



CONTRACTING PRISON SERVICES: Delivering Improved Accountability, Cost, Quality, and Outcomes

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DATA SPOTLIGHT

Private corrections operators are subject to higher quality standards, including day-to-day management, safety, staff training and programmatic outcomes. Government must strengthen the vital role they play in setting tough regulations, standards and holding contractors accountable for specified outcomes. Private prisons generate savings during design, construction, and start-up as well as program management for years in the future. Structured and fiscally responsible operations enable government leaders to allocate scarce financial resources to other important programs.

Accountability is a business priority.

Market forces play a major role in private prison accountability (Harvard Law Review, May 2002).

- If prison managers do not reach specified outcome thresholds, they can and should be replaced
- There is concern with renewing current contracts and winning new ones
- Government controls the right to rescind or decline to renew contracts
- Government sets higher standards and holds private contractors to them

Cost effectiveness of privatization of prisons has been researched and proven.

Meeting higher standards, obtaining better outcomes and accountability does not have to cost more.

- Private prisons saved taxpayers in the range of 11 – 17% according to research studies
- States using private prisons had an average increase in their corrections budgets of 38% compared with those states without privatization who had a 50% increase in their corrections budgets over the same time period
- Construction costs that are 24% lower than the government operations have been observed

Quality, while adhering to standards, must be as good or better to retain contracts.

Due to the nature of privatization, contractors are subject to meeting higher standards in order to remain competitive.

- 44% of private prisons are ACA accredited in contrast to 10% of the public prisons
- Independent studies found that private operators were as good or better at providing services as public prisons
- Private correctional management should be accountable for the quality of institutional life and the creation of a standards based, safe, learning environment

Many private prison contracts have specific outcomes identified.

Private prison operators are subject to higher program outcomes in academic areas, career and technical training, and re-entry programs that help reduce the number of inmates returning to prison.

- Private contractors are incented to increase and expand programs for inmates
- Private contractors also have increased incentives to reduce the number of inmates that return to prison once released
- Quality companies invest in staff training, program development, and research, looking for more effective ways to improve outcomes

In summary, when private correctional contractors are engaged to design, build and/or operate prisons, it drives public sector change creating a win-win situation for taxpayers.