

FEDERAL PRISON SYSTEM
(Dollars in Thousands)

	SALARIES AND EXPENSES			BUILDING AND FACILITIES			FEDERAL PRISON INDUSTRIES /1			COMMISSARY TRUST FUND /2			TOTAL /1, /2		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
2004 Obligations	41,010	31,778	\$4,381,959	341	244	\$290,909	2,390	1,611	\$830,382	709	521	\$242,017	41,351	34,154	\$4,672,868
2005 Appropriation (without Rescission)	41,423	38,210	4,627,696	284	256	189,000	2,407	2,252	730,501	714	711	258,903	41,707	41,429	4,816,696
2005 Hurricane Supplemental.....	0	0	5,500	0	0	18,600	0	0	0	0	0	0	0	0	24,100
2005 Rescission -- Reduction applied to DOJ (0.54%).....	0	0	-24,989	0	0	-1,020	0	0	-18	0	0	0	0	0	-26,009
2005 Rescission -- Government-wide reduction (0.80%).....	0	0	-36,822	0	0	-1,504	0	0	-27	0	0	0	0	0	-38,326
2005 Appropriation - New Budget Authority (with Rescission)	41,423	38,210	4,571,385	284	256	205,076	2,407	2,252	730,456	714	711	258,903	41,707	41,429	4,776,461
2006 Total New Budget Authority Request.....	42,297	39,073	4,895,649	261	245	170,112	2,458	2,295	766,705	731	724	266,670	42,558	42,337	5,065,761
2006 Proposed Rescission of Prior Year Unobligated Balances.....	0	0	0	0	0	-314,000	0	0	0	0	0	0	0	0	-314,000
Net 2006 Request.....	42,297	39,073	4,895,649	261	245	-143,888	2,458	2,295	766,705	731	724	266,670	42,558	42,337	4,751,761
Change New Budget Authority 2006 from 2005.....	874	863	324,264	-23	-11	-34,964	51	43	36,249	17	13	7,767	851	908	289,300
Adjustments to Base															
Increases:															
2006 Pay Raise (2.3 Percent).....	0	0	53,813	0	0	527	0	0	3,708	0	0	1,423	0	0	54,340
Annualization of 2005 Pay Raise (3.5 Percent).....	0	0	23,567	0	0	285	0	0	1,587	0	0	607	0	0	23,852
Annualization of 2005 Increases.....	0	278	43,887	0	12	0	0	11	8,228	0	3	258	0	304	43,887
FERS Agency Contribution Rate.....	0	0	18,698	0	0	0	0	0	474	0	0	150	0	0	18,698
Federal Health Insurance Premiums	0	0	16,063	0	0	0	0	0	1,425	0	0	514	0	0	16,063
Transportation Management Fees	0	0	306	0	0	0	0	0	0	0	0	0	0	0	306
Security Surcharge Cost Projection.....	0	0	145	0	0	0	0	0	0	0	0	0	0	0	145
GSA Rent.....	0	0	3,184	0	0	0	0	0	0	0	0	0	0	0	3,184
Lease Expirations.....	0	0	6,014	0	0	0	0	0	0	0	0	0	0	0	6,014
Medical Hospital Service Cost.....	0	0	5,100	0	0	0	0	0	0	0	0	0	0	0	5,100
Contract Bed Cost Adjustments.....	0	0	10,000	0	0	0	0	0	0	0	0	0	0	0	10,000
Utilities Cost Adjustments.....	0	0	13,533	0	0	0	0	0	0	0	0	0	0	0	13,533
Sales Revenue Estimate Adjustment.....	0	0	0	0	0	0	0	0	0	0	3,955	0	0	0	0
Subtotal Increases	0	278	194,310	0	12	812	0	11	15,422	0	3	6,907	0	304	195,122
Decreases:															
Nonrecurrent Hurricane Supplemental.....	0	0	-5,500	0	0	-18,600	0	0	0	0	0	0	0	0	-24,100
Position and FTE Non-recurring.....	0	0	0	-23	-23	0	0	0	0	0	0	0	-23	-23	0
Base Reduction	0	0	0	0	0	-17,176	0	0	0	0	0	0	0	0	-17,176
Subtotal Decreases.....	0	0	-5,500	-23	-23	-35,776	0	0	0	0	0	0	-23	-23	-41,276
Net Adjustments to Base	0	278	188,810	-23	-11	-34,964	0	11	15,422	0	3	6,907	-23	281	153,846
2006 Current Services.....	41,423	38,488	4,760,195	261	245	170,112	2,407	2,263	745,878	714	714	265,810	41,684	41,710	4,930,307
Program Improvements by Strategic Goal:															
Strategic Goal Four: Ensure the Fair and Efficient Operation of the Federal Justice System															
Program Improvements.....	1,007	718	148,049	0	0	0	51	32	20,827	17	10	860	1,007	760	148,049
Program Offsets.....	-133	-133	-12,595	0	0	0	0	0	0	0	0	0	-133	-133	-12,595
Net Program Improvements/Offsets.....	874	585	135,454	0	0	0	51	32	20,827	17	10	860	874	627	135,454
2006 Total New Budget Authority Request.....	42,297	39,073	4,895,649	261	245	170,112	2,458	2,295	766,705	731	724	266,670	42,558	42,337	5,065,761
Change New Budget Authority 2006 from 2005	874	863	324,264	-23	-11	-34,964	51	43	36,249	17	13	7,767	851	908	289,300

