











## Bureau of Justice Statistics

# State Prison Expenditures, 1996

### States spent about \$22 billion on prisons in fiscal year 1996

Operating expenditures		\$20.7 billion	94%
Salaries and wages		10.8	49
Employee benefits		3.0	14
Other		6.9	31
Capital expenditures		\$ 1.3 billion	6%
Construction		0.8	4
Equipment		0.3	1
Land		0.2	1
Total		\$22.0 billion	100%

Average annual operating expenditure per inmate \$20,100

U.S. Department of Justice  
Office of Justice Programs  
Bureau of Justice Statistics



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# State Prison Expenditures, 1996

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**U.S. Department of Justice**  
Office of Justice Programs  
Bureau of Justice Statistics

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This report and its data are available on the Internet:  
<http://www.ojp.usdoj.gov/bjs/>

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## Highlights

For fiscal year 1996 States and the District of Columbia reported that they spent \$22 billion for adult prisons — to build, staff, and maintain the facilities and to house the prisoners. The Federal Bureau of Prisons spent an additional \$2.5 billion.

These estimates come from a study based on the 1996 Survey of Government Finances, conducted by the U.S. Bureau of the Census. On behalf of the Bureau of Justice Statistics (BJS), government finance specialists contacted State budget officers and department of corrections officials and elaborated the survey data for corrections categories. (See the box on this page summarizing the included and excluded expenditures and *Methodology* for details.)

	State expenditures in 1,000's (1996 constant dollars)					
	1984		1990		1996	
		Percent of total		Percent of total		Percent of total
Total	\$6,778,000	100%	\$12,033,000	100%	\$22,033,000	100%
<b>Operating</b>	5,904,000	87	11,347,000	94	20,738,000	94
<b>Capital</b>	874,000	13	686,000	6	1,295,000	6

Sources: The expenditures for 1984 and 1990 from the BJS Censuses of State Correctional Facilities have been adjusted to 1996 dollars. Figures for 1984 and 1990 may exclude some central office outlays.

*The Nation's prisons cost \$24.5 billion in 1996*

- Prison operations accounted for about 80% of all State correctional expenditures in 1996. The remaining 20% was for juvenile justice activities, probation and parole services, and community-based corrections.

*Average inmate cost approximately \$20,100 per year*

- When prison operating expenditures were divided by the average number of inmates incarcerated during 1996, the nationwide average annual cost to

house each State inmate was \$20,100, and each Federal inmate, \$23,500.

*State and Federal prison spending up after 1990*

- State prison expenditures increased 83% from \$12 billion in 1990 to \$22 billion in 1996, an average of about 11% per year.
- Federal prison expenditures rose 160% from \$946 million in 1990 to \$2.5 billion in 1996, an average of about 17% per year.

*Nearly all money was used for daily operations*

- Approximately \$1.3 billion, or 6% of State prison expenditure in 1996, went for new construction, renovations, major repairs, equipment, land and building purchases, and other major nonrecurring outlays, leaving \$20.7 billion, or 96% for salaries, wages, benefits, and other operating expenses.

Fiscal year	Expenditures in 1996 constant dollars			
	State		Federal	
	Total (in 1,000's)	Per inmate operating expenditures	Total (in 1,000's)	Per inmate operating expenditures
1984	\$6,778,000	\$16,300	...	...
1990	12,033,000	18,400	\$946,200	\$16,800
1996	22,033,000	20,100	2,459,700	23,500

Note: State expenditures for 1984 and 1990 may exclude some central office outlays.

### What activities and expenditures does the survey cover?

#### Included\*

Adult prison operations  
Wages, salaries, benefits  
Food service  
Medical care  
Transportation and utilities  
Inmate programs  
Capital outlays  
Facility construction and renovation  
Major repairs  
Land and building purchases

#### Excluded

Prisons not holding inmates during FY 1996  
State juvenile justice activities  
Probation and parole services  
Nonresidential community corrections

\*Expenditures are net amounts after deductions for revenue from prison farms, industries, and services.

*Prison costs per U.S. resident increased*

- The total annual burden of State correctional expenses rose from \$53 (in constant 1996 dollars) per U.S. resident in 1985 to \$103 in 1996.
- Per resident spending for State prisons increased each year an average 7.3% between 1985 and 1996 — about twice the 3.6% annual average rise in spending for State education.
- The annual per resident cost of State prison operation alone increased from \$40 in 1985 to \$79 in 1996.

*Prison costs were related to factors outside the correctional system*

- Average operating costs per inmate in 1996 varied by State, reflecting wide differences in costs of living, prevailing wage rates, and other factors over which corrections administrators have little control.

- The highest average annual operating cost per State inmate occurred in Minnesota, (\$37,800) and the lowest in Alabama (\$8,000).

**Operating costs per inmate, 1996**

**5 highest annual costs**

Minnesota	\$37,800
Rhode Island	35,700
Maine	33,700
Alaska	32,400
Utah	32,400

**5 lowest**

Alabama	\$8,000
Oklahoma	10,600
Mississippi	11,200
Texas	12,200
Missouri	12,800

**State prison expenditures**

Selected items	Fiscal 1996	
	Expenditures in 1,000's*	Daily costs per inmate
Inmate medical care	\$2,456,300	\$6.54
Inmate programs	1,231,100	\$3.28
Food service	1,112,900	\$2.96
Utilities	682,028	\$1.81
Transportation/travel	197,000	\$0.52

\*National totals are based on estimates for all States.

*Five core expenses cost State prison systems more than \$5 billion in FY 1996*

- Outlays for services, programs, and activities related to inmate medical and dental care, including employee salaries, were about 12% of all State prison operating expenditures in 1996.

- Medical and dental care cost an annual average of \$2,386, or \$6.54 per day for each inmate.

- Daily expenditures per inmate for other State prison activities included the following: inmate programs, \$3.28; food service, \$2.96; utilities, \$1.81; and transportation and travel, \$0.52.

*Several operational factors were associated with prison costs*

- Across the States high overall inmate-to-staff ratios were associated with low average costs per inmate.

- States that maintained facilities with larger capacities tended to report lower average costs per inmate than States having smaller facilities.

- Some States were unable to separate community corrections from prison expenditures. This accounting difference resulted in higher reported operating costs per prisoner in those States.

**Employee salaries and benefits accounted for the majority of prison expenditures**

- Salaries and wages for prison staff were the largest regularly recurring outlay, by far, totaling more than \$10.7 billion, or about half of State prison expenditures.

- Employer contributions to employee benefits were the second largest item, at \$3.1 billion, or 14% of the total.

	Fiscal 1996 State expenditures in 1,000's	
	Total	Percent of total
<b>Total</b>	<b>\$22,033,200</b>	<b>100%</b>
<b>Operating</b>	<b>20,737,800</b>	<b>94%</b>
Salaries and wages	10,774,900	49
Employee benefits	3,060,900	14
Other	6,902,000	31
<b>Capital</b>	<b>\$1,295,300</b>	<b>6%</b>
Construction	808,400	4
Equipment	301,400	1
Land and existing structures	185,500	*

\*Less than 1%. Detail may not add to total because of rounding.

## Introduction

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This report presents comparative data on the cost of operating adult confinement facilities, generally referred to as *prisons*, in each of the 50 States and the District of Columbia during fiscal year 1996. Prisons are defined as correctional facilities in which less than 50% of the inmates regularly leave the institution, unaccompanied, to work or study in the community.

Expenditures of prisons not in operation during Fiscal year 1996 are excluded, as are State juvenile justice, probation and parole services, and nonresidential community-based corrections.

Expenditures, as used in this study, include the entire amount of money paid out, including principal and interest, investment in securities, extensions of loans, and agency transactions. All figures are net amounts after deductions for revenue-generating activities such as farm produce and industrial products and services.

Unlike correctional cost studies based on budgeted numbers or a combination of budgeted and expended amounts, this study focuses exclusively on expenditures. It includes State-level data on employee salaries, wages, employer contributions to employee benefits, operating costs per inmate, and capital outlays for facility construction, renovations, major repairs, land and building purchases. Additional information is presented on the costs of prison food service, inmate programs, medical care, transportation and utilities.

Assuming available time and resources, BJS anticipates completing a future State prison expenditure study based on State reporting of FY 2001 data.

Since 1971 BJS and its predecessor agencies have published *Justice Expenditure and Employment (CJEE)*, a series which includes information on State correctional expenditures. The CJEE is broad-based, describing the expenditures of both States and localities for all correctional activities, police protection, and judicial and legal activities. It also reports the number of State and local criminal justice employees by function and payroll status. A BJS *Justice Expenditure and Employment* publication is available for 1992, and reports for 1993 through 1995 are being prepared.

