

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
2005 Obligations	41,423	31,922	\$4,602,448	284	232	\$341,033	2,407	1,551	\$737,585	714	586	\$267,077	41,707	34,291	\$4,943,481
2006 Appropriation	42,297	39,073	4,892,649	270	251	90,112	2,458	2,295	766,705	731	724	270,516	42,567	42,343	4,982,761
2006 Rescission -- Reduction applied to DOJ (0.28%).....	-199	-199	-13,699	0	0	-252	0	0	-9	0	0	0	-199	-199	-13,951
2006 Rescission -- Government-wide reduction (1.0%).....	-416	-416	-48,790	0	0	-899	0	0	-34	0	0	0	-416	-416	-49,689
2006 Hurricane Supplemental.....	0	0	0	0	0	11,000	0	0	0	0	0	0	0	0	11,000
2006 Enacted (with Rescissions and Supplemental)	41,682	38,458	4,830,160	270	251	99,961	2,458	2,295	766,662	731	724	270,516	41,952	41,728	4,930,121
2007 Total New Budget Authority Request.....	39,873	36,926	4,987,059	263	247	117,102	2,058	1,914	791,107	695	695	276,122	40,136	39,782	5,104,161
2007 Proposed Rescission of Prior Year Unobligated Balances.....	0	0	0	0	0	-142,000	0	0	0	0	0	0	0	0	-142,000
Net 2007 Request.....	39,873	36,926	4,987,059	263	247	-24,898	2,058	1,914	791,107	695	695	276,122	40,136	39,782	4,962,161
Change New Budget Authority 2007 from 2006.....	-1,809	-1,532	156,899	-7	-4	17,141	-400	-381	24,445	-36	-29	5,606	-1,816	-1,946	174,040
Technical Adjustments															
Restoration of 2006 Government-wide reduction (1.0%).....	416	416	48,790	0	0	899	0	0	34	0	0	0	416	416	49,689
2007 Impact of 2006 rescission (1.0%).....	-416	-416	-46,420	0	0	232	0	0	-23	0	0	0	-416	-416	(46,188)
Total Technical Adjustments.....	0	0	2,370	0	0	1,131	0	0	11	0	0	0	0	0	3,501
Adjustments to Base															
Increases:															
2007 Pay Raise (2.2 %).....	0	0	53,324	0	0	423	0	0	3,363	0	0	1,254	0	0	53,747
Annualization of 2006 Pay Raise (3.1 %).....	0	0	21,387	0	0	209	0	0	1,474	0	0	566	0	0	21,596
Annualization of 2006 Increases.....	0	289	25,146	0	3	0	0	19	11,453	0	7	602	0	318	25,146
Annualization of 2005 Increases.....	0	0	29,801	0	0	0	0	0	0	0	0	0	0	0	29,801
DHS Security Charge.....	0	0	43	0	0	0	0	0	0	0	0	0	0	0	43
Medical Cost.....	0	0	1,015	0	0	0	0	0	0	0	0	0	0	0	1,015
Contract Bed Cost Adjustments - Wage Increases.....	0	0	9,944	0	0	0	0	0	0	0	0	0	0	0	9,944
Contract Bed Cost Adjustments - Price Increases.....	0	0	14,280	0	0	0	0	0	0	0	0	0	0	0	14,280
Utilities Cost Adjustments.....	0	0	13,453	0	0	0	0	0	0	0	0	0	0	0	13,453
Modernization and Repair Replacement Value Adjustment.....	0	0	0	2	2	49,378	0	0	0	0	0	0	2	2	49,378
Increase in 2006 Investment Activity.....	0	0	0	0	0	0	0	0	9,000	0	0	3,095	0	0	0
Total Increases	0	289	168,393	2	5	50,010	0	19	25,290	0	7	5,517	2	320	218,403
Decreases:															
Nonrecurrent Hurricane Supplemental.....	0	0	0	0	0	-11,000	0	0	0	0	0	0	0	0	-11,000
Nonrecurrent 2006 One-time Program Increases.....	0	0	0	0	0	-23,000	0	0	0	0	0	0	0	0	-23,000
Position and FTE Non-recurring.....	-1,833	-1,833	0	-9	-9	0	-400	-400	0	-37	-37	0	-1,842	-2,279	0
Total Decreases.....	-1,833	-1,833	0	-9	-9	-34,000	-400	-400	0	-37	-37	0	-1,842	-2,279	-34,000
Total Adjustments to Base	-1,833	-1,544	168,393	-7	-4	16,010	-400	-381	25,290	-37	-30	5,517	-1,840	-1,959	184,403
Total Adjustments to Base and Technical Adjustments.....	-1,833	-1,544	170,763	-7	-4	17,141	-400	-381	25,301	-37	-30	5,517	-1,840	-1,959	187,904
2007 Current Services.....	39,849	36,914	5,000,923	263	247	117,102	2,058	1,914	791,963	694	694	276,033	40,112	39,769	5,118,025
Program Changes															
Increases by Strategic Goal:															
Strategic Goal Four: Ensure the Fair and Efficient Operation of the Federal Justice System	24	12	40,351	0	0	0	0	0	0	1	1	89	24	13	40,351
Offsets.....	0	0	-54,215	0	0	0	0	0	-856	0	0	0	0	0	-54,215
Total Program Changes.....	24	12	-13,864	0	0	0	0	0	-856	1	1	89	24	13	-13,864
2007 Total New Budget Authority Request.....	39,873	36,926	4,987,059	263	247	117,102	2,058	1,914	791,107	695	695	276,122	40,136	39,782	5,104,161
Change New Budget Authority 2007 from 2006.....	-1,809	-1,532	156,899	-7	-4	17,141	-400	-381	24,445	-36	-29	5,606	-1,816	-1,946	174,040