/1 Federal Prison Industries is a revolving fund that operates on the sale of goods and services to other government agencies. The positions and funding amounts are not part of the Department of Justice appropriations request and therefore are not included in the total column. However, the congressional limitation on FPI administrative expenses (for FY 2006, this limitation is \$3,365,000) is scored against the Department's discretionary budget authority. The full-time equivalent (FTE) workyears are considered reimbursable and are included in the total column. Of the \$830,382,000 FY 2004 obligations, \$1,214,000 was for administrative expenses.

/2 Commissary Fund is a revolving fund that operates on the sale of goods and services to inmates. The positions and funding amounts are not part of the Department of Justice appropriations request and therefore are not included in the total column. The full-time equivalent (FTE) workyears are considered reimbursable and are included in the total column.

FEDERAL PRISON SYSTEM
SALARIES AND EXPENSES
(Dollars in Thousands)

Comparison by activity and program	2005 Appropriation (w/ Rescission)			2006 Current Services /1			2006 Request			Program Improvements/Offsets		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. Inmate Confinement												
Prison Capacity.....	335	324	\$554,285	335	335	\$599,179	340	338	\$619,017	5	3	\$19,838
Operations.....	38,299	35,441	3,780,713	38,299	35,692	3,917,593	39,115	36,238	4,021,619	816	546	104,026
2 Inmate Programs												
Reintegration Tools.....	1,853	1,535	158,104	1,853	1,546	161,762	1,888	1,570	171,675	35	24	9,913
Services.....	936	910	78,283	936	915	81,661	954	927	83,338	18	12	1,677
Total.....	41,423	38,210	4,571,385	41,423	38,488	4,760,195	42,297	39,073	4,895,649	874	585	135,454
Reimbursable FTE /2	0	136	0	0	136	0	0	136	0	0	0	0
Grand Total	41,423	38,346	4,571,385	41,423	38,624	4,760,195	42,297	39,209	4,895,649	874	585	135,454

Consistent with the Government Performance and Results Act, the 2006 budget proposes to streamline the Federal Bureau of Prisons (BOP) decision unit structure from 6 program activities to 2 to align the BOP budget more closely with the mission and strategic objectives contained in the DOJ Strategic Plan (FY 2003-2008). In addition, the budget has been realigned to reflect the BOP's outputs and full costs by major program activity, including the costs of management and administration, so that a more accurate picture of total activity costs is reflected in the budget. In this way, budget and performance are more closely linked, and provide a better basis on which to make budget decisions. Under the FY 2004 and FY 2005 PART processes, the BOP was rated "Moderately Effective", and the score should improve even further in future years as the BOP continues to work to include long term goals in the areas of crowding and recidivism rates and strives to improve performance.

