

**Joint Legislative Committee on Performance  
Evaluation and Expenditure Review (PEER)**

Report to  
the Mississippi Legislature



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# Mississippi Department of Corrections' FY 2011 Cost Per Inmate Day

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For Fiscal Year 2011, the Department of Corrections' general cost per inmate day (for all security levels combined) in a 1,000-bed facility was \$49.68, including debt service for a facility. FY 2011 costs per inmate day for individual security classifications were as follows: minimum security, \$49.50; medium security, \$43.72; and maximum security, \$102.27. (For purposes of this audit, *maximum security* is defined as Unit 8 at South Mississippi Correctional Institution.) MDOC's FY 2011 costs per inmate day for security classifications in a 1,500-bed psychiatric correctional facility were \$57.00 for medium security and \$101.36 for maximum security.

Cost figures presented in this report represent the actual costs to MDOC as required by law and do not represent costs for service delivery under a "most efficient organization." When MDOC negotiates private prison payments, items borne solely by the state should be eliminated and due consideration given to reducing other costs in which the state bears additional or different costs than the cost incurred by private prisons. PEER believes that private prison contracts could yield savings significantly above the ten percent required by law. This report includes a schedule of considerations of areas where savings could be achieved from more efficient contracting.

## **PEER: The Mississippi Legislature's Oversight Agency**

The Mississippi Legislature created the Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER Committee) by statute in 1973. A joint committee, the PEER Committee is composed of seven members of the House of Representatives appointed by the Speaker and seven members of the Senate appointed by the Lieutenant Governor. Appointments are made for four-year terms, with one Senator and one Representative appointed from each of the U. S. Congressional Districts and three at-large members appointed from each house. Committee officers are elected by the membership, with officers alternating annually between the two houses. All Committee actions by statute require a majority vote of four Representatives and four Senators voting in the affirmative.

Mississippi's constitution gives the Legislature broad power to conduct examinations and investigations. PEER is authorized by law to review any public entity, including contractors supported in whole or in part by public funds, and to address any issues that may require legislative action. PEER has statutory access to all state and local records and has subpoena power to compel testimony or the production of documents.

PEER provides a variety of services to the Legislature, including program evaluations, economy and efficiency reviews, financial audits, limited scope evaluations, fiscal notes, special investigations, briefings to individual legislators, testimony, and other governmental research and assistance. The Committee identifies inefficiency or ineffectiveness or a failure to accomplish legislative objectives, and makes recommendations for redefinition, redirection, redistribution and/or restructuring of Mississippi government. As directed by and subject to the prior approval of the PEER Committee, the Committee's professional staff executes audit and evaluation projects obtaining information and developing options for consideration by the Committee. The PEER Committee releases reports to the Legislature, Governor, Lieutenant Governor, and the agency examined.

The Committee assigns top priority to written requests from individual legislators and legislative committees. The Committee also considers PEER staff proposals and written requests from state officials and others.

PEER Committee  
Post Office Box 1204  
Jackson, MS 39215-1204

(Tel.) 601-359-1226  
(Fax) 601-359-1420  
(Website) <http://www.peer.state.ms.us>

The Mississippi Legislature

**Joint Committee on Performance Evaluation and Expenditure Review**

PEER Committee

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**TELEPHONE:**  
(601) 359-1226  
**FAX:**  
(601) 359-1420

Post Office Box 1204  
Jackson, Mississippi 39215-1204

Max K. Arinder, Ph. D.  
Executive Director  
[www.peer.state.ms.us](http://www.peer.state.ms.us)

**OFFICES:**  
Woolfolk Building, Suite 301-A  
501 North West Street  
Jackson, Mississippi 39201

December 13, 2011

Honorable Haley Barbour, Governor  
Honorable Phil Bryant, Lieutenant Governor  
Honorable Billy McCoy, Speaker of the House  
Members of the Mississippi State Legislature

On December 13, 2011, the PEER Committee authorized release of the report entitled **Mississippi Department of Corrections' FY 2011 Cost Per Inmate Day.**

A handwritten signature in cursive script that reads "Harvey Moss". The signature is written in black ink and is positioned above a horizontal line.

Representative Harvey Moss, Chair

**This report does not recommend increased funding or additional staff.**



*Table of Contents*

Letter of Transmittal ..... i

Executive Summary ..... v

**Mississippi Department of Corrections: Special Report on Incarceration Costs,  
June 30, 2011**

AVERAGE DAILY COSTS PER STATE INMATE FOR ALL SECURITY LEVELS COMBINED:

Independent Accountants' Report .....1

Schedule of Average Daily Costs Per State Inmate for  
All Security Levels Combined .....2

Notes to Schedule .....3

AVERAGE DAILY COSTS PER STATE INMATE BY SECURITY CLASSIFICATION:

Independent Accountants' Report .....7

Schedule of Average Daily Costs Per State Inmate by  
Security Classification .....8

Notes to Schedule .....9

AVERAGE DAILY COSTS PER PSYCHIATRIC INMATE BY SECURITY CLASSIFICATION:

Independent Accountants' Report ..... 13

Schedule of Average Daily Costs Per Psychiatric Inmate by  
Security Classification ..... 14

Notes to Schedule ..... 15

INDEPENDENT ACCOUNTANTS' REPORT ON SUPPLEMENTARY INFORMATION ..... 19

SCHEDULE OF CONSIDERATIONS FOR PRIVATE PRISON CONTRACT NEGOTIATIONS.... 20



# Mississippi Department of Corrections' FY 2011 Cost Per Inmate Day

## Executive Summary

### Background

During its 1994 special session, the Legislature passed Senate Bill 2005 (now codified as MISS. CODE ANN. Section 47-5-1201 et seq. [1972]) to address short- and long-term bed capacity within the state's correctional system. The bill created the State Prison Emergency Construction and Management Board to expedite the contracting and construction of proposed public and private prison facilities authorized by the bill.

MISS. CODE ANN. Section 47-5-1211 (3) (a) (1972) states:

*No contract for private incarceration shall be entered into unless the cost of the private operation, including the state's cost for monitoring the private operation, offers a cost savings of at least ten percent (10%) to the Department of Corrections for at least the same level and quality of service offered by the Department of Corrections.*

This section also requires PEER to contract annually with a certified public accounting firm to establish a state cost per inmate day for a comparable state facility. Originally, cost was to be established for medium security inmates only. In subsequent years, MDOC has planned the housing of different classifications of prisoners and PEER has provided cost estimates for those classifications as well.

The law further requires that the state cost per inmate day be certified annually by a certified public accountant and that the certified cost be used as the basis for verifying the ten percent savings required for private contractor costs.