Unlike the CJEE, the BJS expenditure antecedent to *State Prison Expenditures 1996* focused exclusively on State correctional facility costs and was based on individual facilities. As part of the *1984 and 1990 Censuses of State Correctional Facilities*, State-level information was gathered on total, operating, and capital expenditures of individual State prison systems. Reporters within each facility provided expenditure data, with information on facility physical characteristics, inmate population, health and safety conditions, staff, and programs.

In developing the 1996 data collection, BJS sought to enhance the comparability of jurisdictions. In past collections cost figures of some States included juvenile services. Other States reported probation and parole activities together with prison costs. Transfer payments from State agencies outside the department of corrections were not always counted. Transportation costs, employee benefits, medical services, and other line items were included in the total expenditures reported by some respondents but not by others.

In the 1996 data collection, the U.S. Census Bureau's FY 1996 survey of Government Finances was accessed and information pertaining to State institutional corrections expenditures was extracted to provide the nucleus of the material used to produce *State Prison Expenditures 1996*. See *Methodology* for information on the methods used to extract the correctional expenditures and other data collection procedures.

During the early stages of this expenditures project, the State/Federal Committee of the Association of State Correctional Administrators received a BJS briefing. Afterwards the committee received preliminary findings and a prepublication copy of the final results.

## Total expenditure, 1985-96

### State correctional costs more than doubled between 1985 and 1996

According to data reported by each State in the U.S. Census Bureau's annual Survey of Government Finances, the Nation's expenditures on State correctional activities rose 115% from approximately \$12.7 billion in 1985 to \$27.3 billion in 1996 (figure 1).<sup>\*</sup> Expenditures specifically for State prison activities increased from \$9.6 billion in 1985 to \$20.9 billion in 1996. Interviews with State budget officials by the Bureau of the Census for this report produced a revised 1996 estimate of \$22 billion.

Total State correctional expenditures include the cost of operating prisons and related institutions such as reformatories, prison farms, institutions exclusively for the criminally insane, institutions for the reception, evaluation and classification of inmates; and correctional facilities for the treatment of drug addicts and alcoholics. In addition to prison operations, State correctional expenditures include juvenile detention and correctional activities, parole boards and programs, pardon boards, probation activities, including those administered by courts, and correctional administration not directly connected to institutions.

<sup>\*</sup>Federal correctional spending, as a non-State cost, was outside the scope of this study. However, Federal Bureau of Prisons (BOP) officials reported separately that outlays for its prison operations in FY 1996 amounted to nearly \$2.5 billion, or about 10% of the Nation's prison expenditure. BOP's annual operating expenditure per inmate was \$23,500. In 1990, these numbers, adjusted for inflation, were \$946 million and \$16,800, respectively.

### Each year between 1985 and 1996 States increased their spending for all corrections an average 7.2% and for prisons alone an average 7.3%

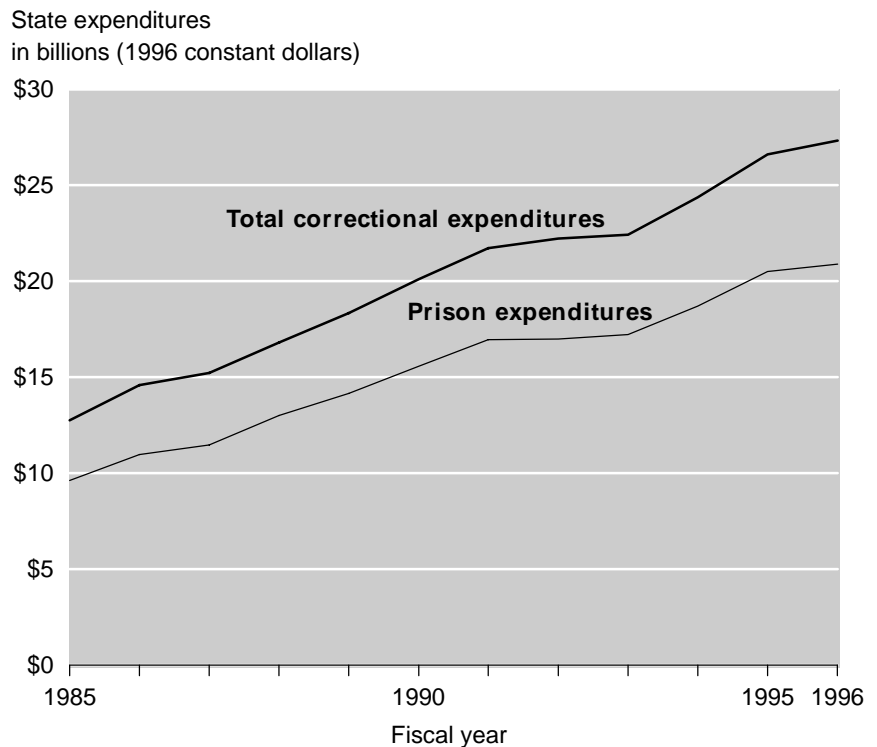


Figure 1

### State costs per resident for corrections increased faster than costs for education, health, and natural resources

As an annual cost per U.S. resident, total State correctional spending rose from \$53 in 1985 to \$103 in 1996. Per resident outlays for State prison operations alone rose from \$40 in 1985 to \$79 in 1996. State correctional spending increased an average 7.2% per year, and spending for prisons specifically, 7.3%. Such spending was

about twice the annual increase for State education (3.6%) and more than twice the increase for State natural resources (2.9%).

Although State corrections costs grew at a faster rate than some other areas from 1985 to 1996, corrections' relative share of the total outlay remained small. At \$994 billion, State spending for education in FY 1996 was nearly 10 times larger than that for corrections, and public welfare was about 7 times larger.

Fiscal year	Annual per capita costs (in 1996 constant dollars) for selected State expenditures, 1985-96					
	Total corrections	Prisons	Health	Education	Public welfare	Natural resources
1985	\$53	\$40	\$67	\$749	\$392	\$39
1990	81	62	93	861	490	46
1995	101	78	120	970	757	49
1996	103	79	123	994	738	49
Average annual percent change 1985-96	7.2%	7.3%	6.6%	3.6%	7.0%	2.9%

Source: U.S. Bureau of the Census, *State Government Finances*, 1985-96.



**Table 1. State prisons: Total, operating, and capital expenditures, and operating expenditures per inmate, fiscal year 1996**