/1 The FY 2006 current services request includes three adjustments to base unique to BOP. The request includes \$5,100,000 for increasing medical expenses incurred on behalf of federal inmates, \$10,000,000 for contract bed cost adjustments mandated by the Services Contract Act, and \$13,533,000 for utilities cost adjustments due to rising energy prices.

/2 The Federal Prison System (FPS) receives reimbursements for the daily care and maintenance of State and local offenders, for utilities used by Federal Prison Industries, Inc., for staff housing, and for meals provided to FPS staff at institutions. The reimbursements received may be used to fund personnel costs. The BOP estimates that 136 FTE are associated with these reimbursements.

**FEDERAL PRISON SYSTEM
SALARIES AND EXPENSES**

(Dollars in Thousands)

<u>Program Improvements by Strategic Goal</u>	<u>Perm. Pos.</u>	<u>FTE</u>	<u>Amount</u>
Strategic Goal Four: Ensure the Fair and Efficient Operation of the Federal Justice System	1,007	718	\$148,049

1. Institution Population Adjustment

BOP requests \$37,194,000 for costs of the increasing inmate population above the number of newly activating beds. The BOP projects that it will have to absorb 4,269 additional inmates between FY 2005 and FY 2006. The additional resources will enable the BOP to meet the marginal costs, \$8,712 per inmate, of providing security, food, medical care, clothing, utilities, unit management, education, records and maintenance associated with the population increase. The marginal cost per inmate includes resources (\$1,500) associated with additional staffing requirements.

2. Activate Newly Constructed Facilities (USP Tucson, FCI Butner, Secure Women's Facility)

BOP requests 937 positions (471 correctional officers (CO)), 666 workyears, and \$77,134,000 to begin the activation process for 3 newly constructed facilities (2,752 beds). The facilities include: a 960 bed high security facility (United States Penitentiary (USP)) with a 128 bed workcamp in Tucson, Arizona; a 1,152 bed medium security facility (Federal Correctional Institution (FCI)) in Butner, North Carolina; and a 512 bed secure women's facility in Hazelton, West Virginia. Construction of USP Tucson will be completed in April 2005, and the request includes 399 positions (220 COs), 399 workyears, and \$37,647,000 to begin the activation process in October 2005. Construction of FCI Butner will be completed in January 2006, and the request includes 354 positions (182 COs), 206 workyears, and \$29,190,000 to begin the activation process in March 2006. Construction of the Hazelton women's facility will be completed in April 2006 and the request includes 184 positions (69 COs), 61 workyears and \$10,297,000 to begin the activation process in June 2006.

Activation funding has three components: cost of staffing the facility; one time expenses, such as purchase of equipment, background investigations, and providing basic law-enforcement training and marginal costs associated with the inmates. The request includes \$6,000,000 for the marginal costs associated with inmate care that will be needed whether inmates are housed at these facilities or at other BOP facilities who may house the inmates on a interim basis. Activation of these facilities will increase bed space capacity and contribute to a reduction in crowding system-wide.

The full year operating cost for each facility, net of one-time expenses, is expected to be \$38,930,000 for USP Tucson, \$35,941,000 for FCI Butner, and \$18,500,000 for the secure women's facility.