Chapter 964, *Laws of 1996* (Local and Private), established the East Mississippi Correctional Facility Authority. The bill authorized such authority to contract with MDOC for the private incarceration in a psychiatric facility of up to 1,000 prisoners in compliance with the provisions of MISS. CODE ANN. Sections 47-5-1211 through 47-5-1227 (1972). During the 2007 Regular Session, the Legislature passed House Bill 1764, which amended Chapter 964, *Laws of 1996* (Local and Private), to allow the Mississippi Department of Corrections to contract with the East Mississippi Correctional Facility Authority for the private

incarceration of not more than 1,500 in the psychiatric facility in Lauderdale County.

## Cost Per Day Determination

BKD, LLP, provided cost per inmate day determinations for all security levels of inmates combined (i. e., MDOC's general cost per inmate day) and also on the basis of security classification (i. e., minimum, medium, or maximum) of inmates.

MDOC's FY 2011 general cost per inmate day for a 1,000-bed facility totaled \$49.68 and included the following components:

|                                |                |
|--------------------------------|----------------|
| Direct Costs:                  |                |
| Basic housing and visitation:  |                |
| Salary costs                   | \$18.71        |
| Other costs                    | 7.64           |
| Education and training         | 1.02           |
| Food                           | 3.00           |
| Medical                        | 8.78           |
| Parole Board                   | 0.15           |
| Allocated administrative costs | <u>2.81</u>    |
| Total operating costs          | \$42.11        |
| Annual Debt Service            | <u>7.57</u>    |
| Total Average Daily Costs      | <u>\$49.68</u> |

MDOC's FY 2011 costs per inmate day for individual security classifications in a 1,000 bed facility were as follows: minimum security, \$49.50; medium security, \$43.72; and maximum security,<sup>1</sup> \$102.27. MDOC's FY 2011 costs per inmate day for security classifications in a 1,500-bed psychiatric correctional facility were \$57.00 for medium security and \$101.36 for maximum security.

<sup>1</sup> MDOC defines *maximum security* as Unit 8 at South Mississippi Correctional Institution (52-bed capacity, twenty-three hour per day lockdown, single-cell facility).

## Negotiating Private Prison Payments

PEER believes MDOC should negotiate cost savings for private prison payments well below the ten percent mandated by state law.

PEER cautions the reader that, as required by law, the cost figures presented in this report represent actual costs to MDOC. State law also requires that private prisons represent *at least a 10% savings to MDOC's costs for the same level and quality of services*. It should be noted that cost savings offered by private prisons may exceed the ten percent threshold. Therefore, when negotiating private prison payments, items borne solely by the state should be eliminated and due consideration given to reducing other costs in which the state bears additional or different costs than the costs incurred by private prisons.

### Removal of Costs Borne Exclusively by the State

The Schedule of Average Daily Costs Per State Inmate by Security Classification on page 8 reports that the cost for a medium security inmate is \$43.72. However, MDOC should remove a total of \$8.59 (debt service costs of \$7.57; records, inmate classification, and offender services costs of \$0.87; and Parole Board costs of \$0.15) when negotiating private prison payments because these costs are borne solely by the state. (See Exhibit, page viii.)

### Negotiable Costs

For medium security inmates, an additional \$12.42 (medical expenses of \$8.78; administrative services of \$2.81; and education and training expenses of \$.83) represents negotiable costs for which MDOC may be able to negotiate savings greater than the ten percent mandated by law. (See Exhibit, page viii.)

Private prisons pay for the first seventy-two hours of medical care for inmates. After this period, the state bears the costs for ill inmates. Therefore, additional savings may be achieved by negotiating this time below the ten percent savings mandated by law.

The administrative responsibility of the state differs from that of the administrative function of private prisons. Therefore, administrative cost represents an area that may contribute savings beyond the ten percent mandated by law.

PEER believes that private prison contracts should yield savings significantly above the ten percent required by law. See page ix of this summary for examples of areas

where savings may be achieved from more efficient contracting.

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**Exhibit: FY 2011 Certified State Cost Per Medium Security Inmate Day, with Areas of Potential Savings**

|  |                |
|--|----------------|
| Total Average Daily Cost Per Inmate                  | \$43.72        |
| Less Cost Borne Exclusively by the State:            |                |
| Debt Service   | \$ 7.57        |
| Records, inmate classification,<br>offender services | 0.87           |
| Parole Board   | <u>0.15</u>    |
|  | <u>8.59</u>    |
| Sub-total  | \$35.13        |
| Negotiable Items:                                    |                |
| Medical  | \$ 8.78        |
| Administrative services                              | 2.81           |
| Education and training                               | <u>.83</u>     |
| Sub-total of negotiable items                        | <u>\$12.42</u> |
| Beginning MDOC negotiable price                      | <u>\$22.71</u> |

SOURCE: PEER analysis of FY 2011 cost per inmate day information compiled by BKD, LLP.

**Mississippi Department of Corrections**  
**Schedule of Considerations for Private Prison Contract Negotiations**  
**June 30, 2011**

|                                      |              | <u>MDOC Facility</u> |               |                | <u>Private Facility</u> |               |                |
|--------------------------------------|--------------|----------------------|---------------|----------------|-------------------------|---------------|----------------|
|                                      |              | <u>Minimum</u>       | <u>Medium</u> | <u>Maximum</u> | <u>Minimum</u>          | <u>Medium</u> | <u>Maximum</u> |
| Infrastructure                       | <sup>1</sup> | X                    | X             | X              | State Provided          |               |                |
| Food                                 |              | X                    | X             | X              | X                       | X             | X              |
| Clothing                             |              | X                    | X             | X              | X                       | X             | X              |
| Medical and dental care              | <sup>2</sup> | X                    | X             | X              | X                       | X             | X              |
| Education                            |              | X                    | X             |                | X                       | X             |                |
| Records                              | <sup>3</sup> | X                    | X             | X              | State Provided          |               |                |
| Inmate classification and management | <sup>3</sup> | X                    | X             | X              | State Provided          |               |                |
| Offender services                    | <sup>3</sup> | X                    | X             | X              | State Provided          |               |                |
| Transportation                       |              | X                    | X             | X              | X                       | X             | X              |
| Parole Boards                        | <sup>4</sup> | X                    | X             | X              | State Provided          |               |                |
| Probation                            | <sup>4</sup> | X                    | X             | X              | State Provided          |               |                |
| Restitution                          | <sup>4</sup> | X                    | X             | X              | State Provided          |               |                |
| Drug treatment                       |              | X                    | X             | X              | X                       | X             | X              |
| Handicap or invalid incarceration    |              | X                    | X             | X              | X                       | X             | X              |
| Farming                              | <sup>5</sup> | X                    | X             |                | Not Applicable          |               |                |
| Administrative costs                 | <sup>6</sup> | X                    | X             | X              | X                       | X             | X              |
| Monitoring costs                     | <sup>7</sup> |                      |               |                | X                       | X             | X              |

<sup>1</sup> Operating costs depend on facility design and security classification. Economies of scale for facility depend on the number of inmates housed.

