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ANNUAL REPORT CONCERNING THE STATUS OF PRIVATE CONTRACT PRISONS

A REPORT SUBMITTED TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND TO THE PRESIDENT OF THE SENATE DUE DECEMBER 1, 2015, PURSUANT TO C.R.S. 17-1-201(2)

PREPARED BY OFFICE OF PLANNING AND ANALYSIS

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Introduction

The rise of the prison population during the 1990's outpaced construction of state facilities and necessitated the use of private prisons to house Colorado offenders. In 1995, House Bill 1352 created Title 17, Part 2 of the Colorado Revised Statutes concerning the request for proposals process for corrections privatization. This report is intended to comply with the annual reporting provision listed in Colorado Revised Statute 17-1-201(2):

NO LATER THAN DECEMBER 1 OF EACH FISCAL YEAR, BEGINNING WITH THE 1996-97 FISCAL YEAR, THE EXECUTIVE DIRECTOR SHALL SUBMIT A REPORT TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE CONCERNING THE STATUS OF CONTRACTS IN EFFECT, AND, WITH RESPECT TO COMPLETED PRISONS, THE EFFECTIVENESS OF EACH PRIVATE CONTRACT PRISON GOVERNED BY A CONTRACT WITH THE DEPARTMENT.

The Private Prisons Monitoring Unit (PPMU) was created within the Department of Corrections' (DOC) Prison Operations in 1999 to oversee private contract prisons. The PPMU was established to ensure that private contract prisons adhere to DOC policies and American Correctional Association standards, to issue competitive bids and award contracts, and to monitor compliance with contracts. The provisions of each contract stipulate services to be provided, specific security and non-security related administrative regulations to be followed, training available through DOC, medical services, food service, and the educational service level to be maintained at each facility. The PPMU is staffed with facility monitors and program specialists who regularly monitor the facilities and program areas to verify compliance with the terms and conditions of the contracts and to provide for a transition of services between public and private facilities. The PPMU assigns monitors to the private facilities, and each is required to spend a minimum of 20 hours per week in his or her assigned facility. PPMU also has one medical monitor position, one mental health monitor position, and one food service monitor position. These positions are responsible for monitoring all of the private facilities and routinely visit them on a monthly basis. The PPMU works closely with DOC's Central Classification Unit to ensure that all offenders housed in a private contract prison meet the required custody level as determined by the inmate classification assessment. Colorado Revised Statutes 17-1-104.9, Custody levels for state inmates at *private prisons*, prohibits the DOC from placing state offenders classified higher than medium custody in private contract prisons located within or outside Colorado unless there is a correctional emergency. Private contract prisons are authorized to house out-of-state offenders in their facilities after appropriate file review and approval by the PPMU, under the authority of the executive director.

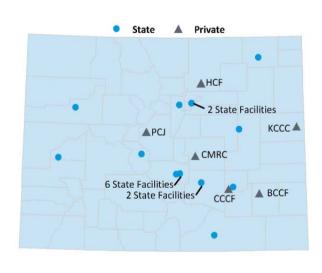
Contracts

During fiscal year (FY) 2015, the DOC had four private prison contracts and one jail contract. Of the four prison contracts, three were established as intergovernmental agreements with local jurisdictions (Bent, Crowley, and Kit Carson counties) for inmate housing and program services. The three local communities, in turn, contract with Corrections Corporation of America (CCA) to

provide services to the DOC. The other contract was directly between DOC and the vendor: Community Education Centers (CEC) for the Cheyenne Mountain Re-entry Center (a pre-release and revocation facility) in El Paso County. Finally, the DOC has a contract with the Park County Jail located in Fairplay, CO, which has a 250-bed capacity that presently is not being utilized. Table 1 and the map below it summarize the facilities and vendors with whom the state contracts along with their capacities and population at the fiscal yearend.

