
FEDERAL BUREAU OF PRISONS

MISSION

BOP is an agency within the Department of Justice (DOJ). BOP's overall mission

is to protect society by confining offenders in the controlled environments of prisons and community-based facilities that are safe, humane, and appropriately secure, and which provide work and other self-improvement opportunities to assist offenders in becoming law-abiding citizens. (BOP, 1999 subsec. III.)

As of September 30, 1999, the bureau maintained 94 institutions housing 133,689 federal inmates. Most of these institutions are BOP-operated facilities, including penitentiaries, federal correctional institutions, federal prison camps, and federal medical centers. About 12 percent of the inmates are incarcerated in contract facilities (community corrections centers and detention facilities) operated by non-BOP staff.¹

In addition, BOP facilities routinely support the U.S. Marshals Service in housing its prisoners and the INS in detaining sentenced illegal aliens. Finally, BOP incarcerates state and local prisoners under certain circumstances. Notably, the bureau has assumed responsibility for 1,300 sentenced felons in the District of Columbia. The National Capital Revitalization and Self-Government Improvement

¹Derived from notes and discussions with BOP Administration Division, Budget Development Branch.

Act of 1997 mandates that all sentenced felony offenders (approximately 8,000) in the District be transferred to BOP facilities by FY 2002.

In 1999, BOP's total inmate population grew by more than 11,000. This was the largest annual increase in BOP's 70-year history. BOP has fought a constant battle to increase its total rated capacity (measured in number of beds by facility) and to reduce overcrowding in its facilities. Despite these efforts, overcrowding increased from 26 to 31 percent in 1999—i.e., there were 31 percent more inmates than the facilities were rated to accommodate.²

The bulk of BOP's antidrug mission stems from the portion of its inmate population sentenced for drug-related offenses. The bureau also operates a comprehensive drug treatment program for inmates in correctional facilities and for those released to the community under BOP custody. The drug treatment program has four components: residential drug abuse program, drug abuse education, non-residential drug abuse counseling, and community transition programs. BOP's mission supports ONDCP Goal 2. Beginning in 1998, the bureau counted its drug treatment program as supporting Goal 3.

BOP reports that about 60 percent of sentenced inmates incarcerated in facilities it operates went to prison for drug-related offenses in the mid- to late 1990s (BOP, 2000).³ The percentage was significantly lower in the early 1980s but rose sharply over the course of that decade; it has remained relatively stable since. In addition, 30.5 percent of the sentenced inmate population meets the criteria for "drug dependence" as defined by the American Psychiatric Association (APA).⁴ At any given time, approximately 85 percent of these "drug dependent" inmates actually participate in some facet of the treatment program (BOP, 1999, p. 31 of "Salaries and Expenses").

²Derived from notes and discussions with BOP Administration Division, Budget Development Branch.

³This percentage does not include nonsentenced populations (e.g., those in detention centers awaiting trial) or populations in contractor-operated facilities (e.g., "halfway" houses and juvenile detention centers).

⁴Criteria can be found in APA's *Diagnostics and Statistical Manual*. The percentage is based on ongoing surveys of inmates and has remained relatively constant (APA, 1994).

DRUG BUDGET

The bureau initiates budget formulation by calculating the costs of sustaining current services. Budget analysts adjust these costs by applying three factors: (1) an inflationary factor that DOJ and OMB define; (2) the size and composition of the inmate population projected for the budget year; and (3) annualization of prior-year program increases, as needed. These costs include pay for over 30,000 full-time equivalent positions. This process establishes a “base budget.”⁵

The analysts then calculate the costs of new program initiatives such as expanding existing facilities, constructing new facilities, and increasing contract support. BOP’s Capacity Planning Committee develops such initiatives using analyses from the BOP Office of Research. The Office of Research analyzes U.S. Court data, prosecution trends, and population projections to project the size and composition of the inmate population—including the size of the drug offender population—in the near and mid terms (e.g., 1–5 years hence). The committee uses the analyses to define the capacity needed to serve the projected population and determines the appropriate mix of new initiative requests. For example, increasing contract beds would serve a rising inmate population in the near term, while new construction would increase capacity 3 to 5 years after appropriation of funds. As construction on new facilities nears completion and as they are prepared for activation, BOP includes attendant operating funds and equipment in its operating budget request.

The operating and capital budgets are divided into six decision units. Salaries and Expenses (S&E) (the activity operating budget) comprises Inmate Care and Programs, Institution Security and Administration, Contract Confinement, and Management and Administration. Buildings and Facilities (the capital budget) comprises New Construction and Modernization and Repair. A seventh unit refers to the drug treatment program and resides within Inmate Care and Pro-

⁵Derived from notes and discussions with BOP’s Administration Division, Budget Development Branch.

grams, but is reported separately because it is normally funded through the Violent Crime Reduction Trust Fund (VCRTF).⁶

For the most part, there is no separate process by which the drug-related portion of the budget is developed; rather, it is subsumed within the overall agency budget. The notable exception is the drug treatment program. The Violent Crime Control and Law Enforcement Act (VCCLEA) of 1994 requires BOP to treat 100 percent of “eligible” inmates—those with a documented substance abuse problem who are within 24 months of release *and* who volunteer for treatment—in the residential drug abuse program. BOP analysts base the budget request for the drug treatment program on current costs, inflation, projected treatment needs, VCCLEA, and BOP goals.