<sup>2</sup> Consideration should be given to the level of medical care to be provided and whether the burden of responsibility for extended medical care transfers to the State.

<sup>3</sup> Costs associated with records, inmate classification, and offender services are provided by the State. Identified direct costs of these functions total \$6,123,805 for the year ended June 30, 2011. Inmate days supported by these functions were 7,044,805, representing a daily cost of 87¢.

<sup>4</sup> The costs associated with services provided by the State should not be considered as a part of the contracted rate with a private facility.

<sup>5</sup> Private facilities do not have farming operations.

<sup>6</sup> Private facilities have fewer administrative responsibilities than the responsibilities of the State.

<sup>7</sup> Private facilities reimburse MDOC for monitoring costs.

**For More Information or Clarification, Contact:**

PEER Committee  
P.O. Box 1204  
Jackson, MS 39215-1204  
(601) 359-1226  
<http://www.peer.state.ms.us>

Representative Harvey Moss, Chair  
Corinth, MS 662-287-4689

Senator Sampson Jackson, Vice Chair  
Preston, MS (601) 677-2305

Senator Terry Brown, Secretary  
Columbus, MS (662) 329-3399

## Independent Accountants' Report

Mississippi Joint Legislative Committee on  
Performance Evaluation and Expenditure Review  
Jackson, Mississippi

We have examined management of the State of Mississippi Department of Corrections' (MDOC) assertion that the accompanying Schedule of Average Daily Costs Per State Inmate for All Security Levels Combined (the Schedule) of MDOC for the year ended June 30, 2011, is presented in accordance with the measurement and disclosure criteria set forth in Note 2 to the Schedule. MDOC's management is responsible for the assertion. Our responsibility is to express an opinion based on our examination.

Except as explained in the following paragraph, our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Average Daily Costs Per State Inmate for All Security Levels Combined and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

We were not engaged to and did not examine the debt service costs which are included in the Schedule. These costs were provided by the Mississippi Joint Legislative Committee on Performance Evaluation and Expenditure Review.

The Schedule is based on the most accurate data and information available from MDOC staff at this time. However, should MDOC's management significantly alter the assumptions in the design, construction, and operational concept for its correctional facilities as presented in this report, the daily costs per state inmate amount would change.

In our opinion, except for debt service costs as explained in the second preceding paragraph, the Schedule referred to above presents, in all material respects, average daily costs per state inmate for all security levels combined for the year ended June 30, 2011, based on the measurement and disclosure criteria set forth in Note 2 to the Schedule.

*BKD, LLP*

December 1, 2011

**Mississippi Department of Corrections**  
**Schedule of Average Daily Costs Per State**  
**Inmate for All Security Levels Combined**  
**Year Ended June 30, 2011**

**Operating Costs**

**Direct Costs**

|                                       |              |
|---------------------------------------|--------------|
| Basic housing and visitation          |              |
| Salary costs                          | \$ 18.71     |
| Other costs                           | 7.64         |
| Education and training                | 1.02         |
| Food                                  | 3.00         |
| Medical                               | 8.78         |
| Parole Board                          | 0.15         |
| <b>Allocated Administrative Costs</b> | 2.81         |
|                                       | <u>42.11</u> |

**Annual Debt Service** 7.57

**Total Average Daily Costs** \$ 49.68

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs**  
**Per State Inmate for All Security Levels Combined**  
**June 30, 2011**

**Note 1: Organization**

***Description of Entity***

The State of Mississippi Department of Corrections (MDOC or the Department) has the responsibility for the care, custody, training, supervision, and treatment of adult offenders committed to the Department and to plan, develop, coordinate, and manage a statewide comprehensive correctional system.

MDOC, for purposes of determining the average daily costs per state inmate, includes the following entities:

- ***Mississippi State Penitentiary (MSP)*** – MSP is a correctional facility located in Sunflower County, Mississippi which had the capacity to incarcerate 3,356 adult male felons as of June 30, 2011.
- ***Central Mississippi Correctional Facility (CMCF)*** – CMCF is a correctional facility located in Rankin County, Mississippi that houses minimum, medium, and maximum security inmates. CMCF serves as the central receiving and classification center for MDOC which had the capacity to incarcerate 3,449 offenders, including all female offenders, as of June 30, 2011.
- ***South Mississippi Correctional Institution (SMCI)*** – SMCI is located in Greene County, Mississippi which had the capacity to incarcerate 3,204 medium and maximum security adult felons as of June 30, 2011.

MDOC also administers correctional operations through other facilities. Although these locations have been allocated certain administrative costs, the costs of the facilities have not been included in determining the average daily costs per state inmate. These other facilities are as follows:

- MDOC operates restitution and work centers throughout the State which house inmates.
- MDOC also contracts with privately operated prisons and regional correctional authorities to incarcerate inmates. Inmates are also incarcerated in county operated jails. MDOC is responsible for certain administrative functions and medical care related to inmates incarcerated by others.

**Note 2: Basis of Presentation**

The costs per state inmate day for all security levels combined are derived by dividing the cost of operations for all inmate facilities included in MDOC (i.e., MSP, CMCF, and SMCI) by the total inmate days incurred at all inmate facilities included in MDOC during the fiscal year ended June 30, 2011. The number of inmate days used in this calculation was obtained from census reports prepared daily on a system-wide basis.

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs**  
**Per State Inmate for All Security Levels Combined**  
**June 30, 2011**

Operating costs were determined from MDOC’s internal accounting records which reflect final adjusted costs by cost center. Operating costs are accounted for by functional cost centers.

Costs of basic confinement and prison programs are presented separately to facilitate an understanding of the operating costs. In arriving at amounts presented in the accompanying Schedule, certain reclassifications and allocations were necessary. Explanations of certain operating cost categories presented, together with explanations of the significant reclassifications and allocations, are as follows:

- ***Basic Housing and Visitation***

***Salary Costs*** – Salary costs include costs directly associated with incarceration.

***Other Costs*** – Basic housing and visitation costs include other housing related costs incurred at MSP, CMCF, and SMCI. These costs include the cost of services provided by the Mississippi Office of Buildings, Grounds, and Real Property Management attributable to capital asset maintenance and repairs.