Region and jurisdiction	Expenditures (in 1,000's of dollars)					Operating expenditures in dollars per inmate		Estimated average daily number of inmates, 1995-96*
	Total	Operating	Percent of total	Capital	Percent of total	Per year	Per day	
<b>Total</b>	\$22,033,214	\$20,737,888	94%	\$1,295,326	6%	\$20,142	\$55.18	1,029,595
<b>Northeast</b>	\$5,083,959	\$4,690,704	92%	\$393,256	8%	\$28,996	\$79.44	161,773
Connecticut	497,838	475,367	94	22,471	6	31,912	87.43	14,896
Maine	51,713	48,206	93	3,507	7	33,711	92.36	1,430
Massachusetts	309,674	304,483	98	5,191	2	26,002	71.24	11,710
New Hampshire	42,970	42,429	99	541	1	20,839	57.09	2,036
New Jersey	839,308	827,115	98	12,193	2	30,773	84.31	26,878
New York	2,220,586	1,948,752	88	271,835	12	28,426	77.88	68,556
Pennsylvania	978,769	902,244	92	76,525	8	28,063	76.88	32,151
Rhode Island	109,596	108,683	99	913	1	35,739	97.92	3,041
Vermont	33,505	33,426	100	79	...	31,094	85.19	1,075
<b>Midwest</b>	\$4,502,037	\$4,254,686	94%	\$247,351	6%	\$21,919	\$60.05	194,107
Illinois	740,423	732,824	99	7,599	1	19,351	53.02	37,870
Indiana	338,195	325,700	96	12,495	4	20,188	55.31	16,133
Iowa	146,069	143,774	98	2,295	2	24,286	66.54	5,920
Kansas	170,848	158,454	93	12,394	7	22,242	60.94	7,124
Michigan	1,167,610	1,161,142	99	6,468	1	28,067	76.89	41,371
Minnesota	185,983	184,359	99	1,624	1	37,825	103.63	4,874
Missouri	262,787	249,414	94	13,373	6	12,832	35.16	19,437
Nebraska	69,867	67,904	97	1,963	3	22,271	61.02	3,049
North Dakota	10,749	10,584	99	165	2	17,154	47.00	617
Ohio	1,014,917	873,584	86	141,333	14	19,613	53.74	44,540
South Dakota	34,152	33,582	98	570	2	17,787	48.73	1,888
Wisconsin	360,439	313,366	87	47,073	13	27,771	76.08	11,284
<b>South</b>	\$7,442,584	\$6,990,526	94%	\$452,058	6%	\$15,338	\$42.02	455,756
Alabama	168,989	165,760	98	3,229	2	7,987	21.88	20,753
Arkansas	133,729	124,513	93	9,216	7	13,341	36.55	9,333
Delaware	87,961	87,253	99	707	1	17,987	49.28	4,851
District of Columbia	213,716	212,148	99	1,568	1	21,296	58.34	9,962
Florida	1,224,933	1,100,655	90	124,278	10	17,327	47.47	63,521
Georgia	560,358	547,490	98	12,868	2	15,933	43.65	34,363
Kentucky	208,706	198,775	95	9,931	5	16,320	44.71	12,180
Louisiana	316,245	313,463	99	2,783	1	12,304	33.71	25,476
Maryland	520,263	480,880	92	39,382	8	22,247	60.95	21,616
Mississippi	148,852	143,914	97	4,938	3	11,156	30.56	12,900
North Carolina	756,829	733,775	97	23,054	3	25,303	69.32	28,999
Oklahoma	198,290	193,567	98	4,723	2	10,601	29.04	18,260
South Carolina	315,539	277,868	88	37,671	12	13,977	38.29	19,880
Tennessee	350,575	349,177	100	1,398	...	22,904	62.75	15,245
Texas	1,713,935	1,565,214	91	148,721	9	12,215	33.47	128,140
Virginia	476,715	452,358	95	24,357	5	16,306	44.67	27,742
West Virginia	46,949	43,716	93	3,233	7	17,245	47.25	2,535
<b>West</b>	\$5,004,632	\$4,801,972	96%	\$202,661	4%	\$22,032	\$60.36	217,959
Alaska	116,664	112,350	96	4,314	4	32,415	88.81	3,466
Arizona	418,094	409,167	98	8,927	2	19,091	52.30	21,433
California	3,031,047	2,918,845	96	112,202	4	21,385	58.59	136,492
Colorado	249,833	234,503	94	15,330	6	21,020	57.59	11,156
Hawaii	87,417	83,921	96	3,496	4	23,318	63.88	3,599
Idaho	56,957	55,017	97	1,940	3	16,277	44.60	3,380
Montana	42,448	41,875	99	573	1	20,782	56.94	2,015
Nevada	121,960	119,026	98	2,934	2	15,370	42.11	7,744
New Mexico	125,602	123,892	99	1,710	1	29,491	80.80	4,201
Oregon	254,330	253,421	100	909	...	31,837	87.22	7,960
Utah	113,394	111,808	99	1,585	1	32,361	88.66	3,455
Washington	357,862	311,122	87	46,740	13	26,662	73.05	11,669
Wyoming	29,025	27,024	93	2,001	7	19,456	53.30	1,389

Note: Expenditures exclude adult community corrections, juvenile corrections, and probation and parole services. Inmate counts used to calculate operating expenditures per inmate were based on prisoners under the jurisdiction of State correctional authorities

from June 30, 1995, to June 30, 1996. See *Methodology* for details. Detail may not add to totals because of rounding.

... Less than 1%.

\*See *Methodology*, page 15, for the estimation procedure.

## Expenditures, fiscal year 1996

### States spent \$22.0 billion on prisons in FY 1996

State prison expenditures — total State corrections minus probation, parole, juvenile justice, and community corrections activities — reached \$22,033,214,000 in fiscal 1996.

California had the largest State prison expenditure, a \$3 billion annual payment, and North Dakota had the smallest State expenditure, \$10.7 million (table 1).

The largest State prison expenditures in FY 1996:

California	\$3.0 billion
New York	2.2
Texas	1.7
Florida	1.2
Michigan	1.2

The smallest State prison expenditures in FY 1996:

North Dakota	\$10.7 million
Wyoming	29.0
Vermont	33.5
South Dakota	34.2
New Hampshire	43.0

### States spent approximately \$94 of every \$100 on current operations

Two-thirds of the States spent 94% or more of their prison dollars on current operations, such as salaries, wages, fees, commissions, supplies, contractual services, and general maintenance activities. Oregon, Tennessee, and Vermont reported that nearly all of their funds designated for prisons went for current operations in FY 1996. Ohio spent the least (86%), followed by Washington and Wisconsin which spent 87%.

The Nation's total operating expenditure for State prisons in FY 1996 (\$20,737,888,000) divided by the average number of State prisoners incarcerated during the period (1,029,595), resulted in an estimated average operating expenditure per inmate of \$20,142 per year, or \$55 per day. See *Methodology* for a description of the estimated average daily inmate population for FY 1996.

In 1990 the inflation-adjusted nationwide operating cost per inmate, as reported by State facility respondents, was \$18,400, and in 1984 it was \$16,300.

Nearly half of all jurisdictions in 1996 had per-inmate costs in the \$20,000 to \$30,000 range. Operations were nearly twice as costly in the Northeast as in the South, and about a third higher in the Northeast than in the Midwest and West.

Eight States, all but one of which was located in the South, had annual operating costs per inmate of less than \$15,000, while seven States had annual costs of more than \$30,000:

States with below-\$15,000 annual costs	FY 1996 per inmate prison operating costs
Alabama	\$ 7,987
Oklahoma	10,601
Mississippi	11,156
Texas	12,215
Louisiana	12,304
Missouri	12,832
Arkansas	13,341
South Carolina	13,977

States with above-\$30,000 annual costs

Minnesota	\$37,825
Rhode Island	35,739
Maine	33,711
Alaska	32,415
Utah	32,361
Connecticut	31,912
Oregon	31,837
Vermont	31,094
New Jersey	30,773

Note: All but Rhode Island, Connecticut, and New Jersey used a portion of prison expenditures to fund community corrections. See page 14.

Numerous factors were associated with State-by-State differences in prison costs. Cost-of-living, prevailing wage rates, geography, and a variety of other factors contributed to each State's costs. Measuring these elements was beyond the scope of this study. However, for a discussion of the variations in State correctional expenditures, see "Differences in prison costs," page 12.

## Capital expenditures

### Most States spent about \$6 out of every \$100 on prison capital projects

States spent an average of \$6 out of every \$100 for new construction, renovations, major repairs, equipment, land, buildings, and other nonrecurring outlays during FY 1996. Less than 1% of total expenditures were allocated to capital projects in Oregon, Tennessee, and Vermont, compared to 14% in Ohio and 13% in Washington and Wisconsin.

Slightly more than three-fifths of State capital outlays in FY 1996 went for building construction and renovation projects such as additions, replacements, and major alterations, including fees for the professional services of architects, engineers, appraisers and attorneys.

In terms of capital outlays, nearly a quarter was spent on equipment purchases and installations, furnishings, office equipment, motor vehicles, and other devices having a useful life of more than 5 years. The remainder — about a seventh of all capital funds — was invested in land acquisitions, debt payments, and related costs (table 2).

In Hawaii and Maryland all capital expenditures for FY 1996 were reported as construction and renovation costs, whereas in Arizona, Delaware, the District of Columbia, Michigan, Idaho, Montana, New Mexico, and Vermont, equipment consumed the entire capital account.

Land-related costs accounted for only a small share of most States' capital expenditures in 1996. In New York, however, these expenditures made up nearly two-thirds of the total and in Indiana, nearly a third.

