with an average of about 10 beds per facility. Per diem costs range from \$38 to \$179.34 with an average daily cost of \$74.46. The 4 facilities with contract quotas of more than 10 juveniles, and which filled at least half of their quota on average are described below.

The Glen Mills School in Concordville, Pennsylvania, has been under its current contract since October 1987. The daily per capita cost is \$82.61. The Glen Mills School is a 640-bed campus-like facility for male delinquents age 15 to 18. The overall program emphasizes education, vocational training, peer interaction, pro-social value learning, group counseling, and athletics.

The Missouri River Adolescent Development Center in Chamberlain, South Dakota, has been under its current contract since October 1988. The daily per capita cost is \$70. The center is a 60-bed coed facility for clients age 13 to 18. The program emphasizes positive peer counseling, drug and alcohol treatment,

and mental health issues.

The Santa Fe Detention Center in Santa Fe, New Mexico, is a 153-bed detention facility for adults and juveniles. The center is operated by the Corrections Corporation of America and has contracts with the county, the U. S. Marshals, and the BOP to house offenders under these agencies' custody. The BOP's current contract runs from October 1987 to August 1989. The daily per capita cost is \$62. There are seven BOP juvenile offenders at the facility. The contract quota is 12. The ages of the youths range from 17 to 19. The most common offenses are homicide and assault. Sentence lengths range from 6 months to 4 years and 7 months with an average length of 34.7 months. Four (57%) of the BOP inmates are residents of New Mexico.

The Laredo Processing Center in Laredo, Texas, is a 208-bed detention facility for adults and juveniles. The center is operated by the Corrections Corporation of America and is under contracts with the Immigration and Naturalization Service, the BOP, and the Texas Youth Commission. The Laredo center houses juveniles for the Bureau under a contract from October 1986 to October 1989. The daily per capita cost is \$45. There are 26 inmates ranging in age from 15 to 20. The center is housing 1 more than the contract quota of 25. The most common offenses are narcotics violations and homicide. Sentence lengths range from 6 months to 6 years and 7 months with an average length of 34.8 months. Close to half (46.2%) of the BOP inmates are Mexican citizens.

Adult Facility Contracts

At present, the BOP uses space for adults in three facilities managed by private firms through contracts with the private company or contracts with the local jurisdictions. In one case, the BOP has a direct contract with a private firm for six beds at the Volunteers of America Regional Corrections Center in Roseville, Minnesota. The center is a 40-bed detention facility for short-term convicted females. Volunteers of America operates the center and is under contracts with the county, the State, and the BOP to house females. The latest 3-year contract for female offenders began in October 1987. The per diem cost is \$66.03. While the BOP's quota is for six beds, at present there are no inmates under Bureau contract at the center.

The Bureau has a contract with the county commission in Reeves County, Texas, for 480 spaces in the Reeves County Law Enforcement Center which are used primarily to house male deportable alien offenders. The facility is a 532-bed detention center operated by Corrections Corporation of America. Bureau of Prisons' institution staff screen their caseloads for alien offenders from Central and South America with deportation proceedings either pending or very probable. Many of these inmates are referred to the center. The latest contract became effective in May 1988. The Intergovernmental Agreement with Reeves County is subject to cancellation at any time with adequate notice. The daily cost per inmate is \$31. Characteristics of the BOP inmates at this center are elaborated in Table 1. There are 277 BOP inmates at the center

ranging in age from 19 to 62. Average age is 31.9 years. Common offenses are narcotics violations (n=133, 51.6%) and immigration violations (n=105, 40.7%). Sentence lengths range from 1 month to 12 years, with an average length of 33.7 months. Most inmates are citizens of Mexico (n=202, 72.9%) and Colombia (n=30, 10.8%). A computerized roster indicates that detainers are lodged against 78 percent of the inmates. An examination of a 25-percent random sample of computerized files indicates that the detainers are with the Immigration and Naturalization Service. Many are noted as deportation detainers.