- ***Education and Training*** – Education and training costs include the cost of program-specific salaries for the following programs: Adult Basic Education, Alcohol and Drug, Vocational Education, Pre-Release, Recreation, and Life Skills Program, as well as specific costs of educational materials, equipment, and facilities for MSP, CMCF, and SMCI.

- ***Food Costs*** – Food costs include both direct purchases of food and supplies and the costs associated with preparation. Food costs also include amounts paid for management costs of food service plus the estimated value of food produced and reported in farming operations that is consumed by MDOC inmates. Certain purchases received at the main warehouse locations at MSP are subsequently transferred to other locations, including food produced by MSP farming operations. An overall average food cost per day was determined that consists of the following:

|   |               |
|---|---------------|
| Value of food produced by farm and consumed | \$ 1,817,433  |
| Food management contract payments and other | 2,426,052     |
| Food purchases                              | 8,345,381     |
| Change in ending inventory                  | (324,489)     |
|   | \$ 12,264,377 |
| Total cost of food                          | \$ 12,264,377 |
| Inmate days                                 | 4,091,286     |
| Average cost of food per inmate day         | \$ 3.00       |

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs**  
**Per State Inmate for All Security Levels Combined**  
**June 30, 2011**

- ***Farming Costs*** – MSP maintains a prison operated farm in Sunflower County, Mississippi. Farming costs include operating costs net of revenues derived from sales to outside parties and the value of food produced which is consumed by MDOC inmates. Net losses generated from farm operations are allocated to units to which the farm operation provides inmate work opportunities. No costs were allocated during the year ended June 30, 2011, because the farm did not incur a loss.
- ***Medical Costs*** – Medical costs are based on the variable cost per inmate day set forth in the contractual agreement between MDOC and Wexford Health Sources, Inc. (Wexford) to provide medical care to inmates plus contractual security costs associated with medical care and specialty care not included in the contract with Wexford. As of June 30, 2011, the applicable rate was \$6.89 per inmate day. Medical related security costs and specialty care not included in the Wexford contract for the year ended June 30, 2011, equaled 18¢ per inmate day and \$1.68 per inmate day, respectively, which were determined by dividing contractual security costs and total specialty care costs by MDOC’s total inmate days of medical responsibility. Medical compensation to Wexford for the cost and monthly maintenance of an electronic health records system used at State and Regional MDOC facilities equaled 3¢ per inmate day.
- ***Parole Board Costs*** – Parole Board costs have been allocated to specific facilities, including county jails, community work centers, and privately operated prisons, based on the ratio of inmate days at each facility to total inmate days at all facilities.
- ***Administrative Costs*** – Administrative costs include activities of the Office of the Commissioner, Office of the Deputy Commissioner, finance and administration, purchasing, buildings and grounds, personnel, and management information systems. These costs have been allocated to specific units, including county jails, community work centers, and privately operated prisons, based on the ratio of inmate days at each facility to total inmate days for all facilities.
- ***Debt Service Costs*** – Debt service costs relate to debt service on bonds issued to finance the construction of MDOC housing and support buildings. The Joint Legislative Committee on Performance Evaluation and Expenditure Review provided these expenditures, which represent debt service costs associated with inmates held in a medium security facility. Medium security debt service costs are hypothetical eighteenth year payments on “Bond Buyer” 20 year AA general obligation bond rates as of August 3, 1994. This medium security debt service figure is appropriate for use as a benchmark for the private 1,000-bed medium security facility in Marshall County operated by the GEO Group. This would not be the appropriate debt service figure to use as a benchmark for any new medium security facility. Any new medium security facility’s debt service would equal that of a minimum security facility.
- ***Support from Other State Agencies*** – Certain other state agencies provide support to the activities of MDOC. In some cases, MDOC is charged a service fee for services. These

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs**  
**Per State Inmate for All Security Levels Combined**  
**June 30, 2011**

services include building construction and property management, purchasing, treasury and disbursement, legislative audit, legal, records management, and courier services. The charges for these services are included in allocated administrative costs in the accompanying Schedule. Although the State of Mississippi prepares an annual cost allocation plan which identifies costs by agency, costs attributable to MDOC are not specifically quantified due to the fact that MDOC does not administer a significant amount of federal grants. Management of MDOC estimates that services received but unbilled are insignificant to the total operating costs of the Department and are not included in the accompanying Schedule.

- ***Costs Not Included*** – Operating costs for MDOC have been adjusted to exclude costs applicable to construction or renovation of facilities.

## Independent Accountants' Report

Mississippi Joint Legislative Committee on  
Performance Evaluation and Expenditure Review  
Jackson, Mississippi

We have examined management of the State of Mississippi Department of Corrections' (MDOC) assertion that the accompanying Schedule of Average Daily Costs Per State Inmate by Security Classification (For Adult Male Inmates in a 1,000 Bed Correctional Facility) [the Schedule] of MDOC for the year ended June 30, 2011, is presented in accordance with the measurement and disclosure criteria set forth in Note 2 to the Schedule. MDOC's management is responsible for the assertion. Our responsibility is to express an opinion based on our examination.

Except as explained in the following paragraph, our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Average Daily Costs Per State Inmate by Security Classification (For Adult Male Inmates in a 1,000-Bed Correctional Facility) and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

We were not engaged to and did not examine the debt service costs which are included in the Schedule. These costs were provided by the Mississippi Joint Legislative Committee on Performance Evaluation and Expenditure Review.

The Schedule is based on the most accurate data and information available from MDOC staff at this time. MDOC facilities do not include a minimum, medium or maximum security facility which operates as a 1,000-bed correctional facility. Consequently, actual costs of operation of a 1,000-bed correctional facility may be materially different than those shown in the Schedule. Additionally, should MDOC's management significantly alter the assumptions in the design, construction, and operational concept for a 1,000-bed correctional facility as presented in this report, the daily costs per state inmate amount would change.

In our opinion, except for debt service costs as explained in the second preceding paragraph, the Schedule referred to above presents, in all material respects, average daily costs per state inmate by security classification for an adult male 1,000-bed correctional facility for the year ended June 30, 2011, based on the measurement and disclosure criteria set forth in Note 2 to the Schedule.