FEDERAL PRISON SYSTEM
SALARIES AND EXPENSES

(Dollars in Thousands)

	Perm. <u>Pos.</u>	FTE	<u>Amount</u>
3. Activate Expansion Space			
<p>BOP requests 65 positions (41 correctional officers), 49 workyears and \$7,883,000 to activate a 50 cell expansion to the existing Special Housing Unit (SHU) at USP Florence, Colorado and to begin the activation process for a 362 bed low security housing unit at FCI Sandstone, Minnesota. Construction of the SHU cells, that will be used to segregate problem inmates and thereby increase the capability to safely manage the overall population at USP Florence, will be completed in October 2005, and will be available immediately. Construction of the expansion space at FCI Sandstone, that is operating at nearly twice its intended limit, should be completed in February 2006 and the beds will be available for immediate use. Adding bed space at FCI Sandstone is crucial to the safe operations of this institution for staff, inmates and community. FY 2006 current services resources for Federal Correctional Complex Florence and FCI Sandstone is \$95,921,000 and \$24,053,000, respectively.</p>			
4. Contract Confinement			
<p>BOP requests 5 positions, 3 workyears, and \$19,838,000 to begin the process to obtain 1,600 additional beds in contract facilities to house low security and female inmates. The request includes 4 positions, 2 workyears, and \$18,560,000 to procure 1,500 low security beds and 1 position, 1 workyear, and \$1,278,000 to procure 100 female beds for 6 months each in FY 2006. Using contract beds for the confinement of low security inmates provides a flexible approach to manage this population. FY 2006 current services resources for contract facilities is \$599,179,000. The BOP houses over 15 percent of its total population in contract facilities.</p>			
5. Residential Re-entry Program			
<p>BOP requests \$6,000,000 to establish a Residential Re-entry Program at 6 institutions that will build partnerships with faith based and community organizations. Each pilot project will accommodate 100-150 inmates and is being developed with the Department's Office of Faith-Based and Community Initiatives Taskforce. This request supports the President's initiative to establish a Residential Re-entry Program in Federal prisons and will provide opportunities for the development and maturation of the participating inmates' personal growth and faith commitment. FY 2006 current services resources for faith based programs is \$4,933,000.</p>			
<u>Program Offsets</u>	-133	-133	-12,595

Electronic Government (e-Gov) is a central element of the President's Management Agenda and the Administration's objectives to improve information sharing, increase operational efficiency, and create more citizen-centric government services. The Department is participating to the fullest extent possible in the various e-Gov initiatives.

**FEDERAL PRISON SYSTEM
SALARIES AND EXPENSES**

(Dollars in Thousands)

	Perm.		
	<u>Pos.</u>	<u>FTE</u>	<u>Amount</u>
1. e-Training			
<p>As part of its e-Training efforts, the Department is implementing the Justice Virtual University (JVU), a web-based learning management system that will provide accessibility and ease of identifying training and development opportunities by a variety of delivery mechanisms across Department business lines, saving instructor and travel costs. As a result, the BOP is anticipating cost savings of \$194,000.</p>			
2. e-Travel			
<p>As part of its e-Travel efforts, the Department is implementing the Electronic Travel Service (eTS), a web-based, end-to-end, travel management system that will be integrated with various legacy financial systems Department-wide, and will serve as the travel solution when the new Unified Financial Management System is implemented. Full implementation of eTS is expected by September 2006, leading to the aggregation and consolidation of travel management functions, reduced paper processes, more efficient travel voucher audits, and improved cycle times. As a result, the BOP is anticipating cost savings of \$401,000.</p>			
3. Federal Prison Camp Closures			
<p>The BOP proposes to offset the requested program increases by closing two Federal Prison Camps (FPCs). Closure will result in reduction of 133 positions (46 correctional officers), 133 workyears and \$12,000,000. The two FPCs are older, less efficient stand alone institutions, and deactivating them will enable the BOP to reduce operational costs. In one case, closure will also enable BOP to avoid \$27,000,000 in rehabilitation and infrastructure repair costs that will be needed over the coming years. Additionally, BOP believes this approach will help maintain low per capita costs at other work camps that are co-located with other prison facilities.</p>			
Total Program Improvements/Offsets, Federal Prison System, Salaries and Expenses.....	874	585	135,454

FEDERAL PRISON SYSTEM
DECISION UNIT RESTRUCTURING CROSSWALK
(Dollars in Thousands)