/ Table 1 about here /

The BOP's other contract with a local government is a 326-bed contract for male inmates with the city of Eden, Texas. The facility is the Eden Detention Center and is operated by a private firm of the same name. The first contract began when the facility opened in October 1985. The latest contract began in April 1989 and expires in March 1992. The per diem at this center is \$32.14. Table 1 also profiles the BOP inmates at this facility. The 303 BOP inmates at Eden range in age from 18 to 67, with an average age of 31.9 years. Common offenses are immigration violations (n=133, 45.4%) and narcotics violations (n=133, 45.4%). Sentence lengths range from 2 months to 20 years with an average length of 37.5 months. Under the City of Eden contract, the Bureau uses the Eden Detention Center primarily to house short-term illegal aliens pending deportation. The overwhelming majority (77.9%) are Mexican citizens. Detainers are lodged against 71 percent of the inmates.

An examination of a 25-percent random sample of computerized files indicates that these detainees are also lodged by INS.

Community Corrections and Contracting

In 1961, the Bureau of Prisons initiated a program to place inmates who were within a few months of their release in community halfway houses. Such placement was intended to allow inmates to secure viable post-release employment and residence and to effect their gradual transition back into the community. By the early 1970's, the BOP relied heavily on contract halfway houses and supplemented the program with nine federally operated centers. In 1981, the Federal Community Treatment Centers (as they were called at that time) were closed, resulting in complete reliance on contract centers. Due partly to reorganization and partly to the new Federal sentencing guidelines, which are increasing the number of convicted offenders with short sentences, the mission of halfway houses under Federal contracts has changed slightly. Centers are still used primarily for pre-release purposes, but are also used to house offenders with community-based needs as stipulated by the court. The determining factors in pre-release cases are the needs of the inmates, the ability to place inmates in or near their eventual release residences, and the protection of the community based on the inmates' offenses and backgrounds. The BOP now refers to these facilities as Community Correctional Centers (CCC's).

Contracting with private CCC's for pre-release purposes is only part of the Bureau's total contracting picture. The BOP has contracts with a total of 686 State, county, and city agencies and

private providers to house pre-release inmates, inmates with short sentences, long-term boarders, and juveniles. There are 6035 inmates in these contract facilities. That is 11.1 percent of the Bureau of Prisons' total population.

/ Table 2 about here /

Table 2 displays information on the number of contract facilities and number of inmates in these facilities by the type of agency or contract provider and the type of facility. Most of the contracts are with numerous counties for adult detention center space and with private community correctional centers. Information on some private juvenile contracts and the private adult detention center was provided earlier. The overwhelming majority of private contracts (94%) are for space in community correctional centers. The total number of private contracts (232 or 34%) is second to the total number of county contracts (324 or 47%). However, the number of inmates placed with private contractors outweighs the number placed in State, county, and city facilities.

Of all inmates in contract facilities, half (3096 or 51%) are in privately operated CCC's. Private contractors hold half the juveniles as well as almost two-thirds of the total number of adults in contract facilities. The total number of inmates in private hands is greater than it appears in the table. One of the city contracts (Eden, Texas) and one of the county contracts (Reeves County, Texas) are actually for facilities that are subcontracted to private providers. Between them, they add 580 adult inmates to the total under private supervision. This is 36

percent of the total in adult long-term boarding facilities and it raises to 62 percent the proportion of all contractually confined inmates who are in facilities operated by the private sector.

Looking just at direct private contracts, 98 percent (3096) of the 3156 inmates involved are in CCC's and 2 percent (60) are in juvenile facilities. Counting the 580 inmates in Reeves County and Eden, Texas, however, changes the distribution. Of the 3736 inmates who in fact are held in a privately operated facility, whether by direct contract or subcontract, 83 percent are in CCC's, 15 percent are in adult long-term boarding, and 2 percent are in juvenile facilities.