DRUG BUDGET METHODOLOGY

The ONDCP budget summary states that BOP’s “drug control percentages are based on the number of inmates currently incarcerated or projected to be incarcerated for drug convictions.” (ONDCP, 1998b.) For inmates with multiple offenses, this number is based on the charges that carry the longest sentences. For example, BOP categorizes an inmate sentenced to six years for drug offenses and three years for weapon offenses as a drug offender but an inmate with the opposite sentences as a weapon offender. Thus, BOP does not include all inmates with drug offenses in its drug-control percentages.

Drug-related budgets for all decision units under S&E and for the Modernization and Repair unit are based on the budget-year percentage of the inmate population sentenced for drug offenses. BOP’s budget analysts extract this percentage from a sentencing database called “SENTRY.” The Office of Research’s projections of future convictions of drug-offenders inform the drug-related budget for New Construction based on expected completion dates. BOP analysts revise the estimates each year and recalculate the drug budget. Thus, for instance, drug-related percentages used in 1996 for programming

⁶Savings realized from implementation of the Federal Restructuring Workforce Act of 1994 support the VCRTF. Multiple agencies at the federal, state, and local levels use the funds for both prevention and enforcement.

the FY 1998 budget (62.4 percent) differ from the revised percentages used to report actual spending in FY 1998 (61.4 percent) (ONDCP, 1998b; 1999b).

BOP drug-control budget is computed “after the fact” by applying the percentages to the decision units after the overall agency budget is determined.

The drug treatment program is unique in this regard. Its budget is developed in the same manner as the overall budget—i.e., by establishing a base budget and then adding the costs of any new initiatives. Some parts of the program, notably residential treatment, are voluntary. The court may order others, such as the education program, when sentencing an individual. Thus, requirements for the treatment program are partially based on best estimates of future participation.

ANALYSIS

In the ONDCP budget summary, all agencies present their drug-control resources broken out by goal, function, and decision unit. The presentation by decision unit provides the greatest amount of detail that corresponds to BOP’s congressional budget submission. Table 4.1 displays by decision unit the total BOP FY 1998 appropriation, the drug budget as reported by ONDCP, and the drug budget as a percentage of the total appropriation.

Inmate Care and Programs (non-VCRTF) and Institution Security and Administration dominate, together making up 78 percent of the BOP drug budget. The drug treatment program—the VCRTF portion of Inmate Care and Programs—constitutes only about 1 percent.

As shown in Table 4.1, one can easily and directly reconcile the ONDCP-reported BOP drug budget with the Summary Statement and Performance Plan that the agency submits to Congress. Decision units whose budgets are based on budget-year inmate populations are scored as 62-percent drug related. In light of projections that the percentage of the inmate population incarcerated for drug offenses will increase, the new construction unit is scored slightly higher. The VCRTF-funded drug treatment program is scored as 100 percent drug-related. The overall drug-control percentage is 62.4

Table 4.1
Federal Bureau of Prisons
FY 1998 Appropriation
(Budget Authority)

Decision Unit	Total Budget ^a (\$M)	Drug Budget ^b (\$M)	Drug Budget Share of Total (%)
S&E			
Inmate care and programs (non-VCRTF)	1,062.8	658.9	62.0
Institution security and administration	1,374.4	852.1	62.0
Contract confinement	248.9	154.3	62.0
Management and administration	135.7	84.1	62.0
Buildings and facilities			
New construction	150.9	95.1	63.0
Modernization and repair	104.3	64.6	62.0
Inmate care and programs (VCRTF)	26.1	26.1	100.0
Total	3,102.9	1,935.2	62.4

^aBOP (1998), "Salaries and Expenses," p. 7, and "Buildings and Facilities," p. 6. Numbers reflect "1998 Appropriations Enacted." Total does not add up due to rounding.

^bONDCP (1998b), FY 1998 enacted data. Total does not sum exactly because of rounding.

percent, which matches the number provided in the ONDCP budget summary.

CONCLUSION

In sum, reconciling the BOP drug budget numbers ONDCP reports with the budget numbers that BOP provides to Congress in its Summary Statement and Performance Plan justification document is easy and transparent.

The methodology for determining the BOP drug budget certainly is reasonable. The bureau's *raison d'être* is to provide custodial care for criminal offenders and, being at the tail end of the judicial system, it has no control over its workload. BOP's overall budget thus is derived from the size and character of its inmate population. It seems logical to calculate the drug-related portion of that budget based on the size and character of the part of its population incar-

cerated for drug offenses. Moreover, by including in the drug offender category only inmates for whom drug offenses draw the longest sentence, BOP seems to avoid overstating its drug budget. On the other hand, it is reasonable to ask whether the omission of some drug offenders—i.e., those for whom drug offenses do *not* draw the longest sentence—could actually lead to some *understatement* of the BOP drug budget.