**Table 2. State prisons: Components of capital expenditures, fiscal year 1996**

Region and jurisdiction	Capital expenditures (in 1,000's of dollars)			
	Total	Construction	Equipment	Land and other capital expenditures
<b>Total</b>	\$1,295,326	\$808,439	\$301,419	\$185,468
<b>Northeast</b>	\$393,256	\$176,622	\$36,939	\$179,695
Connecticut	22,471	18,363	4,108	0
Maine	3,507	3,253	164	90
Massachusetts	5,191	1,763	3,428	0
New Hampshire	541	219	322	0
New Jersey	12,193	9,470	2,723	0
New York	271,835	74,921	17,308	179,605
Pennsylvania	76,525	68,192	8,333	0
Rhode Island	913	440	473	0
Vermont	79	0	79	0
<b>Midwest</b>	\$247,351	\$173,658	\$69,828	\$3,864
Illinois	7,599	1,556	6,043	0
Indiana	12,495	1,238	7,393	3,864
Iowa	2,295	354	1,941	0
Kansas	12,394	9,769	2,625	0
Michigan	6,468	0	6,468	0
Minnesota	1,624	808	816	0
Missouri	13,373	288	13,085	0
Nebraska	1,963	633	1,330	0
North Dakota	165	153	12	0
Ohio	141,333	122,065	19,268	0
South Dakota	570	45	525	0
Wisconsin	47,073	36,750	10,323	0
<b>South</b>	\$452,058	\$323,146	\$127,836	\$1,077
Alabama	3,229	2,066	1,163	0
Arkansas	9,216	6,904	2,311	0
Delaware	707	0	707	0
District of Col.	1,568	0	1,568	0
Florida	124,278	99,865	24,228	185
Georgia	12,868	1,579	11,290	0
Kentucky	9,931	7,175	2,756	0
Louisiana	2,783	381	2,189	213
Maryland	39,382	39,382	0	0
Mississippi	4,938	2,190	2,360	388
North Carolina	23,054	4,769	18,236	49
Oklahoma	4,723	793	3,931	0
South Carolina	37,671	32,134	5,537	0
Tennessee	1,398	141	1,257	0
Texas	148,721	112,709	35,831	181
Virginia	24,357	11,224	13,073	60
West Virginia	3,233	1,834	1,399	0
<b>West</b>	\$202,661	\$135,013	\$66,815	\$832
Alaska	4,314	2,775	1,539	0
Arizona	8,927	0	8,927	0
California	112,202	77,667	34,535	0
Colorado	15,330	11,565	3,624	141
Hawaii	3,496	3,496	0	0
Idaho	1,940	0	1,940	0
Montana	573	0	573	0
Nevada	2,934	137	2,797	0
New Mexico	1,710	0	1,710	0
Oregon	909	270	639	0
Utah	1,585	746	839	0
Washington	46,740	36,544	9,505	691
Wyoming	2,001	1,813	188	0

## Operating expenditures

### About two-thirds of operating costs went for prison employee salaries, wages, and benefits

Salaries and wages accounted for slightly more than half of total operating expenditures, nationwide; employee benefits, about a seventh; and other operating costs, approximately a third (table 3).

The wide State-by-State variation in the distribution of operating expenditure components highlights the importance of considering all operating costs together when making comparisons between jurisdictions. For example, in Massachusetts prison employee salaries and wages accounted for 67% of the State's total operating expenditures and for about 60% of the expenditures in the District of Columbia, Oklahoma, New York, and Illinois.

By contrast, in Kentucky, Oregon, and Tennessee about a third of total operating expenditures were allocated for prison employee salaries and wages.

Like salaries, employee benefits varied from a high of 26% in Michigan to a low of 3% in Massachusetts. The other operating costs category ranged from as much as 59% of the total prison operating expenditure in Tennessee to as little as 16% in Michigan.

**Table 3. State prisons: Components of operating expenditures, fiscal year 1996**

Region and jurisdiction	Operating expenditures (1,000's of dollars)						
	Total	Salaries and wages	Percent of total	Benefits	Percent of total	Other operating costs	Percent of total
<b>Total</b>	\$20,737,888	\$10,774,922	52%	\$3,060,939	15%	\$6,902,027	33%
<b>Northeast</b>	\$4,690,704	\$2,620,003	56%	\$741,958	16%	\$1,328,743	28
Connecticut	475,367	270,755	57	95,000	20	109,612	23
Maine	48,206	22,687	47	10,284	21	15,235	32
Massachusetts	304,483	204,905	67	10,146	3	89,433	29
New Hampshire	42,429	24,151	57	5,942	14	12,336	29
New Jersey	827,115	413,166	50	87,610	11	326,339	39
New York	1,948,752	1,174,315	60	367,208	19	407,228	21
Pennsylvania	902,244	436,195	48	142,514	16	323,535	36
Rhode Island	108,683	55,622	51	18,093	17	34,968	32
Vermont	33,426	18,207	54	5,162	15	10,057	30
<b>Midwest</b>	\$4,254,686	\$2,205,315	52%	\$710,882	17%	\$1,338,489	31%
Illinois	732,824	438,850	60	91,341	12	202,633	28
Indiana	325,700	133,473	41	50,982	16	141,244	43
Iowa	143,774	81,446	57	11,220	8	51,108	36
Kansas	158,454	78,024	49	13,795	9	66,635	42
Michigan	1,161,142	682,644	59	298,166	26	180,332	16
Minnesota	184,359	86,103	47	28,701	16	69,555	38
Missouri	249,414	124,259	50	39,764	16	85,390	34
Nebraska	67,904	35,471	52	8,659	13	23,774	35
North Dakota	10,584	5,779	55	1,700	16	3,105	29
Ohio	873,584	394,243	45	112,280	13	367,062	42
South Dakota	33,582	13,550	40	3,377	10	16,655	50
Wisconsin	313,366	131,474	42	50,896	16	130,996	42
<b>South</b>	\$6,990,526	\$3,480,760	50%	\$892,937	13%	\$2,616,829	37%
Alabama	165,760	87,534	53	22,084	13	56,142	34
Arkansas	124,513	57,505	46	16,308	13	50,701	41
Delaware	87,253	40,705	47	13,120	15	33,428	38
District of Col.	212,148	129,034	61	20,837	10	62,277	29
Florida	1,100,655	535,673	49	224,957	20	340,024	31
Georgia	547,490	262,930	48	105,493	19	179,067	33
Kentucky	198,775	62,513	31	21,593	11	114,669	58
Louisiana	313,463	120,317	38	21,220	7	171,926	55
Maryland	480,880	235,564	49	74,749	16	170,567	35
Mississippi	143,914	60,752	42	16,726	12	66,436	46
North Carolina	733,775	358,087	49	87,126	12	288,562	39
Oklahoma	193,567	116,642	60	32,120	17	44,805	23
South Carolina	277,868	143,777	52	45,148	16	88,943	32
Tennessee	349,177	113,826	33	30,901	9	204,450	59
Texas	1,565,214	885,246	57	82,815	5	597,152	38
Virginia	452,358	250,681	55	70,359	16	131,318	29
West Virginia	43,716	19,974	46	7,381	17	16,361	37
<b>West</b>	\$4,801,972	\$2,468,844	51%	\$715,162	15%	\$1,617,966	34%
Alaska	112,350	53,560	48	20,945	19	37,845	34
Arizona	409,167	192,167	47	59,573	15	157,427	38
California	2,918,845	1,588,517	54	432,436	15	897,892	31
Colorado	234,503	124,044	53	25,673	11	84,786	36
Hawaii	83,921	38,666	46	19,919	24	25,336	30
Idaho	55,017	26,202	48	8,981	16	19,834	36
Montana	41,875	18,620	44	5,342	13	17,913	43
Nevada	119,026	66,722	56	18,692	16	33,612	28
New Mexico	123,892	51,631	42	21,631	17	50,629	41
Oregon	253,421	83,267	33	27,215	11	142,940	56
Utah	111,808	44,771	40	22,188	20	44,850	40
Washington	311,122	168,925	54	48,113	15	94,084	30
Wyoming	27,024	11,751	43	4,455	16	10,818	40

## Five core expenditures

### Five core expenditures provide a prison cost profile

Over a quarter of current operating expenses in State prisons in FY 1996 involved inmate medical care, food service, inmate programs, utilities, and transportation and travel expenses (table 4).

**Table 4. State prison expenditures for medical care, food service, inmate programs, utilities, and transportation, fiscal year 1996**