Issues of Concern With Private Facilities

Critics of private prisons have raised concerns with regard to the legality, cost, operational guidelines, treatment of inmates in the event of service disruption, contract specifications, and other issues connected to the operation of private prisons. Some of these topics can be addressed by examining the Bureau of Prisons' experience with contracting. None of the facilities for which the BOP contracts is the "medium or maximum security adult prison for regular sentenced offenders" which is the type of facility many writers address. However, relating some of the issues raised by private prison critics to the BOP's experience provides useful information to administrators who may share the critics' concerns or who may need to answer to people with such concerns.

Legality

With regard to the legality of contracting with private prisons, communications from the Office of General Counsel have stated that the BOP believes there is statutory authority to place offenders in private facilities. Sentenced Federal inmates are committed to the custody of the Bureau of Prisons. The Bureau designates the place of imprisonment. The BOP may designate any available penal or correctional facility that meets the minimum standards of health and habitability established by the Bureau, whether maintained by the Federal Government or otherwise and whether within or without the judicial district of conviction. In determining the appropriateness and suitability of a facility, the BOP must consider the facility's resources, the inmate's offense and background, court recommendations, and U. S. Sentencing Commission policies. Transfers from one facility to another take into account these same matters (18 U.S.C., Section 3621; 18 U.S.C., Section 4082). Authority to contract with States, territories, and political subdivisions is related in statute (18 U.S.C., Section 4002; 18 U.S.C., Section 5003), while authority to contract with private vendors is guided by procurement law.

Cost

With regard to costs, Table 3 displays the minimum, maximum, and average daily cost broken down by the type of facility and type of agency. In general, the costs of private contract facilities compare favorably to costs of public contract facilities. In two instances, an "average" is displayed, but this figure actually

represents the cost of one contract. This is apparent where the minimum, maximum, and average costs are equal. The cost of the contract for the Volunteers of America private adult detention centers (\$66.03) is somewhat higher than the average costs of public facilities. The cost of the city adult long-term boarding facility (\$32.14) is the cost of the Eden Detention Center where the contract is with the city. The average of the county adult long-term boarding facilities (\$40.90) includes the Reeves County Law Enforcement Center where the contract is with the county. The private subcontractor's per diem is \$31.

/ Table 3 about here /

Flexibility

While cost is important in eventually securing a contract, the primary reason for contracting is the flexibility it affords. At one time, the BOP operated some Federal Community Treatment Centers, but it now relies solely on private and public agency contracts. There are 107 juveniles in the BOP--hardly a sufficient number to warrant a cost-effective institution for this particular subpopulation's needs. This is especially true given that placement close to home is an important consideration. Because juvenile offenders cannot be housed with adults, contracting provides the ability to place juveniles in facilities near to their home, family, or release residence. From a therapeutic viewpoint, the option to contract is more appealing than, for example, housing all juveniles in an isolated unit at a Federal facility. The need for flexibility of location is exemplified in the private juvenile

facilities as 7 of the 13 contracts are distant from major population centers and are in the State of South Dakota. Two-thirds of the juveniles in the South Dakota facilities are residents of that State. The juveniles at the Laredo Processing Center are from Texas, Arizona, New Mexico, and the country of Mexico. The juveniles at the Santa Fe Detention Center are from New Mexico, Arizona, and Kentucky.

The flexibility involved in the previous contracts with the Hidden Valley Ranch facility and the Houston Processing Center was discussed earlier. At this time, the Reeves County Law Enforcement Center and the Eden Detention Center provide detention needs for many of the BOP's aliens who will most probably require deportation to Central and South America.

Operational Guidelines

Many writers mention contract specificity as a means to avoid the potential for problems. Contract community correctional centers must follow guidelines expressed in a rather extensive statement of work. Careful monitoring of all contract facilities is accomplished through the Bureau's community corrections managers, who are the contracting officer's technical representatives. The statement of work is a detailed document that describes the contractor's role, duties, and requirements. Illustrating its detail is the following list of many of its components and requirements: (1) standards of policy communication and general facility administration; (2) staffing and standards of employee conduct; (3) facility location and sanitation;

(4) residents' comfort and hygiene; (5) health, fire, and safety codes; (6) food and medical services; (7) intake procedures and resident program planning; (8) resident employment and subsistence payments; (9) drug and alcohol testing; (10) passes and furloughs; (11) searches; and (12) discipline.