Facility	Operate d by	Physical Plant Capacity	Assigne d
Bent County Corr. Facility	CCA	1,466	1,400
Crowley County Corr. Facility	CCA	1,720	1,513
Kit Carson Corr. Center	CCA	1,562	726
Cheyenne Mtn Reentry Center	CEC	776	527
Hudson Corr. Facility	GEO	1,312	0
Park County Jail	Park County	250	0

Table 1.Private Prison Contracts as of June 30, 2015



Over the past several years the prison population has declined in Colorado, resulting in private prison operators looking elsewhere for out-of-state contracts. The Idaho Department of Corrections currently houses 228 offenders at Kit Carson Correctional Center, but the contract allows for up to 768 beds to be filled with Idaho offenders. During FY 2013, The GEO group had a contract with the state of Alaska to house their offenders at the Hudson Correctional Facility. This contract ended in FY 2013 and all Alaskan offenders were returned to their state as of September 26, 2013 and the facility remains closed as of this date. Per Colorado Revised Statute 17-1-104.5, no offenders can be housed in a private contract prison without the express approval of the DOC executive director. Therefore, the PPMU is working with GEO as they market their empty beds to potential clients.

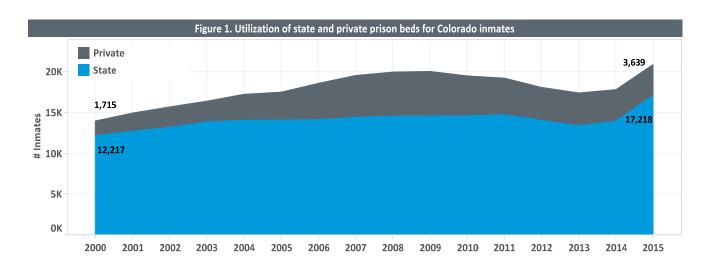
Funding

Compensation to the private contract prison vendors or local municipality through the intergovernmental agreements is provided through appropriations made available by the Colorado General Assembly. Private prisons are reimbursed at a rate of \$56.02 per inmate per day and jails are reimbursed at a rate of \$53.64 per inmate per day. Funding for private prisons is primarily provided through the External Capacity Subprogram in the Long Bill. The total amount appropriated in SB 15-234 for FY 2014-15 private prisons is \$89,040,134 of which \$14,330,890 is

designated for CMRC, the pre-release and revocation facility. This funding is sufficient to house approximately 4,300 offenders in private prisons through the year. It should be noted that there is no minimum number of offenders established for any of the private prisons.

Funding that is allocated to CCA from CDOC is based off of offender needs, one of which is sufficient staffing at the facility. The CDOC's private prison monitoring unit (PPMU) audits all CCA sites to ensure that the monies are properly allocated and used. In FY 2015, all four CCA sites were below staffing requirements as determined under contractual agreement between CCA and CDOC. Due to staff vacancies not being filled, this resulted in CCA having liquidated damages applied for each occurrence. These liquidated damages that were assessed are broken down as follows:

- Bent County Correctional Facility \$83,208.51
- Crowley County Correctional Facility \$70,320.24
- Kit Carson Correctional Facility \$249,872.36
- Cheyenne Mountain Re-entry Center \$265,303.93



Private Prison Utilization

As the inmate population grew during the 1990s and 2000s, so did Colorado's use of private contract prisons. At the peak of Colorado's inmate population in 2009, offenders in private prisons accounted for 27% of all incarcerated offenders. Due to a decreasing prison population from 2009 through 2013, that rate has since declined to 17% of the incarcerated population on June 30, 2015. Figure 1, on the following page, shows the trends regarding utilization of state and private prisons since 2000. While there has been an increase in incarcerated populations. As Figure 1

demonstrates, the CDOC's population over the last 15 years has continued to oscillate between gradual increases and decreases .