*BKD, LLP*

December 1, 2011

**Mississippi Department of Corrections**  
**Schedule of Average Daily Costs Per State**  
**Inmate by Security Classification**  
**(For Adult Male Inmates in a 1,000-Bed Correctional Facility)**  
**Year Ended June 30, 2011**

|                                       | <u>Security Classification</u> |                        |                         |
|---------------------------------------|--------------------------------|------------------------|-------------------------|
|                                       | <u>Minimum</u>                 | <u>Medium</u>          | <u>Maximum</u>          |
| <b>Operating Costs</b>                |                                |                        |                         |
| <b>Direct Costs</b>                   |                                |                        |                         |
| Basic housing and visitation          |                                |                        |                         |
| Salary costs                          | \$ 12.14                       | \$ 16.27               | \$ 69.82                |
| Other costs                           | 9.05                           | 4.31                   | 4.31                    |
| Education and training                | 2.31                           | 0.83                   | -                       |
| Food                                  | 3.00                           | 3.00                   | 3.00                    |
| Medical                               | 8.78                           | 8.78                   | 8.78                    |
| Parole Board                          | 0.15                           | 0.15                   | 0.15                    |
| <b>Allocated Administrative Costs</b> | 2.81                           | 2.81                   | 2.81                    |
|                                       | <u>38.24</u>                   | <u>36.15</u>           | <u>88.87</u>            |
| <b>Annual Debt Service</b>            | <u>11.26</u>                   | <u>7.57</u>            | <u>13.40</u>            |
| <b>Total Average Daily Costs</b>      | <u><u>\$ 49.50</u></u>         | <u><u>\$ 43.72</u></u> | <u><u>\$ 102.27</u></u> |

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs**  
**Per State Inmate by Security Classification**  
**(For Adult Male Inmates in a 1,000-Bed Correctional Facility)**  
**June 30, 2011**

**Note 1: Organization**

***Description of Entity***

The State of Mississippi Department of Corrections (MDOC or the Department) has the responsibility for the care, custody, training, supervision, and treatment of adult offenders committed to the Department and to plan, develop, coordinate, and manage a statewide comprehensive correctional system.

MDOC, for purposes of determining the average daily costs per state inmate, includes the following entities:

- ***Mississippi State Penitentiary (MSP)*** – MSP is a correctional facility located in Sunflower County, Mississippi which had the capacity to incarcerate 3,356 adult male felons as of June 30, 2011.
- ***Central Mississippi Correctional Facility (CMCF)*** – CMCF is a correctional facility located in Rankin County, Mississippi that houses minimum, medium, and maximum security inmates. CMCF serves as the central receiving and classification center for MDOC which had the capacity to incarcerate 3,449 offenders, including all female offenders, as of June 30, 2011.
- ***South Mississippi Correctional Institution (SMCI)*** – SMCI is located in Greene County, Mississippi which had the capacity to incarcerate 3,204 medium and maximum security adult felons as of June 30, 2011.

MDOC also administers correctional operations through other facilities. Although these locations have been allocated certain administrative costs, the costs of the facilities have not been included in determining the average daily costs per state inmate. These other facilities are as follows:

- MDOC operates restitution and work centers throughout the State which house inmates.
- MDOC also contracts with privately operated prisons and regional correctional authorities to incarcerate inmates. Inmates are also incarcerated in county operated jails. MDOC is responsible for certain administrative functions and medical care related to inmates incarcerated by others.

**Note 2: Basis of Presentation**

Expenditures are presented by security classification and are based on the adjusted costs of operations at facilities considered by management and the Mississippi Joint Legislative Committee on Performance Evaluation and Expenditure Review to provide the most representative data of an

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs**  
**Per State Inmate by Security Classification**  
**(For Adult Male Inmates in a 1,000-Bed Correctional Facility)**  
**June 30, 2011**

assumed 1,000-bed correctional facility for adult males for the security classifications presented as follows:

- **Minimum Security** – Unit 25 at MSP – 240-bed capacity
- **Medium Security** – SMCI – 3,204-bed capacity
- **Maximum Security** – Unit 8 at SMCI – 52-bed capacity – 23 hour per day lockdown, single cell facility

During fiscal year 2011, Unit 8 functioned as the only 23 hour per day lockdown, single cell building located within SMCI. All other buildings in SMCI were utilized for other missions during fiscal year 2011. Salary costs attributable to maximum security include specific Unit 8 salaries plus a share of unit supervisory salaries adjusted for a 1,000-inmate operation.

Operating costs were determined from MDOC's internal accounting records which reflect final adjusted costs by cost center. Operating costs are accounted for by functional cost centers.

Adjustments have been made to operating costs to reflect the differences attributable to the economies of scale of operating a 1,000-bed facility, as compared to the capacities of the minimum and medium security units used in this analysis. These adjustments were determined through an analysis of fixed operating costs, primarily in salaries, by determining the difference between the daily rates of fixed costs of a 1,000-bed facility, as compared to the unit's actual daily rates for those fixed costs.

Costs of basic confinement and prison programs are presented separately to facilitate an understanding of the operating costs. In arriving at amounts presented in the accompanying Schedule, certain reclassifications and allocations were necessary. Explanations of certain operating cost categories presented, together with explanations of the significant reclassifications and allocations, are as follows:

- **Basic Housing and Visitation**

**Salary Costs** – Salary costs include costs directly associated with incarceration.

**Other Costs** – Basic housing and visitation costs include other housing related costs incurred at MSP, CMCF, and SMCI. These costs include the cost of services provided by the Mississippi Office of Buildings, Grounds, and Real Property Management attributable to capital asset maintenance and repairs.

- **Education and Training** – Education and training costs include the cost of program-specific salaries for the following programs: Adult Basic Education, Alcohol and Drug, Vocational Education, Pre-Release, Recreation, and Life Skills Program, as well as specific costs of educational materials, equipment, and facilities for MSP, CMCF, and SMCI.

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs**  
**Per State Inmate by Security Classification**  
**(For Adult Male Inmates in a 1,000-Bed Correctional Facility)**  
**June 30, 2011**

- **Food Costs** – Food costs include both direct purchases of food and supplies and the costs associated with preparation. Food costs also include amounts paid for management costs of food service plus the estimated value of food produced and reported in farming operations that is consumed by MDOC inmates. Certain purchases received at the main warehouse locations at MSP are subsequently transferred to other locations, including food produced by MSP farming operations. An overall average food cost per day was determined that consists of the following:

|   |                      |
|---|----------------------|
| Value of food produced by farm and consumed | \$ 1,817,433         |
| Food management contract payments and other | 2,426,052            |
| Food purchases                              | 8,345,381            |
| Change in ending inventory                  | <u>(324,489)</u>     |
| Total cost of food                          | <u>\$ 12,264,377</u> |
| Inmate days                                 | <u>4,091,286</u>     |
| Average cost of food per inmate day         | <u>\$ 3.00</u>       |