Some writers question whether private companies might increase their rates after establishing a secure relationship that makes the government agency reliant on the private firm as sole provider for a need. To prevent such an occurrence, contracts should be reviewed frequently. It has been suggested in many sources that a good contract length is 3 to 4 years. By law, Bureau of Prisons' contracts with private entities cannot exceed 5 years. Table 4 displays information on the minimum, maximum, and average length of contracts broken down by the type of agency and the type of facility. Many of the contracts with private providers are written as 1-year contracts with renewal options for the next 3 years or 2-year contracts with renewal options for the next 3 years. Data in the table relate the 1-year or 2-year periods when the contract is one of these types. Other contracts are really 1-year purchase orders for services with no stipulation of option years. The vast majority (91%) of contracts with other government agencies are established by Intergovernmental Agreements that are subject to cancellation at any time with adequate notice. These contracts essentially have an indefinite length and are not incorporated in the table. The contract with Reeves County for the Reeves County Law Enforcement Center falls into this last category.

/ Table 4 about here /

Facility contracts with private firms have an average contract length within or below the suggested length of 3 to 4 years. In fact, averages of all contracts that have definite lengths meet the suggested criterion. The contract with the City of Eden using the Eden Detention Center for adult long-term boarding is for 3 years.

Service Disruption

Some private prison critics express concern about the treatment of inmates in the event of service disruption which could come in the form of labor disputes, strikes, or bankruptcy. In such an event, the great number of public and private contract facilities in addition to Federal correctional institutions allow for the temporary relocation of inmates to other appropriate facilities. This is an advantage distinct to large systems with numerous facilities. While this could result in short-term overcrowding, efforts to secure new and appropriate locations would follow. For example, in early 1989 a CCC contract was terminated immediately upon discovering improprieties with the facility's owner. Approximately 100 Federal inmates resided at the facility. The cases were immediately reviewed by community corrections staff from the local and regional offices. About one-third of the inmates were placed in home confinement. One condition of this placement was periodic reporting to community corrections staff. Those inmates who were at the facility as a condition of probation were released to supervision with the U. S. Probation Office. The remaining inmates were placed in halfway houses in the local area

and in another large city. All pending transfers were cancelled.

While the number of inmates affected in the above incident is well below the number in the average correctional institution, the example illuminates the process of relocation after service disruption with a private provider. The BOP certainly has experience relocating large numbers of inmates. Following the disturbance involving the Mariel Cuban inmates at the Federal Detention Center, Oakdale, Louisiana, 988 inmates were temporarily housed at 11 BOP facilities and 1 military installation. During and after the disturbance involving the Mariel Cuban inmates at the U. S. Penitentiary, Atlanta, Georgia, 1591 inmates were temporarily housed in numerous facilities throughout the country. The Air Force and Coast Guard assisted the BOP at Atlanta by providing aircraft for transportation (Report to the Attorney General, 1988). When provisions and space were made available, the Cuban inmates were transferred to secure units in nine different Federal institutions.

A second example of service disruption involves the Eden Detention Center. Some proponents of privatization have predicted that response to service disruption at private prisons would be handled in a manner similar to the way such events are managed at public prisons. That is, an emergency plan would include provisions for assistance from other law enforcement agencies until the private company could regain staffing control. On May 23, 1989, some inmates at the Eden Detention Center initiated a work stoppage to protest conditions and induce access to BOP personnel.

The inmates' complaints addressed a lack of clothing and toilet articles, unsanitary conditions in food service, unsatisfactory recreation facilities, inadequate space for religious services, unsatisfactory leisure time materials, and poor communication with staff. At the onset of the disturbance, some staff members left their posts and assembled in the administration building.