<u>Current Decision Unit Structure</u> Comparison by activity and program	2005 Appropriation (w/ Rescission)			New Decision Unit Structure											
				Inmate Confinement			Inmate Programs								
	Perm Pos.	FTE	Amount	Prison Capacity			Operations			Reintegration Tools			Services		
			Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	
1. Inmate Care and Programs.....	15,011	13,097	\$1,697,656	0	0	\$0	12,222	10,652	\$1,461,269	1,853	1,535	\$158,104	936	910	\$78,283
2. Institution Security and Administration.....	24,731	23,443	2,129,917	0	0	0	24,731	23,443	2,129,917	0	0	0	0	0	0
3. Contract Confinement.....	388	377	577,135	335	324	554,285	53	53	22,850	0	0	0	0	0	0
4. Management and Administration.....	1,293	1,293	166,677	0	0	0	1,293	1,293	166,677	0	0	0	0	0	0
<i>subtotal, Salaries and Expenses</i>	41,423	38,210	4,571,385	335	324	554,285	38,299	35,441	3,780,713	1,853	1,535	158,104	936	910	78,283
Reimbursable FTE.....	0	136	0	0	0	0	0	136	0	0	0	0	0	0	0
Grand Total.....	41,423	38,346	4,571,385	335	324	554,285	38,299	35,577	3,780,713	1,853	1,535	158,104	936	910	78,283

FEDERAL PRISON SYSTEM
BUILDINGS AND FACILITIES
(Dollars in Thousands)

Comparison by activity and program	2005 Appropriation (w/ Rescission)			2006 Current Services			2006 Request			Program Improvements/Offsets		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. Inmate Confinement												
a. New Construction.....	145	115	\$25,372	122	104	\$25,737	122	104	\$25,737	0	0	\$0
b. Modernization and Repair.....	139	141	179,704	139	141	144,375	139	141	144,375	0	0	0
Total	284	256	205,076	261	245	170,112	261	245	170,112	0	0	0
Proposed Rescission of Prior Year Unobligated Balances	0	0	0	0	0	0	0	0	-314,000	0	0	-314,000
Total, Adjusted	284	256	205,076	261	245	170,112	261	245	-143,888	0	0	-314,000

Consistent with the Government Performance and Results Act, the 2006 budget proposes to streamline the BOP's decision unit structure from two programs to one to align the BOP's budget more closely with the mission and strategic objectives contained in the DOJ Strategic Plan (FY 2003-2008). In addition, the budget has been realigned to reflect the BOP's outputs and full costs by major program activity, including the costs of management and administration, so that a more accurate picture of total activity costs is reflected in the budget. In this way, budget and performance are more closely linked, and provide a better basis on which to make budget decisions. Over time, agencies will be expected to identify effective outcome measures, monitor their progress, and accurately present the associated costs.

**FEDERAL PRISON SYSTEM
BUILDINGS AND FACILITIES**

(Dollars in Thousands)

<u>Program Improvements by Strategic Goal</u>	<u>Perm. Pos.</u>	<u>FTE</u>	<u>Amount</u>
Strategic Goal Four: Ensure the Fair and Efficient Operation of the Federal Justice System.....	0	0	\$0
The Budget continues a moratorium on new prison construction until the completion of an evaluation of existing low- and minimum-security prison facilities for potential modification to house higher security inmates.			
Total Program Improvements/Offsets, Federal Prison System, Buildings and Facilities.....	0	0	0
Rescission of Prior Year Unobligated Balances	0	0	-314,000

In FY 2006, the Administration proposes a rescission of \$314,000,000 in unobligated balances.