- **Farming Costs** – MSP maintains a prison operated farm in Sunflower County, Mississippi. Farming costs include operating costs net of revenues derived from sales to outside parties and the value of food produced which is consumed by MDOC inmates. Net losses generated from farm operations are allocated to units to which the farm operation provides inmate work opportunities. No costs were allocated during the year ended June 30, 2011, because the farm did not incur a loss.
- **Medical Costs** – Medical costs are based on the variable cost per inmate day set forth in the contractual agreement between MDOC and Wexford Health Sources, Inc. (Wexford) to provide medical care to inmates plus contractual security costs associated with medical care and specialty care not included in the contract with Wexford. As of June 30, 2011, the applicable rate was \$6.89 per inmate day. Medical related security costs and specialty care not included in the Wexford contract for the year ended June 30, 2011, equaled 18¢ per inmate day and \$1.68 per inmate day, respectively, which were determined by dividing contractual security costs and total specialty care costs by MDOC’s total inmate days of medical responsibility. Medical compensation to Wexford for the cost and monthly maintenance of an electronic health records system used at State and Regional MDOC facilities equaled 3¢ per inmate day.
- **Parole Board Costs** – Parole Board costs have been allocated to specific facilities, including county jails, community work centers, and privately operated prisons, based on the ratio of inmate days at each facility to total inmate days at all facilities.

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs**  
**Per State Inmate by Security Classification**  
**(For Adult Male Inmates in a 1,000-Bed Correctional Facility)**  
**June 30, 2011**

- ***Administrative Costs*** – Administrative costs include activities of the Office of the Commissioner, Office of the Deputy Commissioner, finance and administration, purchasing, buildings and grounds, personnel, and management information systems. These costs have been allocated to specific units, including county jails, community work centers, and privately operated prisons, based on the ratio of inmate days at each facility to total inmate days for all facilities.
- ***Debt Service Costs*** – Debt service costs relate to debt service on bonds issued to finance the construction of MDOC housing and support buildings. The Joint Legislative Committee on Performance Evaluation and Expenditure Review provided these expenditures for minimum, medium, and maximum security facilities. Debt service figures for minimum and maximum security facilities were derived from “Bond Buyer” 20 year AA general obligation bond rates as of November 2, 2011. Debt service figures for medium security facilities are hypothetical eighteenth year annual payments on “Bond Buyer” 20 year AA general obligation bond rates as of August 3, 1994. This medium security debt service figure is appropriate for use as a benchmark for the private 1,000-bed medium security facility in Marshall County operated by the GEO Group. This would not be the appropriate debt service figure to use as a benchmark for any new medium security facility. Any new medium security facility’s debt service would equal that of a minimum security facility.
- ***Support from Other State Agencies*** – Certain other state agencies provide support to the activities of MDOC. In some cases, MDOC is charged a service fee for services. These services include building construction and property management, purchasing, treasury and disbursement, legislative audit, legal, records management, and courier services. The charges for these services are included in allocated administrative costs in the accompanying Schedule. Although the State of Mississippi prepares an annual cost allocation plan which identifies costs by agency, costs attributable to MDOC are not specifically quantified due to the fact that MDOC does not administer a significant amount of federal grants. Management of MDOC estimates that services received but unbilled are insignificant to the total operating costs of the Department and are not included in the accompanying Schedule.
- ***Costs Not Included*** – Operating costs for MDOC have been adjusted to exclude costs applicable to construction or renovation of facilities.

## Independent Accountants' Report

Mississippi Joint Legislative Committee on  
Performance Evaluation and Expenditure Review  
Jackson, Mississippi

We have examined management of the State of Mississippi Department of Corrections' (MDOC) assertion that the accompanying Schedule of Average Daily Costs Per Psychiatric Inmate by Security Classification (For Adult Male Inmates in a 1,500-Bed Psychiatric Correctional Facility) [the Schedule] of MDOC for the year ended June 30, 2011, is presented in accordance with the measurement and disclosure criteria set forth in Note 2 to the Schedule. MDOC's management is responsible for the assertion. Our responsibility is to express an opinion based on our examination.

Except as explained in the following paragraph, our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Average Daily Costs Per Psychiatric Inmate by Security Classification (For Adult Male Inmates in a 1,500-Bed Psychiatric Correctional Facility) and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

We were not engaged to and did not examine the debt service costs which are included in the Schedule. These costs were provided by the Mississippi Joint Legislative Committee on Performance Evaluation and Expenditure Review.

The Schedule is based on the most accurate data and information available from MDOC staff at this time. MDOC facilities do not include a medium or maximum security facility which operates as a 1,500-bed correctional psychiatric facility. Consequently, actual costs of operation of a 1,500-bed psychiatric correctional facility may be materially different than those shown in the Schedule. Additionally, should MDOC's management significantly alter the assumptions in the design, construction, and operational concept for a 1,500-bed psychiatric correctional facility as presented in this report, the daily costs per state inmate amount would change.

In our opinion, except for debt service costs as explained in the second preceding paragraph, the Schedule referred to above presents, in all material respects, average daily costs per psychiatric inmate by security classification for an adult male 1,500-bed psychiatric correctional facility for the year ended June 30, 2011, based on the measurement and disclosure criteria set forth in Note 2 to the Schedule.

*BKD, LLP*

December 1, 2011

**Mississippi Department of Corrections**  
**Schedule of Average Daily Costs Per**  
**Psychiatric Inmate by Security Classification**  
**(For Adult Male Inmates in a 1,500-Bed Psychiatric Correctional Facility)**  
**Year Ended June 30, 2011**

|                                       | <u>Security Classification</u> |                         |
|---------------------------------------|--------------------------------|-------------------------|
|                                       | <u>Medium</u>                  | <u>Maximum</u>          |
| <b>Operating Costs</b>                |                                |                         |
| <b>Direct Costs</b>                   |                                |                         |
| Basic housing and visitation          |                                |                         |
| Salary costs                          | \$ 17.33                       | \$ 68.74                |
| Other costs                           | 9.05                           | 4.31                    |
| Education and training                | 2.31                           | -                       |
| Food                                  | 3.00                           | 3.00                    |
| Medical                               | 9.09                           | 9.09                    |
| Parole Board                          | 0.15                           | 0.15                    |
| <b>Allocated Administrative Costs</b> | 2.81                           | 2.81                    |
|                                       | <u>43.74</u>                   | <u>88.10</u>            |
| <br>                                  |                                |                         |
| <b>Annual Debt Service</b>            | <u>13.26</u>                   | <u>13.26</u>            |
| <br>                                  |                                |                         |
| <b>Total Average Daily Costs</b>      | <u><u>\$ 57.00</u></u>         | <u><u>\$ 101.36</u></u> |

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs Per**  
**Psychiatric Inmate by Security Classification**  
**(For Adult Male Inmates in a 1,500-Bed Psychiatric Correctional Facility)**  
**June 30, 2011**

**Note 1: Organization**

***Description of Entity***

The State of Mississippi Department of Corrections (MDOC or the Department) has the responsibility for the care, custody, training, supervision, and treatment of adult offenders committed to the Department and to plan, develop, coordinate, and manage a statewide comprehensive correctional system.