The disturbance ended peacefully the next day; however, approximately 150 law enforcement officers from numerous Federal, State, and local agencies were on hand for support and security during the disturbance. About 60 were BOP staff from the regional office, the community corrections office, and 3 nearby Federal facilities. Federal institution staff included three Special Operations Response Teams trained in disturbance control. Vehicles from the three Federal facilities were available to transport inmates if necessary. BOP administrators provided technical assistance, served on the negotiating team, and scrutinized the center's operation prior to leaving the site. Community corrections staff remained on site for an extended period of time to assure that the negotiated agreements would be resolved.

As a result of the disturbance, Eden Detention Center has developed a more detailed emergency plan. In addition, the BOP has developed contingency plans on how to evacuate the inmates at Eden, Reeves County, and another large public contract facility if necessary. The plans address coordinating transportation from INS, the U. S. Marshals, the BOP, and a private contract bus service, and locating available bed space in county jails and nearby Federal

facilities.

Other Operational Considerations and Contract Specificity

In many contract detention centers, boarding facilities, and juvenile facilities, the inmates are required to follow the rules and regulations of the facility as approved through the terms of the contract. For CCC's, the BOP has expressed an elaborate procedure for handling disciplinary matters. This procedure specifies prohibited acts, provides for action by a center disciplinary committee and possible referral and review by the community corrections manager, and designates appropriate sanctions which include referral back to a secure BOP institution.

An intergovernmental agreement and statement of work for contract confinement services define and describe contractual agreements with private detention centers that house BOP inmates. The intergovernmental agreement defines the contractual relationship, financial relationship, and lease agreement. The statement of work is a document tailored to the needs prompting the contract and details the administration, fiscal management, staffing patterns, personnel and training requirements, facility requirements, security and supervision of inmates, discipline procedures, inmate services, and inmate programs. For example, following the BOP's philosophy of providing humane incarceration in safe, secure, and sanitary facilities, the Statement of Work for the Eden Detention Center and the Reeves County Law Enforcement Center cover the above mentioned topics with particular emphasis on inmate services, inmate programs, and security issues.

Administration provisions include reference to a statute authorizing the establishment of the facility, written policy that provides for legal assistance, and a public information program encouraging contacts with the public and news media access to the facility. Security issues cover topics such as perimeter security, surveillance, and inmate accountability. There must be written policy regarding use of restraints, use of firearms, use of chemical agents, searches, tool and key control, and use of vehicles. Use of force is restricted to instances of justifiable self-protection, protection of others, protection of property, and prevention of escapes. There must be written emergency plans describing procedures in the event of escape, riot, the taking of hostages, fire, or adverse weather. There must be a written plan providing continuing operation of the facility in the event of a work stoppage. With regard to time being served, an inmate's release date is verified by the community corrections manager (CCM). Release dates cannot be changed without approval of the CCM or the U. S. Parole Commission. In addition, only the CCM can grant extra good time, or forfeit or withhold good time as a result of a disciplinary infraction. In fact, as stipulated in the contract, these private facilities' disciplinary procedures mirror the discipline policy of the BOP. Finally, reimbursement for boarding and release expenses is done monthly through a standard voucher procedure.

Related Privatization Issues in the Federal System

For the past few years, the BOP has included a request in its

budget for the funding of a private prison contract. The 1989 budget request included a pilot project to contract with a private firm to construct and/or renovate, staff, and manage a minimum security prison for 500 offenders. The 1990 budget request includes funds to contract with the private sector to house approximately 250 short-term sentenced aliens.

The BOP is also initiating a contract with a private firm to manage the Federal Prison Industries operation at one institution. The automatic data processing contract has been submitted for bids and will operate at the Federal Correctional Institution in Fairton, New Jersey. The Bureau of Prisons is also exploring issues regarding joint industry ventures with private firms.

Discussion

The main reason the BOP has initiated contracts with the private sector and, in particular, with private correctional facilities is the flexibility offered by such arrangements and the reasonable costs of contracting. The need for contract educational and health services varies by institution and location. The use of contract services allows for the supplementing of Government staff to meet inmates' needs. The use of private community correctional centers supplements all CCC contracting and allows for the placement of many pre-release inmates near their eventual release residence and many short-term offenders in community-based facilities. The fluctuation of contracts and the range of quotas for Federal inmate bed space at CCC's exemplifies the BOP's commitment to meeting inmates' needs. The use of private secure

facilities for long-term boarding of Federal inmates also allows for flexibility on the part of the Bureau.