Region and jurisdiction	Expenditures (in 1,000's of dollars)*				
	Medical care	Food service	Inmate programs	Utilities	Transportation
<b>National estimate</b>	\$2,456,300	\$1,112,900	\$1,231,100	\$682,028	\$197,000
<b>Total, reporting States</b>	\$2,279,228	\$1,107,672	\$1,040,806	\$682,028	\$171,602
<b>Northeast</b>	\$453,243	\$203,305	\$311,520	\$154,748	\$30,878
Connecticut	44,939	22,967	...	16,789	4,130
Maine	3,379	1,437	...	2,395	109
Massachusetts	39,850	9,406	...	8,476	1,914
New Hampshire	8,325	2,358	...	2,274	217
New Jersey	61,819	24,956	...	26,543	2,980
New York	163,454	70,050	...	64,025	19,061
Pennsylvania	119,522	65,686	...	30,675	...
Rhode Island	8,297	4,903	...	2,774	2,329
Vermont	3,658	1,543	...	796	137
<b>Midwest</b>	\$394,325	\$251,933	\$156,765	\$130,959	\$32,119
Illinois	48,272	41,928	...	26,254	5,615
Indiana	...	16,687	...	9,198	1,730
Iowa	8,832	10,972	...	4,938	717
Kansas	16,647	9,750	...	4,787	1,441
Michigan	189,812	65,281	...	28,828	17,873
Minnesota	...	...	...	5,660	585
Missouri	24,867	14,887	...	11,535	1,562
Nebraska	3,577	3,083	...	1,841	278
North Dakota	622	660	...	485	85
Ohio	78,973	69,717	...	26,340	...
South Dakota	4,284	3,219	...	905	146
Wisconsin	18,439	15,750	...	10,187	2,086
<b>South</b>	\$849,313	\$366,799	\$218,523	\$259,944	\$69,153
Alabama	21,535	6,389	...	8,091	1,644
Arkansas	17,972	7,215	...	5,858	637
Delaware	8,256	6,595	...	3,948	2,901
Dist. of Columbia	31,804	14,776	...	9,496	4,763
Florida	194,594	81,813	...	37,213	24,976
Georgia	83,033	38,961	...	24,843	3,714
Kentucky	16,049	7,155	...	6,131	5,534
Louisiana	...	10,394	...	7,862	...
Maryland	37,380	17,594	...	19,188	3,064
Mississippi	15,153	8,468	...	5,163	1,143
North Carolina	76,634	28,151	...	22,971	3,250
Oklahoma	15,027	7,835	...	6,446	1,629
South Carolina	20,336	9,174	...	15,391	2,142
Tennessee	29,346	23,261	...	16,126	2,583
Texas	276,826	65,820	...	54,169	8,413
Virginia	...	29,998	...	14,644	2,334
West Virginia	5,367	3,201	...	2,406	425
<b>West</b>	\$582,348	\$285,634	\$353,997	\$136,377	\$39,453
Alaska	14,066	5,122	...	3,857	1,816
Arizona	39,703	23,797	...	12,033	...
California	378,031	177,614	...	78,686	25,565
Colorado	22,176	14,203	...	6,537	2,441
Hawaii	8,125	7,273	...	3,302	162
Idaho	7,128	3,512	...	1,455	369
Montana	4,030	2,100	...	805	362
Nevada	24,621	6,766	...	5,305	...
New Mexico	10,264	6,622	...	4,014	589
Oregon	14,463	10,438	...	6,245	2,157
Utah	10,868	4,163	...	2,936	1,136
Washington	43,140	22,661	...	10,445	4,856
Wyoming	5,734	1,362	...	757	...

Note: Figures include salaries or wages of correctional staff involved in the described activity. Detail may not add to total due to rounding. National estimates are based on ratio adjustments of total to covered inmate population.

... Not able to separate from general operating expenditures.

## Medical care

States spent nearly \$2.5 billion on prisoner medical and dental care in FY 1996, or about 12% of total prison operating expenditures (table 5).

Outlays for medical services provided by full-time and part-time government staff and managed care and fee-for-service providers averaged \$2,386 per inmate during the year, or \$6.54 per day. By comparison, in 1995, the latest year with data, on average each U.S. resident spent \$1,807 or \$4.95 per day for his or her own health care.\*

Correctional systems face a variety of factors influencing the cost of inmate medical care. Some prison systems may be making up for the inadequate care of chronic disorders among the prisoners before they were admitted. Some systems are in States where everyone pays above average medical costs. Some systems are in States with high incidence of risky behaviors that cause disease. Some States may have an exceptional number of high-cost medical cases, such as AIDS or kidney failures. How a State chooses to staff or pay for its medical care and how a State distributes its specialized care among facilities also influence expenditures.

In FY 1996 medical costs accounted for about 14% of the total prison operating expenditures in the South, 12% in the West, 11% in the Midwest, and 10% in the Northeast. Total annual medical expenditures ranged from \$378 million in California to \$622,000 in North Dakota.

Six States had daily medical costs per inmate above \$10: Michigan, \$12.57; Wyoming, \$11.31; New Hampshire, \$11.20; Alaska, \$11.12; Pennsylvania, \$10.18; and Washington, \$10.13. Four were below \$3 a day: Oklahoma, \$2.25; North Dakota, \$2.76; South Carolina, \$2.80; and Alabama, \$2.84.

\*U.S. Health Care Financing Administration, *Health Care Financing Review*, fall 1996.

**Table 5. State prison expenditures for inmate medical care, fiscal year 1996**

Region and jurisdiction	Medical expenditures			
	Total	Percent of annual operating expenditure	Per inmate	
			Per year	Per day
<b>National estimate</b>	\$2,456,300,000	11.8%	\$2,386	\$6.54
<b>Total, reporting States</b>	\$2,279,228,201			
<b>Northeast</b>	\$453,243,191	9.7%	\$2,802	\$7.68
Connecticut	44,938,650	9.5	3,017	8.27
Maine	3,378,645	7.0	2,363	6.47
Massachusetts	39,850,000	13.1	3,403	9.32
New Hampshire	8,325,000	19.6	4,089	11.20
New Jersey	61,819,000	7.5	2,300	6.30
New York	163,454,415	8.4	2,384	6.53
Pennsylvania	119,522,000	13.2	3,718	10.18
Rhode Island	8,297,251	7.6	2,728	7.48
Vermont	3,658,230	10.9	3,403	9.32
<b>Midwest</b>	\$394,324,659	10.5%	\$2,278	\$6.24
Illinois	48,272,000	6.6	1,275	3.49
Indiana	...	--	--	--
Iowa	8,832,000	6.1	1,492	4.09
Kansas	16,647,000	10.5	2,337	6.40
Michigan	189,812,400	16.3	4,588	12.57
Minnesota	...	--	--	--
Missouri	24,866,807	10.0%	1,279	3.51
Nebraska	3,576,884	5.3	1,173	3.21
North Dakota	622,000	5.9	1,008	2.76
Ohio	78,972,713	9.0	1,773	4.86
South Dakota	4,283,590	12.8	2,269	6.22
Wisconsin	18,439,265	5.9	1,634	4.48
<b>South</b>	\$849,312,674	13.6%	\$2,110	\$5.78
Alabama	21,535,000	13.0	1,038	2.84
Arkansas	17,972,348	14.4	1,926	5.28
Delaware	8,256,324	9.5	1,702	4.66
District of Columbia	31,804,000	15.0	3,193	8.75
Florida	194,593,820	17.7	3,063	8.39
Georgia	83,033,435	15.2	2,416	6.62
Kentucky	16,049,000	8.1	1,318	3.61
Louisiana	...	--	--	--
Maryland	37,379,866	7.8	1,729	4.74
Mississippi	15,153,000	10.5	1,175	3.22
North Carolina	76,634,451	10.4	2,643	7.24
Oklahoma	15,027,000	7.8	823	2.25
South Carolina	20,336,000	7.3	1,023	2.80
Tennessee	29,346,000	8.4	1,925	5.27
Texas	276,825,806	17.7	2,160	5.92
Virginia	...	--	--	--
West Virginia	5,366,624	12.3	2,117	5.80
<b>West</b>	\$582,347,677	12.1%	\$2,672	\$7.32
Alaska	14,066,000	12.5	4,058	11.12
Arizona	39,702,600	9.7	1,852	5.08
California	378,031,000	13.0	2,770	7.59
Colorado	22,175,794	9.5	1,988	5.45
Hawaii	8,124,583	9.7	2,257	6.18
Idaho	7,128,000	13.0	2,109	5.78
Montana	4,030,000	9.6	2,000	5.48
Nevada	24,620,666	20.7	3,179	8.71
New Mexico	10,264,100	8.3	2,443	6.69
Oregon	14,462,949	5.7	1,817	4.98
Utah	10,868,000	9.7	3,146	8.62
Washington	43,139,853	13.9	3,697	10.13
Wyoming	5,734,132	21.2	4,128	11.31

Note: Figures include salaries and wages of correctional staff involved in the described activity.  
 . . . Not able to separate from general operating expenditures.  
 --Not calculable.

## Food service

At \$1.1 billion, nationwide, outlays for State prison food services during FY 1996 were slightly less than half as large as the costs for medical care (table 6). In absolute terms, California spent the most to feed its inmates (\$178 million), and North Dakota spent the least (\$660,000). South Dakota allocated the largest percentage of its operating expenditure on food service (10%), and Maine and New Jersey, the smallest percentage (3%).

Overall, State prison systems spent about \$2.96 per day on inmate food service. In the West (\$3.59), Midwest (\$3.65), and Northeast (\$3.44) average costs were slightly higher than in the South (\$2.20) where prison farm produce and other inmate-generated measures may have helped to reduce food costs.

The highest daily State expenditure for food service was in Pennsylvania (\$5.60 per inmate), nearly 7 times greater than that in Alabama, which had the lowest daily food cost per inmate (\$0.84).