MDOC, for purposes of determining the average daily costs per state inmate, includes the following entities:

- ***Mississippi State Penitentiary (MSP)*** – MSP is a correctional facility located in Sunflower County, Mississippi which had the capacity to incarcerate 3,356 adult male felons as of June 30, 2011.
- ***Central Mississippi Correctional Facility (CMCF)*** – CMCF is a correctional facility located in Rankin County, Mississippi that houses minimum, medium, and maximum security inmates. CMCF serves as the central receiving and classification center for MDOC which had the capacity to incarcerate 3,449 offenders, including all female offenders, as of June 30, 2011.
- ***South Mississippi Correctional Institution (SMCI)*** – SMCI is located in Greene County, Mississippi which had the capacity to incarcerate 3,204 medium and maximum security adult felons as of June 30, 2011.

MDOC also administers correctional operations through other facilities. Although these locations have been allocated certain administrative costs, the costs of the facilities have not been included in determining the average daily costs per state inmate. These other facilities are as follows:

- MDOC operates restitution and work centers throughout the State which house inmates.
- MDOC also contracts with privately operated prisons and regional correctional authorities to incarcerate inmates. Inmates are also incarcerated in county operated jails. MDOC is responsible for certain administrative functions and medical care related to inmates incarcerated by others.

**Note 2: Basis of Presentation**

Expenditures are presented by security classification and are based on the adjusted costs of operations at facilities considered by management and the Mississippi Joint Legislative Committee on Performance Evaluation and Expenditure Review to provide the most representative data of an

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs Per**  
**Psychiatric Inmate by Security Classification**  
**(For Adult Male Inmates in a 1,500-Bed Psychiatric Correctional Facility)**  
**June 30, 2011**

assumed 1,500-bed psychiatric correctional facility for the security classifications presented as follows:

- **Medium Security** – Unit 30 at MSP – 864-bed capacity
- **Maximum Security** – Unit 8 at SMCI – 52-bed capacity – 23 hour per day lockdown, single cell facility

During fiscal year 2011, Unit 8 functioned as the only 23 hour per day lockdown, single cell building located within SMCI. All other buildings in SMCI were utilized for other missions during fiscal year 2011. Salary costs attributable to maximum security include specific Unit 8 salaries plus a share of unit supervisory salaries adjusted for a 1,500-inmate operation.

Operating costs were determined from MDOC's internal accounting records which reflect final adjusted costs by cost center. Operating costs are accounted for by functional cost centers.

Adjustments have been made to operating costs to reflect the differences attributable to the economies of scale of operating a 1,500-bed facility, as compared to the capacities of the medium security unit used in this analysis. These adjustments were determined through an analysis of fixed operating costs, primarily in salaries, by determining the difference between the daily rates of fixed costs of a 1,500-bed facility, as compared to the unit's actual daily rates for those fixed costs.

Costs of basic confinement and prison programs are presented separately to facilitate an understanding of the operating costs. In arriving at amounts presented in the accompanying Schedule, certain reclassifications and allocations were necessary. Explanations of certain operating cost categories presented, together with explanations of the significant reclassifications and allocations, are as follows:

- **Basic Housing and Visitation**

**Salary Costs** – Salary costs include costs directly associated with incarceration.

**Other Costs** – Basic housing and visitation costs include other housing related costs incurred at MSP, CMCF, and SMCI. These costs include the cost of services provided by the Mississippi Office of Buildings, Grounds, and Real Property Management attributable to capital asset maintenance and repairs.

- **Education and Training** – Education and training costs include the cost of program-specific salaries for the following programs: Adult Basic Education, Alcohol and Drug, Vocational Education, Pre-Release, Recreation, and Life Skills Program, as well as specific costs of educational materials, equipment, and facilities for MSP, CMCF, and SMCI.
- **Food Costs** – Food costs include both direct purchases of food and supplies and the costs associated with preparation. Food costs also include amounts paid for management costs of food service plus the estimated value of food produced and reported in farming operations

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs Per**  
**Psychiatric Inmate by Security Classification**  
**(For Adult Male Inmates in a 1,500-Bed Psychiatric Correctional Facility)**  
**June 30, 2011**

that is consumed by MDOC inmates. Certain purchases received at the main warehouse locations at MSP are subsequently transferred to other locations, including food produced by MSP farming operations. An overall average food cost per day was determined that consists of the following:

|   |                      |
|---|----------------------|
| Value of food produced by farm and consumed | \$ 1,817,433         |
| Food management contract payments and other | 2,426,052            |
| Food purchases                              | 8,345,381            |
| Change in ending inventory                  | <u>(324,489)</u>     |
| Total cost of food                          | <u>\$ 12,264,377</u> |
| Inmate days                                 | <u>4,091,286</u>     |
| Average cost of food per inmate day         | <u>\$ 3.00</u>       |

- **Farming Costs** – MSP maintains a prison operated farm in Sunflower County, Mississippi. Farming costs include operating costs net of revenues derived from sales to outside parties and the value of food produced which is consumed by MDOC inmates. Net losses generated from farm operations are allocated to units to which the farm operation provides inmate work opportunities. No costs were allocated during the year ended June 30, 2011, because the farm did not incur a loss.
  
- **Medical Costs** – Medical costs are based on the variable cost per inmate day set forth in the contractual agreement between MDOC and Wexford Health Sources, Inc. (Wexford) to provide medical care to inmates plus contractual security costs associated with medical care and specialty care not included in the contract with Wexford. As of June 30, 2011, the applicable rate was \$6.89 per inmate day. Medical related security costs and specialty care not included in the Wexford contract for the year ended June 30, 2011, equaled 18¢ per inmate day and \$1.68 per inmate day, respectively, which were determined by dividing contractual security costs and total specialty care costs by MDOC’s total inmate days of medical responsibility. Medical compensation to Wexford for the cost and monthly maintenance of an electronic health records system used at State and Regional MDOC facilities equaled 3¢ per inmate day. The rate was adjusted to reflect the additional costs attributable to psychiatric inmates. This additional cost of 86¢ per day was determined by taking the psychiatric drug cost rate and adjusting it by the difference between the medical cost rate, including the cost of psychiatric drugs, and the medical cost rate, excluding the cost of psychiatric drugs.