/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 \$3,322,000) 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 \$737,585,000 FY 2005 obligations, \$1,102,000 was for administrative expenses.

/2 Commissary Fund is a revolving trust 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)

<u>Comparison by activity and program</u>	2006 Enacted (w/ Rescissions)			2007 Current Services /1			2007 Request			Total Program Changes		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. Inmate Care and Programs.....	15,258	13,313	\$1,766,995	14,608	12,783	\$1,803,705	14,615	12,786	\$1,789,377	7	3	-\$14,328
2. Institution Security and Administration.....	26,031	24,754	2,380,134	24,848	23,738	2,439,316	24,861	23,745	2,418,418	13	7	-20,898
3. Contract Confinement.....	393	391	683,031	393	393	757,902	397	395	779,264	4	2	21,362
Total.....	41,682	38,458	4,830,160	39,849	36,914	5,000,923	39,873	36,926	4,987,059	24	12	-13,864
Reimbursable FTE /2	0	136	0	0	136	0	0	136	0	0	0	0
Grand Total	41,682	38,594	4,830,160	39,849	37,050	5,000,923	39,873	37,062	4,987,059	24	12	-13,864

Consistent with the Government Performance and Results Act, the 2007 budget proposes to streamline the Federal Bureau of Prisons (BOP) decision unit structure from 4 program activities to 3 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 2002 (BY 2004) and FY 2003 (BY 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 continues to improve performance.

/1 The FY 2007 current services request includes four adjustments to base unique to BOP. The request includes \$1,015,000 for increasing medical expenses incurred on behalf of federal inmates, \$9,944,000 for contract bed cost adjustments mandated by the Services Contract Act, \$14,280,000 for contract price increases associated with exercising of option years, and \$13,453,000 for utilities cost adjustments due to rising energy prices for operation of 116 institutions, 24 hours/day, 365 days/year.

/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 Increases by Strategic Goal</u>	<u>Perm.</u> <u>Pos.</u>	<u>FTE</u>	<u>Amount</u>
Strategic Goal Four: Ensure the Fair and Efficient Operation of the Federal Justice System	24	12	\$40,351

1. Activate Expansion Space

BOP requests 20 positions (12 correctional officers), 10 FTE and \$1,267,000 to begin the activation process for an expansion at FCI Otisville, New York. Construction of this expansion will be completed in February 2007, and the beds will be available for immediate use. Adding bed space at FCI Otisville is crucial to the safe operations of this institution for staff, inmates and the community. FY 2007 current services resources for FCI Otisville is 308 positions(157 correctional officers), 308 FTE and \$29,703,000. Total FY 2007 resources are 328 positions (169 correctional officers), 328 FTE and \$30,970,000.

2. Contract Confinement

BOP requests \$34,376,000 to provide funds for the management and operation of a contractor-owned, contractor operated correctional facility at Philipsburg, Pennsylvania. The Philipsburg contract grew from the National Capital Revitalization and Self-Government Improvement Act of 1997 requirement that BOP house all District of Columbia Department of Corrections sentenced felons. Earlier environmental and other legal challenges have been resolved, and the new facility will confine 1,495 low security male inmates. In addition, **BOP requests 4 positions, 2 FTE and \$4,708,000 to obtain 392 additional low security contract beds for 6 months in FY 2007.** The addition of these beds will help to offset crowding in BOP low security facilities, which was 46 percent at the end of FY 2005. Using contract beds for the confinement of low security inmates provides a flexible approach to manage this population. FY 2007 current services for contract facilities is 340 positions, 340 FTE and \$735,052,000. Total FY 2007 resources are 344 positions, 342 FTE and \$756,414,000. The BOP houses over 15 percent of its population in contract facilities.