FEDERAL PRISON SYSTEM
DECISION UNIT RESTRUCTURING CROSSWALK
(Dollars in Thousands)

<u>Current Decision Unit Structure</u> <u>Comparison by activity and program</u>	New Decision Unit Structure Inmate Confinement								
	2005 Appropriation (w/ Rescission)			New Construction			Modernization and Repair		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. New Construction	145	115	\$25,372	145	115	\$25,372	0	0	\$0
2. Modernization and Repair of Existing Facilities	139	141	179,704	0	0	\$0	139	141	179,704
Total.....	284	256	205,076	145	115	25,372	139	141	179,704

FEDERAL PRISON SYSTEM
FEDERAL PRISON INDUSTRIES
(Dollars in Thousands)

Comparison by activity and program	2005 Appropriation (w/ Rescission)			2006 Current Services			2006 Request			Program Improvements/Offsets		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. Congressional limitation: Administrative expenses.....	32	32	\$3,365	32	32	\$3,365	32	32	\$3,365	0	0	\$0
2. Industrial Operations:												
Cost of Production.....	2,375	2,220	650,294	2,375	2,231	665,716	2,426	2,263	686,543	51	32	20,827
Other Expenses.....	0	0	40,000	0	0	40,000	0	0	40,000	0	0	0
Buildings and Improvements.....	0	0	15,501	0	0	15,501	0	0	15,501	0	0	0
Machinery and Equipment.....	0	0	21,296	0	0	21,296	0	0	21,296	0	0	0
Subtotal.....	2,375	2,220	727,091	2,375	2,231	742,513	2,426	2,263	763,340	51	32	20,827
Total.....	2,407	2,252	730,456	2,407	2,263	745,878	2,458	2,295	766,705	51	32	20,827

Note: Federal Prison Industries is a revolving fund that operates on the sale of goods and services to other government agencies. This account is not funded by the Treasury. The permanent positions column reflects positions funded from program revenues for illustrative purposes only. These positions are not included in the Department's totals.

Program Improvements by Strategic Goal	Perm. Pos.	FTE	Amount
Strategic Goal Four: Ensure the Fair and Efficient Operation of the Federal Justice System.....	51	32	\$20,827

1. Factory Activation

An increase of 51 positions and 32 workyears is required to activate factories at USP Tucson, Arizona; FCI Butner, North Carolina; and a secure women's facility at Hazelton, West Virginia. The factories at these three locations will employ 726 inmates in total. This increase will keep inmates constructively occupied while providing them valuable work related experience and skills. A breakout of the request is shown below.

Facility	Perm. Pos.	FTE	Amount	# Inmates
USP Tucson	17	16	\$11,076	336
FCI Butner	17	10	6,260	288
Hazelton Secure Female	17	6	3,491	102
Total	51	32	20,827	726

Program Offsets.....	0	0	0
Total Program Improvements/Offsets, Federal Prison Industries.....	51	32	20,827

FEDERAL PRISON SYSTEM
COMMISSARY FUNDS
 (Revolving Trust Fund)
 (Dollars in Thousands)

<u>Program Improvements by Strategic Goal</u>	<u>Pos.</u>	<u>FTE</u>	<u>Amount</u>
Strategic Goal Four: Ensure the Fair and Efficient Operation of the Federal Justice System.....	17	10	\$860

1. Commissary Activations/Expansions

An increase of 17 positions and 10 workyears is requested to establish/operate a commissary and provide inmate telephone service at USP Tucson, Arizona; FCI Butner, North Carolina; a secure women's facility at Hazelton, West Virginia; and an expansion at FCI Sandstone, Minnesota.

<u>Facility</u>	<u>Perm. Pos.</u>	<u>FTE</u>	<u>Amount</u>
USP Tucson	6	5	\$430
FCI Butner	6	3	258
Hazelton Secure Female	4	1	86
FCI Sandstone Expansion	1	1	86
Total	<u>17</u>	<u>10</u>	<u>860</u>

<u>Program Offsets</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Program Improvements/Offsets, Commissary Fund.....	17	10	860

Note: The Commissary Fund is a revolving fund that operates exclusively from the sale of goods and services to inmates. Amounts shown for this account are not included in the Department of Justice appropriations request. The permanent positions reflect positions funded from program revenue and are shown for illustrative purposes only.