**Table 6. State prison expenditures for food service, fiscal year 1996**

Region and jurisdiction	Food service expenditures			
	Total	Percent of annual operating expenditure	Per inmate	
			Per year	Per day
<b>National estimate</b>	\$1,112,900,000	5.4%	\$1,081	\$2.96
<b>Total, reporting States</b>	\$1,107,671,730			
<b>Northeast</b>	\$203,305,419	4.3%	\$1,257	\$3.44
Connecticut	22,966,834	4.8	1,542	4.22
Maine	1,437,438	3.0	1,005	2.75
Massachusetts	9,405,930	3.1	803	2.20
New Hampshire	2,358,000	5.6	1,158	3.17
New Jersey	24,956,000	3.0	928	2.54
New York	70,049,869	3.6	1,022	2.80
Pennsylvania	65,686,000	7.3	2,043	5.60
Rhode Island	4,902,784	4.5	1,612	4.42
Vermont	1,542,564	4.6	1,435	3.93
<b>Midwest</b>	\$251,932,939	6.2%	\$1,331	\$3.65
Illinois	41,928,000	5.7	1,107	3.03
Indiana	16,686,967	5.1	1,034	2.83
Iowa	10,972,000	7.6	1,853	5.08
Kansas	9,750,000	6.2	1,369	3.75
Michigan	65,280,900	5.6	1,578	4.32
Minnesota	...	--	--	--
Missouri	14,886,809	6.0	766	2.10
Nebraska	3,083,029	4.5	1,011	2.77
North Dakota	660,000	6.2	1,070	2.93
Ohio	69,716,713	8.0	1,565	4.29
South Dakota	3,218,839	9.6	1,705	4.67
Wisconsin	15,749,682	5.0	1,396	3.82
<b>South</b>	\$366,799,099	5.2%	\$805	\$2.20
Alabama	6,389,000	3.9	308	0.84
Arkansas	7,214,757	5.8	773	2.12
Delaware	6,595,000	7.6	1,360	3.72
District of Columbia	14,776,000	7.0	1,483	4.06
Florida	81,812,750	7.4	1,288	3.53
Georgia	38,961,177	7.1	1,134	3.11
Kentucky	7,155,000	3.6	587	1.61
Louisiana	10,394,299	3.3	408	1.12
Maryland	17,593,721	3.7	814	2.23
Mississippi	8,468,000	5.9	656	1.80
North Carolina	28,150,613	3.8	971	2.66
Oklahoma	7,835,493	4.0	429	1.18
South Carolina	9,174,000	3.3	461	1.26
Tennessee	23,261,000	6.7	1,526	4.18
Texas	65,819,678	4.2	514	1.41
Virginia	29,998,000	6.6	1,081	2.96
West Virginia	3,200,611	7.3	1,263	3.46
<b>West</b>	\$285,634,273	5.9%	\$1,310	\$3.59
Alaska	5,122,000	4.6	1,478	4.05
Arizona	23,797,400	5.8	1,110	3.04
California	177,614,000	6.1	1,301	3.57
Colorado	14,203,242	6.1	1,273	3.49
Hawaii	7,272,994	8.7	2,021	5.54
Idaho	3,512,000	6.4	1,039	2.85
Montana	2,100,000	5.0	1,042	2.86
Nevada	6,766,138	5.7	874	2.39
New Mexico	6,621,900	5.3	1,576	4.32
Oregon	10,437,555	4.1	1,311	3.59
Utah	4,163,257	3.7	1,205	3.30
Washington	22,661,351	7.3	1,942	5.32
Wyoming	1,362,436	5.0	981	2.69

Note: Figures include salaries or wages of correctional staff involved in the described activity.

--Not calculable.

. . .Not able to separate from general operating expenditures.

## Inmate programs

States spent approximately \$1.2 million in FY 1996 on inmate programs involving academic and vocational training, substance abuse awareness and treatment programs, religious activities, parenting, job search preparation, life skills training, recreation and exercise, and related activities (table 7). This amount was slightly more than for food service and equal to about 6% of the Nation's total State prison operating expenditure.

Reporting of inmate program expenditures was too uneven to permit State-by-State presentation. About a fourth of the States could not separate inmate program spending from general operating costs. Jurisdictions that could report separate numbers did not always know the total outlays because other agencies met some of the costs. Some State health departments may have provided mental health counseling and substance abuse treatment. Some State departments of education may have partially defrayed the costs of teachers for GED classes or other academic or vocational training.

**Table 7. State prison expenditures for inmate programs, fiscal year 1996**

Region and jurisdiction	Inmate program expenditures*			
	Total	Percent of annual operating expenditure	Per inmate	
			Per year	Per day
<b>National estimate</b>	\$1,231,100,000	5.9%	\$1,196	\$3.28
<b>Total, reporting States</b>	\$1,040,806,002			
Northeast	\$311,519,992	6.7%	\$1,943	\$5.32
Midwest	156,765,236	4.3	989	2.71
South	218,523,400	4.1	634	1.74
West	353,997,374	7.7	1,712	4.69

Note: Programs include work activities such as prison industries and facility support services, educational activities like academic and vocational training, counseling activities like substance abuse treatment and employment skills training, and recreation and exercise activities. Figures include salaries and wages of correctional staff involved in the described activity.

\*Program expenditures are underreported. Some States reported expenditures for selected programs only. Other States were unable to separate program expenditures from general operating costs. A national estimate was calculated, adjusting for nonreporting.



## Utilities

**Table 8. State prison expenditures for utilities, fiscal year 1996**

Region and jurisdiction	Expenditures for utilities			
	Total	Percent of annual operating expenditure	Per inmate	
			Per year	Per day
<b>Total</b>	\$682,028,208	3.3%	\$662	\$1.81
<b>Northeast</b>	\$154,748,268	3.3%	\$957	\$2.62
Connecticut	16,788,808	3.5	1,127	3.09
Maine	2,395,334	5.0	1,675	4.59
Massachusetts	8,476,416	2.8	724	1.98
New Hampshire	2,274,000	5.4	1,117	3.06
New Jersey	26,543,000	3.2	988	2.71
New York	64,025,452	3.3	934	2.56
Pennsylvania	30,675,000	3.4	954	2.61
Rhode Island	2,773,903	2.6	912	2.50
Vermont	796,355	2.4	741	2.03
<b>Midwest</b>	\$130,958,795	3.1%	\$675	\$1.85
Illinois	26,254,000	3.6	693	1.90
Indiana	9,197,903	2.8	570	1.56
Iowa	4,938,000	3.4	834	2.29
Kansas	4,787,000	3.0	672	1.84
Michigan	28,828,300	2.5	697	1.91
Minnesota	5,660,365	3.1	1,161	3.18
Missouri	11,535,160	4.6	593	1.63
Nebraska	1,841,023	2.7	604	1.65
North Dakota	485,000	4.6	786	2.15
Ohio	26,339,792	3.0	591	1.62
South Dakota	905,470	2.7	480	1.31
Wisconsin	10,186,782	3.3	903	2.47
<b>South</b>	\$259,944,333	3.7%	\$570	\$1.56
Alabama	8,091,000	4.9	390	1.07
Arkansas	5,857,501	4.7	628	1.72
Delaware	3,947,900	4.5	814	2.23
District of Col.	9,496,000	4.5	953	2.61
Florida	37,212,649	3.4	586	1.61
Georgia	24,842,844	4.5	723	1.98
Kentucky	6,131,000	3.1	503	1.38
Louisiana	7,861,624	2.5	309	0.85
Maryland	19,187,647	4.0	888	2.43
Mississippi	5,163,000	3.6	400	1.10
North Carolina	22,971,090	3.1	792	2.17
Oklahoma	6,446,236	3.3	353	0.97
South Carolina	15,391,000	5.5	774	2.12
Tennessee	16,126,000	4.6	1,058	2.90
Texas	54,168,689	3.5	423	1.16
Virginia	14,644,153	3.2	528	1.45
West Virginia	2,406,000	5.5	949	2.60
<b>West</b>	\$136,376,812	2.8%	\$626	\$1.71
Alaska	3,857,000	3.4	1,113	3.05
Arizona	12,032,700	2.9	561	1.54
California	78,686,000	2.7	576	1.58
Colorado	6,536,832	2.8	586	1.61
Hawaii	3,302,012	3.9	917	2.51
Idaho	1,455,000	2.6	430	1.18
Montana	805,397	1.9	400	1.10
Nevada	5,305,000	4.5	685	1.88
New Mexico	4,013,900	3.2	955	2.62
Oregon	6,245,185	2.5	785	2.15
Utah	2,935,741	2.6	850	2.33
Washington	10,445,382	3.4	895	2.45
Wyoming	756,663	2.8	545	1.49

Note: Figures include salaries and wages of correctional staff involved in the described activity.

