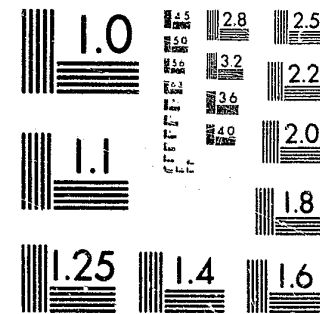


National Criminal Justice Reference Service



This microfiche was produced from documents received for inclusion in the NCJRS data base. Since NCJRS cannot exercise control over the physical condition of the documents submitted, the individual frame quality will vary. The resolution chart on this frame may be used to evaluate the document quality.



MICROCOPY RESOLUTION TEST CHART
NATIONAL BUREAU OF STANDARDS-1963-A

Microfilming procedures used to create this fiche comply with the standards set forth in 41CFR 101-11.504.

Points of view or opinions stated in this document are those of the author(s) and do not represent the official position or policies of the U. S. Department of Justice.

National Institute of Justice
United States Department of Justice
Washington, D. C. 20531

DATE
FILMED
3-21-83



STATE OF NEW YORK
DEPARTMENT OF CORRECTIONAL SERVICES
THE STATE OFFICE BUILDING CAMPUS
ALBANY, N.Y. 12226

THOMAS A. COUGHLIN III
COMMISSIONER

DIVISION OF PROGRAM PLANNING, RESEARCH
AND EVALUATION

Frank Tracy, Director

STANDARD IMPLEMENTATION
COSTS

An approach to conceptualizing standards implementation costs is provided, with specific references to the LEAA-funded Discretionary Grant (Cost Analysis of Correctional Standards Project), for pursuit of accreditation, involving eleven State correctional agencies and IEPS/CEC (Institute for Economic and Policy Studies/Correctional Economics Center).

U.S. Department of Justice
National Institute of Justice

This document has been reproduced exactly as received from the person or organization originating it. Points of view or opinions stated in this document are those of the authors and do not necessarily represent the official position or policies of the National Institute of Justice.

Permission to reproduce this copyrighted material has been granted by
New York State Department
of Corrections

to the National Criminal Justice Reference Service (NCJRS)

Further reproduction outside of the NCJRS system requires permission of the copyright owner.

Prepared By:
Leonard I. Morgenbesser
Program Research Specialist III
Division of Program Planning
Evaluation and Research

December 1980

82478

CORRECTIONAL STANDARDS IMPLEMENTATION COSTS

FEB 1982

1. Introduction

During the past few years, various groups (professional organizations, governmental agencies, etc.) have developed standards pertaining to correctional agencies. For example, during the latter part of 1980, the U. S. Department of Justice released its Federal Standards for Prisons and Jails and during 1981, the Commission on Accreditation for Corrections is due to release its second edition of The Manual of Standards for Adult Correctional Institutions. In addition, during 1981, the American Bar Association's House of Delegates approved, as formal ABA policy, an NIC-funded Fourth Tentative Draft of ABA Standards on the Legal Status of Prisoners. For a comparative analysis of standards developed by the above-mentioned Accreditation Commission and the U. S. Department of Justice, see this Division's earlier review.¹

During the course of the development and initial implementation of such standards, concern has been expressed by various groups as to the cost factors involved. However, there has, to date, been only limited documentation of this major area of concern. One source of documentation is a recent paper by two staff of the Commission on Accreditation for Corrections.² Reference is made to case examples in Oklahoma and Maryland. According to these authors, "in Oklahoma accreditation was perceived by many legislators as an attempt to dictate budget terms to State legislatures, an unwelcome "federal" intervention into state affairs due to federal funding of accreditation, and as providing the basis for future inmate lawsuits." With reference to Maryland, one of the eleven states funded by LEAA to pursue accreditation, it was reported that "the legislature refused to fund accreditation for its prisons due to the potential costs involved." Also, "there was the fear of potential lawsuits once the state agreed to the standards." In both of these cases, the reference is to the correctional facility standards promulgated by the Commission on Accreditation for Corrections. It is of particular interest that, according to Sechrest and Reimer, "since the publication of the Commission's standards, the outstanding example of court use of them has been their use in the case of Battle v. Anderson, 447 Fed. Supp., Eastern District - Oklahoma (1977), in which U. S. District Judge Luther Bohannon ordered the Oklahoma Department of Corrections to remedy unconstitutional prison conditions by complying with the national standards of the Commission, APHA (American Public Health Association), and the Life Safety Code of NFPA (National Fire Prevention Association). Later reports indicate that "at a further hearing on his order in June, 1980, Judge Bohannon narrowed his view of the standards by agency to consider the use of only Commission standards for medical and health services, indicating his preference for one set of standards."