Recently, the private operation of correctional facilities has been limited to certain subpopulations of offenders (e.g., juveniles, deportable aliens, immigration detainees, jail detainees, pre-release inmates, and parole violators). The BOP contract with the Hidden Valley Ranch facility allowed for the housing of additional offenders convicted under the Youth Corrections Act until that subpopulation decreased to a number that made it practical to place them all in Federal YCA facilities. Other contracts with private facilities allow for the housing of large numbers of aliens facing probable deportation. Prison capacity constraints in southern California have made consolidation of this largely homogeneous subpopulation in contract facilities in southwestern Texas a reasonable alternative.

Since 1985, writers have been mentioning how private prisons might help conditions of confinement by helping to relieve overcrowding. Reports around that time noted how numerous correctional agencies had institutions or their entire system under court orders for improvements. With speed in constructing facilities as one of the proposed advantages, it might seem surprising that there is only one private prison for a "mainstream" sentenced population in the country--a 200-bed institution for female inmates. However, using private facilities for certain subpopulations helps to relieve population pressures system-wide. It is possible that the cost savings potential that makes a private

prison profitable and the inmate and public welfare issues that are of concern to correctional agencies restrict private prison management to certain subpopulations of offenders.

More specifically, it is arguable whether the flexibility gain and cost benefits identified in this paper would extend also to contractual management of more "mainstream" facilities, particularly when considering the emphasis the BOP places on having a variety of services, programs, and staff available for inmates. The emphasis on quality services in educational programs, medical services, psychological counseling, recreation, food service, and large-scale industry operations, exemplifies the Bureau's commitment to providing for inmates' needs. The issue of staff availability is particularly emphasized in the unit management approach. This management strategy locates unit managers, case managers, and counselors in the inmate housing units, facilitating inmate access to essential decision-making staff and providing for greater general security of the facility. Whether or not private companies can provide these same services for less cost or better services for the same cost is questionable. With these factors in mind, synthesized with the analysis of the "marginal" benefits of flexibility at reasonable costs for the facilities analyzed above, it is not likely that contracting for single facilities will extend beyond certain subpopulations of inmates. It is those subpopulations that do not require stringent security or elaborate programs, such as geriatric and nonambulatory inmates, short-term deportable aliens, and some short-term minimum security sentenced

offenders, that are appropriate for housing in contract correctional facilities.

Predictions of the expanding role of the private sector in the operation of prisons and detention facilities are becoming more common (e.g., Bayer, 1989; Thomas, 1989; Touche Ross, 1987). At present, however, the Bureau of Prisons views the benefit of private facilities with regard to the flexibility afforded in controlling a rapidly increasing inmate population by contracting out for the care and custody of appropriate subpopulations of offenders.

Table 1. DESCRIPTION OF THE BOP INMATES AT THE REEVES COUNTY
LAW ENFORCEMENT CENTER AND THE EDEN DETENTION CENTER

Offense	Reeves County Law Enforcement Center		Eden Detention Center	
	Number	Percent	Number	Percent
Narcotics Violations	133	51.6	133	45.4
Immigration Violations	105	40.7	133	45.4
Firearms Violations	4	1.6	4	1.4
Escape/Flight	4	1.6	2	0.7
Larceny/Theft	3	1.2	3	1.0
Fraud	2	0.8	10	3.4
Other	7	2.7	8	2.7
Missing	19	---	10	---
<u>Length of Sentence*</u>				
Less than 1 year	58	22.3	97	33.0
1 to 2 years	58	22.3	52	17.7
2 to 3 years	44	16.9	39	13.3
3 to 5 years	44	16.9	28	9.6
5 to 10 years	47	18.1	58	19.7
10 years or more	9	3.5	20	6.8
<u>Age</u>				
25 or less	66	23.8	66	21.8
26 to 30	71	25.6	95	31.4
31 to 35	68	24.5	67	22.1
36 to 40	27	9.7	30	9.9
41 to 45	24	8.7	17	5.6
46 to 50	12	4.3	15	5.0
51 or more	9	3.2	13	4.3
<u>Citizenship</u>				
Mexico	202	72.9	236	77.9
Colombia	30	10.8	19	6.3
Nigeria	9	3.2	8	2.6
Cuba	6	2.2	3	1.0
United States	6	2.2	1	0.3
Dominican Republic	2	0.7	4	1.3
El Salvador	0	0.0	5	1.7
Other	22	8.0	27	9.0
<u>Detainer</u>				
Yes	216	78.0	215	71.0
No	12	4.3	30	9.8
Unknown	49	17.7	58	19.2