State prison utility costs totaled \$682 million in FY 1996, or about 3.3% of total prison operating expenditures (table 8). Utilities were the only core prison cost which all State respondents could report completely. The category includes gas and electricity for heat and air conditioning, cooking, and lighting as well as water and sewerage service. Utilities do not include telephone service.

Prison utility expenditures varied across geographic areas: Average annual costs per inmate were highest in the Northeast (\$957), followed by the Midwest (\$675), the West (\$626), and the South (\$570).

Daily utility costs ranged from \$4.59 per inmate in Maine and \$3.18 in Minnesota to \$0.85 in Louisiana and \$0.97 in Oklahoma.

## Transportation

**Table 9. State prison expenditures for transportation, fiscal year 1996**

Region and jurisdiction	Expenditures for transportation			
	Total	Percent of annual operating expenditure	Per inmate	
			Per year	Per day
<b>National estimate</b>	\$197,000,000	0.9%	\$191	\$0.52
<b>Total, reporting States</b>	\$171,601,857			
<b>Northeast</b>	\$30,878,102	0.8%	\$238	\$0.65
Connecticut	4,130,210	0.9	277	0.76
Maine	108,753	0.2	76	0.21
Massachusetts	1,914,496	0.6	163	0.45
New Hampshire	217,000	0.5	107	0.29
New Jersey	2,980,000	0.4	111	0.30
New York	19,061,438	1.0	278	0.76
Pennsylvania	...	--	--	--
Rhode Island	2,329,266	2.1	766	2.10
Vermont	136,939	0.4	127	0.35
<b>Midwest</b>	\$32,118,687	0.9%	\$215	\$0.59
Illinois	5,615,000	0.8	\$148	0.41
Indiana	1,729,769	0.5	107	0.29
Iowa	717,000	0.5	121	0.33
Kansas	1,441,000	0.9	202	0.55
Michigan	17,873,300	1.5	432	1.18
Minnesota	585,372	0.3	120	0.33
Missouri	1,562,215	0.6	80	0.22
Nebraska	278,000	0.4	91	0.25
North Dakota	85,000	0.8	138	0.38
Ohio	...	--	--	--
South Dakota	146,000	0.4	77	0.21
Wisconsin	2,086,031	0.7	185	0.51
<b>South</b>	\$69,152,544	1.0%	\$161	\$0.44
Alabama	1,644,000	1.0	79	0.22
Arkansas	637,299	0.5	68	0.19
Delaware	2,900,900	3.3	598	1.64
District of Columbia	4,763,000	2.2	478	1.31
Florida	24,975,969	2.3	393	1.08
Georgia	3,713,954	0.7	108	0.30
Kentucky	5,534,000	2.8	454	1.24
Louisiana	...	--	--	--
Maryland	3,064,024	0.6	142	0.39
Mississippi	1,143,000	0.8	89	0.24
North Carolina	3,250,167	0.4	112	0.31
Oklahoma	1,628,852	0.8	89	0.24
South Carolina	2,142,000	0.8	108	0.30
Tennessee	2,583,000	0.7	169	0.46
Texas	8,412,959	0.5	66	0.18
Virginia	2,334,291	0.5	84	0.23
West Virginia	425,129	1.0	168	0.46
<b>West</b>	\$39,452,524	0.9%	\$211	\$0.58
Alaska	1,816,000	1.6	524	1.44
Arizona	...	--	--	--
California	25,565,000	0.9	187	0.51
Colorado	2,440,930	1.0	219	0.60
Hawaii	161,606	0.2	45	0.12
Idaho	369,000	0.7	109	0.30
Montana	362,494	0.9	180	0.49
Nevada	...	--	--	--
New Mexico	588,900	0.5	140	0.38
Oregon	2,156,832	0.9	271	0.74
Utah	1,135,863	1.0	329	0.90
Washington	4,855,899	1.6	416	1.14
Wyoming	...	--	--	--

Note: Figures include salaries and wages of correctional staff involved in the described activity.

... Not able to separate from general operating expenditures.

--Not calculable.

Inmate transportation and staff travel activities cost State prisons systems \$197 million in FY 1996, or about 1% of their total operating expenditures (table 9).

Approximately half of all reported transportation and travel money associated with State prisons in FY 1996 was spent in California, Florida, New York, and Michigan, which reported prison transportation bills of \$25.6 million, \$25 million, \$19.1 million, and \$17.9 million, respectively.

Reported annual transportation and travel expenditures per inmate in FY 1996 ranged from \$766 in Rhode Island and \$598 in Delaware to \$45 in Hawaii and \$66 in Texas. The Adult Correctional Institutions (ACI) division, according to Rhode Island's Department of Corrections, "is responsible for the transportation of the adult and juvenile populations to court facilities, and transports inmates to and from other states.... The ACI functions both as a prison system for offenders sentenced to incarceration and as a statewide jail facility for individuals awaiting trial or arraignment..."

Like Rhode Island, Delaware operates a combined jail/prison system with added cost for jail inmate movement.

## Differences in prison costs

### Numerous factors associated with State-by-State differences in prison costs

Much of the variation between States in the cost of operating prisons fell outside the control of State administrators: Differences in the cost of living, variation in prevailing wage rates, climate, geography, and a variety of other human and natural factors contributed significantly to each State's prison cost equation. Measuring these elements was beyond the scope of this study. However, a number of factors related to correctional operations were possible to analyze.

#### *Inmate-to-staff ratios*

Inmate-to-staff ratios had a clear relationship with operating costs per inmate. This relationship was tied to employee salaries and wages that accounted for more than half of total State prison operating costs.

High inmate-to-total-staff ratios were most common in States reporting low average costs per inmate, and low inmate-to-total staff ratios predominated in States with high average annual costs per inmate.

States with the lowest inmate-to-total-staff ratios:

	Inmates per employee	Operating cost per inmate per day
Maine	1.5	\$92
Vermont	1.8	85
Minnesota	1.9	104
New Mexico	1.9	81
New Hampshire	1.9	57

States with the highest inmate-to-total-staff ratios:

	Inmates per employee	Operating cost per inmate per day
Alabama	6.4	\$22
Oklahoma	4.7	29
Nevada	4.7	42
Louisiana	4.6	34
Mississippi	4.4	31

Similar patterns were observed between inmate-to-security-staff ratios and average costs per inmate. High inmate-to-security-staff ratios were most common in States with low average costs per inmate, and low inmate-to-security-staff ratios were most likely to prevail in jurisdictions with high average costs per inmate.

States with the lowest inmate-to-security-staff ratios:

	Inmates per security employee	Operating cost per inmate per day
Vermont	2.3	\$85
Maine	2.4	92
Minnesota	3.0	104
New Mexico	3.0	81
New Hampshire	3.0	57

States with the highest inmate-to-security-staff ratios:

	Inmates per security employee	Operating cost per inmate per day
Oklahoma	8.5	\$29
Nevada	7.1	42
California	7.0	59
Oregon	6.6	87
Ohio	6.1	54

### *Average number of inmates per facility*

The overall pattern between average number of inmates per facility and costs per inmate suggests that a small amount of cost savings resulted from the operation of larger capacity prisons.

Average facility size showed some relationship with average annual operating costs per inmate: Eight States with annual costs per inmate of less than \$15,000 reported average numbers of inmates per facility of 400 or greater, including 2 jurisdictions with average prison sizes greater than 1,300.

By contrast, 7 States with average costs per inmate of \$30,000 or more had average numbers of inmates per facility of fewer than 800, including 2 with average of fewer than 200.

In the remaining 36 jurisdictions, which had intermediate costs per inmate, there was wide variation in the average number of inmates per facility and no clear relationship between average facility size and cost per inmate.

### *Transfer payments*

Transfer payments include intergovernmental monies from one government to another, including grants-in-aid, fiscal assistance, and amounts for services performed by one government for another, such as payments for boarding prisoners. Transfer payments also refer to intra-governmental payments from one department or agency to another within the same government. Some jurisdictions provide transfer payments on a reimbursable basis. In Washington, for example, all transfer money received for employer contributions to prison employee benefits is repaid from department of corrections funds.

Nearly two-thirds of the Nation's State departments of corrections received and applied some transfer payments to their adult institutional corrections accounts in FY 1996. Departments of corrections in the South received about 8% of their total expenditures from transfer payments, compared to about 4% in other regions.