¹ A Comparison of Correctional Standards Published by the U. S. Department of Justice and the Commission on Accreditation for Corrections (Formerly Sponsored by ACA), Division of Program Planning, Evaluation and Research (F. Tracy, D. Macdonald, L. Morgenbesser), 1980.

² Adopting National Standards for Correctional Reform, by Dale K. Sechrest and Ernest G. Reimer, January 1981.

ACQUISITION

2. The Correctional Standards Accreditation ProgramA. Introduction

The major reference to standards implementation costs has been developed as part of a larger LEAA-funded Discretionary Grant referred to as CSAP (Correctional Standards Accreditation Program). The purpose of this Grant is to test the implementation of standards of the Commission on Accreditation for Corrections. The eleven states involved include Arizona, Colorado, Connecticut, Iowa, Louisiana, Maine, Maryland, Massachusetts, Minnesota, New Jersey and Vermont. Each state correctional organization received a standards management team. However, five demonstration states were to receive technical assistance and assistance in cost analysis of standards whereas the remaining states were not to receive such assistance. The following five states served as the demonstration sites: Colorado, Connecticut, Iowa, Maine and New Jersey.

The major rationale of this Discretionary Grant was to take "The Commission's Standards, as representing a preferred corrections policy and attempt to facilitate change by providing the wherewithal to evaluate policies, procedures and operations on a comprehensive statewide basis." In addition, "an added incentive was the prospect of funds for implementation if states showed progress toward complying with so-called "no-cost" standards during the first funding cycle."

B. Cost Analysis of Correctional Standards Project

As part of the aforementioned Discretionary Grant, IEPS/CEC (The Institute for Economic and Policy Studies/Correctional Economics Center) received funding (Contract Number J-LEAA-035-78) for the Cost Analysis of Correctional Standards Project. This Project was for the purpose of estimating the Commission's Standards in the five demonstration states.

In the introductory section of its summary report, IEPS/CEC provided an overview of policy choices and partitioning of cost estimates which is as follows:

"A common question of policy makers is, what will it cost to comply with standards. The response to the question of compliance costs will often vary according to the vantage point of the questioner. Thus, estimates will vary depending on whose needs the cost figures are intended to serve, i. e., administrators, planners, trainers, etc. Legislators, for example, may only be looking at costs in terms of additional monies for the next fiscal year.

The subject of training provides a framework for discussion. The costs of complying with the Training standards may vary from an institutional standpoint to a Central Office perspective. At the institutional level training costs may well be accurately reflected in a comparatively straightforward algorithm which takes into account the number of personnel to receive training, the hours of training required, the

administrative decision regarding what portion of the training time will be covered through overtime, and the rates of pay (straight and overtime) involved. As a result, the answer to the compliance cost for training would be the product of these elements.

In the Central Office, whomever is responsible for training will probably be concerned with other factors as well, such as systemwide coordination, curriculum development, and travel costs. Thus, compliance cost estimates for training are likely to vary, with each of the resulting figures being seen as the "bottom line" cost. The way to overcome such discrepancies is by partitioning the cost estimates in various ways, anticipating the policy choices with which the decision maker may be faced. The partitioning of estimates can then be easily referred to by stating the range they take, from the lowest estimate associated with the institutional focus to the highest estimate associated with the correctional system as a whole.

The ways of partitioning costs estimates are theoretically infinite. In practice the actual number is a function of what is considered a manageable number of ways to slice the economic "pie" and/or from how many different vantage points the question can be raised. Two of the most commonly used methods of partitioning the estimates are by CAC functional category, i. e. Training, Security, etc., and by IEPS/CEC cost factors, i. e. personnel, equipment, etc. Thus, it becomes apparent that the dollar amount of complying with standards will vary, depending upon certain criteria such as which standards category is in question. Since the purpose of this report is to summarize findings for policymakers, results are organized around standards' categories established by the Commission on Accreditation for Corrections."³

In addition, IEPS/CEC specified certain assumptions underlying the development of the cost estimates and the following section provides references to these assumptions:

- a. differentiation between one-time (i. e. capital cost for facility and equipment needs) vs. on-going (i. e. operating costs) expenses; in other words, the costs of achieving compliance versus maintaining compliance.
- b. determination of certain standard costs on a system-wide basis (Central Office level) where no estimates were obtained from organizational units.
- c. attempts to estimate the new or marginal financial costs associated with standards compliance.