**Mississippi Department of Corrections**  
**Notes to Schedule of Average Daily Costs Per**  
**Psychiatric Inmate by Security Classification**  
**(For Adult Male Inmates in a 1,500-Bed Psychiatric Correctional Facility)**  
**June 30, 2011**

- ***Parole Board Costs*** – Parole Board costs have been allocated to specific facilities, including county jails, community work centers, and privately operated prisons, based on the ratio of inmate days at each facility to total inmate days at all facilities.
- ***Administrative Costs*** – Administrative costs include activities of the Office of the Commissioner, Office of the Deputy Commissioner, finance and administration, purchasing, buildings and grounds, personnel, and management information systems. These costs have been allocated to specific units, including county jails, community work centers, and privately operated prisons, based on the ratio of inmate days at each facility to total inmate days for all facilities.
- ***Debt Service Costs*** – Debt service costs relate to debt service on bonds issued to finance the construction of MDOC housing and support buildings for a 1,500-bed psychiatric correctional facility for medium and maximum security inmates. The Joint Legislative Committee on Performance Evaluation and Expenditure Review provided these expenditures. This debt service figure is appropriate for use as a benchmark for the private psychiatric correctional facility in Lauderdale County operated by the GEO Group. This would not be the appropriate debt service figure to use as a benchmark for any new psychiatric facility.
- ***Support from Other State Agencies*** – Certain other state agencies provide support to the activities of MDOC. In some cases, MDOC is charged a service fee for services. These services include building construction and property management, purchasing, treasury and disbursement, legislative audit, legal, records management, and courier services. The charges for these services are included in allocated administrative costs in the accompanying Schedule. Although the State of Mississippi prepares an annual cost allocation plan which identifies costs by agency, costs attributable to MDOC are not specifically quantified due to the fact that MDOC does not administer a significant amount of federal grants. Management of MDOC estimates that services received but unbilled are insignificant to the total operating costs of the Department and are not included in the accompanying Schedule.
- ***Costs Not Included*** – Operating costs for MDOC have been adjusted to exclude costs applicable to construction or renovation of facilities.

## Independent Accountants' Report on Supplementary Information

Mississippi Joint Legislative Committee on  
Performance Evaluation and Expenditure Review  
Jackson, Mississippi

Our reports on our examinations of the schedules of average daily costs appear on pages 1, 7 and 13. Our examinations were conducted for the purpose of forming an opinion on these schedules. The accompanying Schedule of Considerations for Private Prison Contract Negotiations is presented for purposes of additional analysis. Such information has not been subjected to the examination procedures applied to the schedules and, accordingly, we express no opinion on it.

*BKD, LLP*

Jackson, Mississippi  
December 1, 2011

**Mississippi Department of Corrections**  
**Schedule of Considerations for Private Prison Contract Negotiations**  
**June 30, 2011**

|                                      |              | <u>MDOC Facility</u> |               |                | <u>Private Facility</u> |               |                |
|--------------------------------------|--------------|----------------------|---------------|----------------|-------------------------|---------------|----------------|
|                                      |              | <u>Minimum</u>       | <u>Medium</u> | <u>Maximum</u> | <u>Minimum</u>          | <u>Medium</u> | <u>Maximum</u> |
| Infrastructure                       | <sup>1</sup> | X                    | X             | X              | State Provided          |               |                |
| Food                                 |              | X                    | X             | X              | X                       | X             | X              |
| Clothing                             |              | X                    | X             | X              | X                       | X             | X              |
| Medical and dental care              | <sup>2</sup> | X                    | X             | X              | X                       | X             | X              |
| Education                            |              | X                    | X             |                | X                       | X             |                |
| Records                              | <sup>3</sup> | X                    | X             | X              | State Provided          |               |                |
| Inmate classification and management | <sup>3</sup> | X                    | X             | X              | State Provided          |               |                |
| Offender services                    | <sup>3</sup> | X                    | X             | X              | State Provided          |               |                |
| Transportation                       |              | X                    | X             | X              | X                       | X             | X              |
| Parole Boards                        | <sup>4</sup> | X                    | X             | X              | State Provided          |               |                |
| Probation                            | <sup>4</sup> | X                    | X             | X              | State Provided          |               |                |
| Restitution                          | <sup>4</sup> | X                    | X             | X              | State Provided          |               |                |
| Drug treatment                       |              | X                    | X             | X              | X                       | X             | X              |
| Handicap or invalid incarceration    |              | X                    | X             | X              | X                       | X             | X              |
| Farming                              | <sup>5</sup> | X                    | X             |                | Not Applicable          |               |                |
| Administrative costs                 | <sup>6</sup> | X                    | X             | X              | X                       | X             | X              |
| Monitoring costs                     | <sup>7</sup> |                      |               |                | X                       | X             | X              |

<sup>1</sup> Operating costs depend on facility design and security classification. Economies of scale for facility depend on the number of inmates housed.

<sup>2</sup> Consideration should be given to the level of medical care to be provided and whether the burden of responsibility for extended medical care transfers to the State.

<sup>3</sup> Costs associated with records, inmate classification, and offender services are provided by the State. Identified direct costs of these functions total \$6,123,805 for the year ended June 30, 2011. Inmate days supported by these functions were 7,044,805, representing a daily cost of 87¢.

<sup>4</sup> The costs associated with services provided by the State should not be considered as a part of the contracted rate with a private facility.

<sup>5</sup> Private facilities do not have farming operations.

<sup>6</sup> Private facilities have fewer administrative responsibilities than the responsibilities of the State.

<sup>7</sup> Private facilities reimburse MDOC for monitoring costs.

---

## PEER Committee Staff

Max Arinder, Executive Director  
James Barber, Deputy Director  
Ted Booth, General Counsel

### Evaluation

David Pray, Division Manager  
Linda Triplett, Division Manager  
Kim Cummins  
Matthew Dry  
Brian Dickerson  
Lonnie Edgar  
Barbara Hamilton  
Matthew Holmes  
Kevin Mayes  
Angela Norwood  
Jennifer Sebren  
Julie Winkeljohn

### Editing and Records

Ava Welborn, Chief Editor/Archivist and Executive Assistant  
Tracy Bobo

### Administration

Rosana Slawson  
Gale Taylor

### Information Technology

Larry Landrum, Systems Analyst

### Corrections Audit

Louwill Davis, Corrections Auditor