A fifth or more of total prison expenditures in four States came from transfer payments: Tennessee, 25%; Louisiana, 24%; and Colorado and Oregon, 20% each. Eight States used transfer payments to meet a portion of salary and wage obligations; 15 States used them for part of employee benefits; and 33 States used them for other operating costs:

	<u>Transfer payments as a percent of salaries and wages</u>
Ohio	11%
Arizona	4
Alabama	4
Oklahoma	4
Colorado	4
North Carolina	3
Texas	1
Connecticut	1

	<u>Transfer payments as a percent of employee benefits</u>
Washington	100%
Colorado	68
Montana	55
Maine	53
North Carolina	45
Wisconsin	44
Oregon	44
8 other States with less than 40%	38% to 1%

	<u>Transfer payments as a percent of other operating costs</u>
Louisiana	43%
Tennessee	42
Mississippi	41
Kansas	40
New Jersey	38
28 other States with less than 40%	34% to 1%

### *Facility security level*

The average security level at which a State's prisons operated showed no clear relationship with average operating costs per inmate: Both very high (\$30,000 and higher) and very low (less than \$15,000) annual operating costs per inmate were reported in States having relatively large percentages of facilities rated as maximum security.

By contrast, moderate annual operating costs per inmate of \$15,000 to \$25,000 were most common in States with relatively large percentages of facilities rated as minimum security.

States in the South operated the largest percentage of maximum security facilities (23%), yet the average operating cost per inmate in the South was the lowest of any region (\$15,338). In the Northeast, where costs per inmate were among the highest (\$28,966), only 16% of the facilities were rated as maximum security. In the Midwest, however, where operating costs per inmate were in the middle range averaging \$21,919, over half of all prisons were rated as minimum security.

### *Community corrections*

Most States budgeted and paid for nonresidential community corrections expenditures out of separate accounts from prison operations. As a result, community corrections spending was largely outside the scope of this study.

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However, six States — Alaska, Maine, Minnesota, Oregon, Utah, and Vermont — each used a portion of prison expenditures to fund community corrections activities, a practice which affected comparisons with other jurisdictions' spending to a greater or lesser extent, depending on the proportion of the prison budget affected.

Comparison of Minnesota's expenditures with other jurisdictions was the most affected because it allocated 38% of its prison expenditure in FY 1996 for community corrections. Vermont's prison outlay was also clearly affected, as it allocated 31% of its prison spending to community corrections. It was possible, however, to delete the entire community corrections outlays from these two States' total expenditures so that their prison spending could be appropriately compared to that of other States.

Comparisons of the operating costs of Alaska, Maine, Oregon, Rhode Island, and Utah with other States were not appreciably affected, as less than 2% of each of these jurisdiction's prisons expenditures were allocated to community corrections.

## Methodology

BJS asked government finance specialists at the U.S. Census Bureau to identify each State's corrections function codes reported in the *FY 1996 Survey of Government Finances* and enter this information into a data base, using a standardized format developed by BJS. This extraction procedure included both inter and intragovernmental transfer payments, and clarified missing, repetitious, and out-of-range data items.

State department of corrections budget officers and central office accounting specialists were also contacted and asked to review the originally reported numbers, a process which for some States involved numerous phone calls and revisions of the original figures. They helped Census Bureau staff to eliminate duplicate reports, interpret expenditure classification codes, and understand organizational functions and accounting procedures.

Budget officials were especially helpful in adding expenditures for central office staff who performed prison activities, and in removing expenditures pertaining to probation and parole services, juvenile corrections, and nonresidential community corrections — areas that were outside the adult prison function.

After each jurisdiction's designated financial reviewer agreed with its final numbers, Census Bureau staff completed the data revision phase of the project with a 100% response rate for total, operating, and capital expenditures. The response rates for the five core expenditure groups were as follows: Utilities, 100%; food service, 98%; medical care, 92%; transportation, 88%; and inmate programs, 76%.

To analyze prison costs in relation to other factors, BJS augmented the completed data set with variables from the *1995 Census of State and Federal Correctional Facilities*, including facility size, facility security level, and staff

characteristics. Contextual background for Fiscal 1996 total State corrections expenditures and expenditures for State prisons came from separate censuses: *Censuses of Government Finances* for FY 1985 through FY 1995 (U.S. Bureau of the Census) and the *1984 and 1990 Censuses of State Correctional Facilities* (BJS).

### *Data limitations*

A variety of factors made expenditures reported for fiscal year 1996 not completely comparable with those of earlier years. Fiscal year 1996 State expenditures were reported by State budget officials, based on categories established by the Census Bureau's annual *Survey of Government Finances*.

Fiscal year 1996 and 1990 Federal expenditures were reported by the Budget Execution Branch of the Federal Bureau of Prisons, using internal accounting procedures.

State expenditures for 1984 and 1990 were reported by correctional facility respondents. Actual State prison expenditures in 1984 and 1990 may have been higher than published numbers because of underreporting of employee benefits, interagency transfer payments, and other expenses.

### *Adjusting for inflation*

In this report, State government expenditures for FY 1985 to FY 1995 were inflation-adjusted in 1996 constant dollars, as appropriate for government spending. The following annual chain-type price indexes for the gross domestic product were employed as divisors and unadjusted expenditures as dividends to produce inflation-adjusted expenditures in 1996 constant dollars:

<u>Year</u>	<u>Price indexes (1996 base)</u>
1984	0.69152787835
1985	0.71967776973
1986	0.73850407673

1987	0.76955104996
1988	0.79217958001
1989	0.81924330196
1990	0.85906951484
1991	0.88577118030
1992	0.90514120203
1993	0.92767921796
1994	0.94904055033
1995	0.97972483707
1996	1.00000000000

These indexes were developed by the U.S. Department of Commerce, Bureau of Economic Analysis, and are presented in *Economic Report of the President, February, 1998, Table B-7*.

### *Underreporting*

Correctional expenditures shown in figure 1 and the appendix table may be underreported. Discussions between State budget officials and Bureau of the Census specialists in government finances who collected the data for this report produced a revised nationwide figure for State prisons in FY 1996 of \$22 billion, an amount 5.4% higher than the original total reported in the *1996 Survey of Government Finances*.

Various factors accounted for the revised FY 1996 State corrections spending figure, including adjustments for central office staff assigned to prison, probation, parole and juvenile activities; elimination of duplicate fund reporting; and access to final numbers following State submission of preliminary numbers in the Census of Government Finances.

### *Estimating average daily population*

Inmate population estimates for FY 1996 were based on respondent reports from the BJS National Prisoner Statistics (NPS-1) series. To account for variable growth during the year, the State totals as of June 30, 1996, were added to those as of December 31, 1995, and then averaged. Then the totals as of December 31, 1995, were added to those as of June 30, 1995, and averaged. Finally, the two averages

were averaged to derive the estimated inmate populations for each State.

*U.S. resident population*

Sources for U.S. population statistics used to calculate costs per U.S. resident include the following U.S. Bureau of the Census publications: For 1985, *Estimates of the Population, by Type: April, 1980 to July 1, 1990-Series P-25, No 1064*; for 1990 to 1995, *U.S. Estimates by Age, Sex, Race, and Hispanic Origin: 1990 - Series PPL-41*; for 1996, *Resident Population - Estimates by Age, Sex, Race and Hispanic Origin*, consistent with the 1990 Decennial Census, as enumerated.

**Appendix table. Surveys of government finances, 1985-96: Expenditures for total State corrections and for State prisons in 1996 constant dollars**

Fiscal Year	Annual expenditures			
	Total State corrections		State prisons	
	Total (in 1,000's)	Cost per U.S. resident	Total (in 1,000's)	Cost per U.S. resident
1985	\$12,743,275	\$53	\$9,624,142	\$40
1986	14,584,557	60	10,958,736	45
1987*	15,208,376	63	11,471,160	47
1988	16,792,796	68	13,004,578	53
1989	18,330,974	74	14,153,961	57
1990	20,099,048	81	15,563,419	62
1991	21,720,883	86	16,948,133	67
1992*	22,228,332	87	16,989,156	67
1993	22,425,272	87	17,210,562	67
1994	24,376,972	94	18,694,604	72
1995	26,608,530	101	20,511,245	78
1996	27,324,135	103	20,893,235	79

Note: See *Methodology* for discussion of inflation adjustment factors. Correctional expenditures may be underreported. Detailed interviews of State budget officials by the Bureau of the Census for this report produced a revised estimate of \$22 billion for FY 1996, 5.4% higher than the \$20.9 billion reported in the 1996 Survey of Government Finances.

\*The Bureau of the Census conducted full censuses of State and local finances in 1987 and 1992.