³Correctional Policy and Standards: Implementation Costs in Five States, LEAA U. S. Department of Justice, 1980, p. 5.

"These costs represent the dollar figure that is over and above the agency's current level of operations.".... "Primarily, such projects include certain capital costs for renovation and new construction." Excluded from these costs are expenditures or plans initiated prior to a Department's entering into the accreditation process.

- d. regarding the above-mentioned costs (marginal costs vis-a-vis the dollar value of reallocated resources), the estimates provided are based on this premise of additional funds for the next fiscal year. Also, although these new or marginal cost estimates "appear to be the most significant to an agency because of the budget process, the latter category (i. e. reallocated resources), may be greater in terms of actual resources (time, staff, etc.)."
- e. emphasis of financial (rather than opportunity) costs - specifically, in line with prior assumption of excluding expenditures prior to involvement in accreditation, "compliance plans that can be achieved by redistribution of existing resources were generally not included in the cost analysis." This "should not be interpreted as minimizing the importance of the more subtle shifts in resource allocation."
- f. organizational subunits are operating efficiently currently (i. e. no slack resources).
- g. cost estimates are in terms of 1979 dollars, with no attempt to anticipate future inflation rates.

Finally, IEPS/CEC devoted specialized reference to its capital cost methodology for cost analyses regarding renovation and new construction. Due to the technical orientation of this methodology, most of the capital cost discussion is referred to in the following section:

"Baseline information on cell size, furnishings, housing unit populations, building materials, etc., was collected by the Institute. Compliance alternatives for each capital deficiency were formulated and discussed with correctional facilities staff who suggested which alternative appeared to be the most feasible. It was this preferred option that was costed controlling for project scope, security level and geographical location.

The capital estimates are based upon the national per unit cost of reconstructing various functional areas in a facility, controlling for level of security, and adjusted for regional variations in wage rates and materials. In effect, a hypothetical institution was developed in terms of basic functional modules, for example, visiting areas, dormitory, itchen, programs, and individual housing. The potential changes were categorized into new construction, major renovation and minor renovation.

A cost per square foot was developed according to the extent of change for each of the functional areas. This approach permitted an estimate of meeting a standard cost with the least amount of information. A cost estimate could be calculated using the description of the deficiency in the Plan of Action and the blueprints for the facility supplied by the state. The figures derived from this approach are sufficiently reliable to be used for verification of state estimates and to serve as the foundation for preliminary planning for a facility.

The estimates are derived from data provided by a professional construction cost estimator with substantial correctional experience. However, the disparity in costs commonly cited for new prison construction underscores the particular sensitivity of these estimates to underlying assumptions. Capital project costs commonly include site acquisition, project management, finance charges, architectural fees, contingencies and contractor charges. Given these elements, it is not surprising that one hears such variation in costs.

A second source of variation is the point in the planning process where capital estimates are made. Pre-design estimates must be based on historical data and someone's judgment regarding appropriate types of construction. Once an architectural program is completed, the estimates can be refined by distinguishing between unit costs for various types of space (housing, gym, etc.). Engineering drawings allow the estimator to make further adjustments for materials, sizes, etc. Gross capital estimates presented in this report are at the pre-design level and include construction, architectural and engineering fees (7 percent) and a contingency (25 percent) commonly used with projects in an occupied facility to adjust for shorter workdays, materials handling, screening contractors' personnel and similar security-related factors. (Excluded are site acquisition, project management and finance charges which can add significantly to project costs.)⁴

3. Possible Utility of IEPS/CEC Framework of Standards Cost Analysis for Other Correctional Agencies and Other Sets of Standards

The IEPS/CEC methodology for standards cost analysis has been offered as one initial approach which correctional administrators may utilize with potential applicability to various sets of correctional standards.

For each of the five demonstration states, IEPS/CEC has published a specialized report. In addition, the aforementioned LEAA publication, Correctional Policy and Standards: Implementation Costs in Five States, provides basic summary data on the cost analyses for each of the five states. Although the task of cost analysis operated on the same assumptions in each site, the specifics of the analysis varied given the differences between the five correctional jurisdictions. Hence, these particular in-depth analyses may prove to be most useful to the administrators of those agencies. At the same time, the model by which each agency worked in conjunction with the staff of IEPS/CEC may have some utility for other correctional organizations seeking standards implementation cost analyses through the utilization of in-house and/or consultant specialists.

⁴ Correctional Policy and Standards, pp. 7-8.

END