FEDERAL PRISON SYSTEM
SALARIES AND EXPENSES

(Dollars in Thousands)

	<u>Perm.</u> <u>Pos.</u>	<u>FTE</u>	<u>Amount</u>
<u>Program Offsets</u>	0	0	-54,215
1. Population Adjustment			
<p>The budget proposes a \$50,215,000 offset in accordance with revised prison population projections. The total number of inmates is increasing by approximately 7,500 per year, not the nearly 11,000 projected earlier for FY 2005.</p>			
2. Management and Operational Efficiencies			
<p>The budget proposes a \$4,000,000 offset associated with management and operational efficiencies. BOP continues to make progress in its streamlining and other efficiency measures initiated to operate within available resources. BOP has already abolished nearly 700 management positions, closed several outmoded and inefficient prison camps, and begun the transfer of inmates with the most critical needs to consolidated BOP medical centers resulting in savings to the taxpayer.</p>			
Total Program Changes, Federal Prison System, Salaries and Expenses.....	24	12	-13,864

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

Current Decision Unit Structure Comparison by activity and program	2006 Enacted (w/ Rescissions)			New Decision Unit Structure								
				Inmate Care and Programs			Institution Security and Administration			Contract Confinement		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. Inmate Care and Programs.....	15,092	13,147	\$1,740,011	15,092	13,147	\$1,740,011	0	0	\$0	0	0	\$0
2. Institution Security and Administration.....	24,904	23,627	2,227,223	0	0	0	24,904	23,627	2,227,223	0	0	0
3. Contract Confinement.....	393	391	683,031	0	0	0	0	0	0	393	391	683,031
4. Management and Administration.....	1,293	1,293	179,895	166	166	26,984	1,127	1,127	152,911	0	0	0
Total	41,682	38,458	4,830,160	15,258	13,313	1,766,995	26,031	24,754	2,380,134	393	391	683,031
Reimbursable FTE.....	0	136	0	0	0	0	0	136	0	0	0	0
Grand Total.....	41,682	38,594	4,830,160	15,258	13,313	1,766,995	26,031	24,890	2,380,134	393	391	683,031

FEDERAL PRISON SYSTEM
BUILDINGS AND FACILITIES
(Dollars in Thousands)

<u>Comparison by activity and program</u>	2006 Enacted (w/Rescissions and Supplemental)			2007 Current Services /1			2007 Request			Total Program Changes		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. New Construction.....	131	110	\$48,115	122	104	\$26,010	122	104	\$26,010	0	0	\$0
2. Modernization and Repair.....	139	141	51,846	141	143	91,092	141	143	91,092	0	0	0
Total	270	251	99,961	263	247	117,102	263	247	117,102	0	0	0
Proposed Rescission of Prior Year Unobligated Balances	0	0	0	0	0	0	0	0	-142,000	0	0	-142,000
Total, Adjusted	270	251	99,961	263	247	117,102	263	247	-24,898	0	0	-142,000

/1 The FY 2007 current services request includes an adjustment to base that is unique to BOP. The request includes \$49,378,000 to enable the BOP to undertake essential rehabilitation, renovation and replacement projects at existing institutions.

Under the FY 2005 (BY 2007) PART process, the prison construction and modernization and repair program was rated "Adequate." BOP has evaluated low and minimum security prison space for the housing of higher-security prisoners and continues to examine state, local, and private facilities for housing more low and minimum-security inmates.

FEDERAL PRISON SYSTEM
BUILDINGS AND FACILITIES
(Dollars in Thousands)

<u>Program Increases by Strategic Goal</u>	Perm. <u>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.			
<u>Program Offsets</u>	0	0	0
Total Program Changes, Federal Prison System, Buildings and Facilities.....	<u>0</u>	<u>0</u>	<u>0</u>
Rescission of Prior Year Unobligated Balances	0	0	-142,000

In FY 2007, the budget proposes a rescission of \$142,000,000 in unobligated balances.

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

<u>Program Increases 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.....	1	1	\$89
1. Commissary Expansion			
An increase of 1 position and 1 FTE is requested to provide additional commissary staff at an expansion at FCI Otisville, New York.			
<u>Program Offsets</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Program Changes, Commissary Fund.....	1	1	89

Note: The Commissary Fund is a revolving trust 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.

FEDERAL PRISON SYSTEM
FEDERAL PRISON INDUSTRIES
(Dollars in Thousands)

Comparison by activity and program	2006 Enacted (w/ Rescissions)			2007 Current Services			2007 Request			Total Program Changes		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. Congressional limitation:												
Administrative expenses.....	32	32	\$3,322	32	32	\$3,333	32	32	\$2,477	0	0	-\$856
2. Industrial Operations:												
Cost of Production.....	2,426	2,263	686,543	2,026	1,882	711,833	2,026	1,882	711,833	0	0	0
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.....	2,426	2,263	763,340	2,026	1,882	788,630	2,026	1,882	788,630	0	0	0
Total.....	2,458	2,295	766,662	2,058	1,914	791,963	2,058	1,914	791,107	0	0	-856

Note: Federal Prison Industries (FPI) is a revolving fund that operates on the sale of goods and services to other government agencies. FPI operations are 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.

<u>Program Increases by Strategic Goal</u>	Perm. Pos.	FTE	Amount
Strategic Goal Four: Ensure the Fair and Efficient Operation of the Federal Justice System.....	0	0	\$0
The budget seeks resources to activate an expansion of FCI Otisville, New York. This expansion does not require a new factory activation.			
<u>Program Offsets</u>	0	0	-856
The budget proposes to reduce the Limitation on Administrative Expenses from \$3,322,000 in FY 2006 to \$2,477,000 in FY 2007 The Federal Prison Industries has and continues to reduce administrative expenses.			
Total Program Changes, Federal Prison Industries.....	0	0	-856