* Sentence length categories are inclusive on the lower bound and exclusive on the upper bound.

Table 2. NUMBER OF CONTRACT FACILITIES (AND NUMBER OF INMATES)

<u>Agency</u>	<u>Type of Facility</u>				<u>Total</u>
	<u>Community Correctional Center</u>	<u>Adult Long-Term Boarding</u>	<u>Adult Detention Center</u>	<u>Juvenile</u>	
Private	218 (3096)	0 (0)	1 (0)	13 (60)	232 (3156)
State	33 (68)	34 (817)	14 (50)	20 (46)	101 (981)
County	56 (122)	2 (489)	264 (921)	2 (14)	324 (1546)
City	3 (1)	1 (303)	25 (48)	0 (0)	29 (352)
Total*	310 (3287)	37 (1609)	304 (1019)	35 (120)	686 (6035)

*Note: There are 5 special District of Columbia contracts holding 75 inmates not calculated in this total.

Table 3. DAILY COST IN DOLLARS

<u>Agency</u>	<u>Type of Facility</u>					
	<u>Community Correctional Center</u>			<u>Adult Long-Term Boarding</u>		
	<u>Min</u>	<u>Max</u>	<u>Avg</u>	<u>Min</u>	<u>Max</u>	<u>Avg</u>
Private	11.65	59.68	34.21	-----	-----	-----
State	23.94	60.19	41.50	32.00	92.00	54.33
County	18.00	57.00	36.62	31.00	50.80	40.90
City	21.50	43.00	33.50	32.14	32.14	32.14

<u>Agency</u>	<u>Type of Facility</u>					
	<u>Adult Detention Center</u>			<u>Juvenile</u>		
	<u>Min</u>	<u>Max</u>	<u>Avg</u>	<u>Min</u>	<u>Max</u>	<u>Avg</u>
Private	66.03	66.03	66.03	38.00	179.34	74.46
State	40.00	83.72	51.80	42.00	101.73	74.28
County	12.00	65.00	33.38	50.00	62.10	56.05
City	13.00	49.00	32.74	-----	-----	-----

Table 4. CONTRACT LENGTH IN YEARS

<u>Agency</u>	<u>Type of Facility</u>					
	<u>Community Correctional Center</u>			<u>Adult Long-Term Boarding</u>		
	<u>Min</u>	<u>Max</u>	<u>Avg</u>	<u>Min</u>	<u>Max</u>	<u>Avg</u>
Private	0.08	5.50	2.04	-----	-----	-----
State	1.00	5.00	3.25	3.00	5.00	3.41
County	3.00	4.00	3.50	****	****	****
City	****	****	****	3.00	3.00	3.00

<u>Agency</u>	<u>Type of Facility</u>					
	<u>Adult Detention Center</u>			<u>Juvenile</u>		
	<u>Min</u>	<u>Max</u>	<u>Avg</u>	<u>Min</u>	<u>Max</u>	<u>Avg</u>
Private	3.00	3.00	3.00	0.58	3.08	1.44
State	****	****	****	3.00	3.00	3.00
County	0.50	6.00	2.46	****	****	****
City	0.83	1.00	0.92	-----	-----	-----

**** Asterisks note where all contracts are intergovernmental agreements with indefinite lengths.

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