Private Prison Population

The populations housed at state and private prisons differ substantially because state prisons are mandated by statute (CRS 17-1-201(2) to maintain specialized prisons to manage offenders with severe medical and mental health needs, as well as offenders who are classified at higher custody levels due to their behavior while incarcerated. In contrast, private prisons cannot house prisoners above medium custody level. Each inmate is carefully reviewed before being placed in a private prison, but the criteria for private prison eligibility generally includes the following:

- Level III (medium) custody or below
- Low to moderate needs levels
 - o Medical needs levels 1-4
 - o Mental health needs levels 1-3
 - o Developmental disability needs levels 1-3
- Sex offenders if not actively participating in treatment (CCA)
- Some disabilities as defined in the Americans with Disabilities Act, such as diabetes, but not mobility, vision, or hearing issues
- Offenders not serving sentences of life without parole

Other issues that are considered but do not necessarily preclude offenders from being placed in private prisons:

- o security threat group affiliation,
- o custody issues
- o parole eligibility date

Given these criteria, offenders in private prisons naturally differ from those who are housed in state facilities. Using the June 30, 2015, incarcerated population, comparisons were made to show how different offenders at state and private prisons differ on demographic, needs, criminal risk, and criminal history variables. The sample consisted of 16,523 male offenders housed in Colorado's state or private prisons on June 30, 2015. No female offenders are currently housed in private prisons, and thus, they were excluded from the comparison.

The figures on the following pages show the characteristics of offenders in CMRC, CCA facilities (Bent, Crowley, and Kit Carson County Correctional Facilities), and state prisons. CMRC was separated from the other private prisons because its mission as a pre-release and revocation facility differs from that of the CCA facilities and because CMRC placement criteria are somewhat more restrictive than for CCA facilities. The figure notes highlight differences between the three categories. Following the graphs is a narrative summary of the key differences along with more details of the variables.

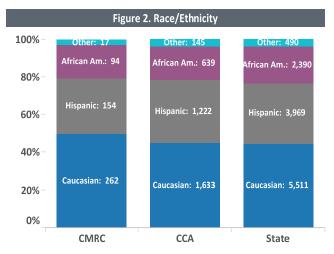


Figure note. CMRC has a smaller rate of Hispanic inmates and a larger rate of Caucasian inmates than CCA and state facilities.

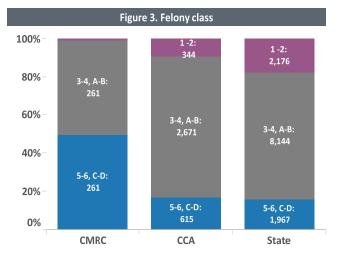


Figure note. State prisons have the most serious offenses and CMRC inmates have the least serious.

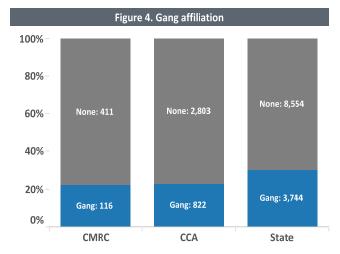


Figure note. State facilities have the highest rate of gang members (30%), while CCA facilities are at 23%, and CMRC at 22%

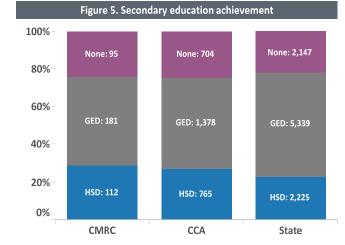


Figure note. While small variations exist state facilities had the highest rate of GED/ HSD acheivments

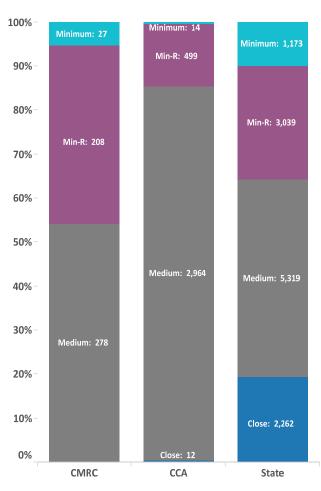


Figure note. Only state prisons permanently house close custody inmates. Note: Close custody level counts also include all unclassified offenders at Denver complex

Figure 6. Custody levels

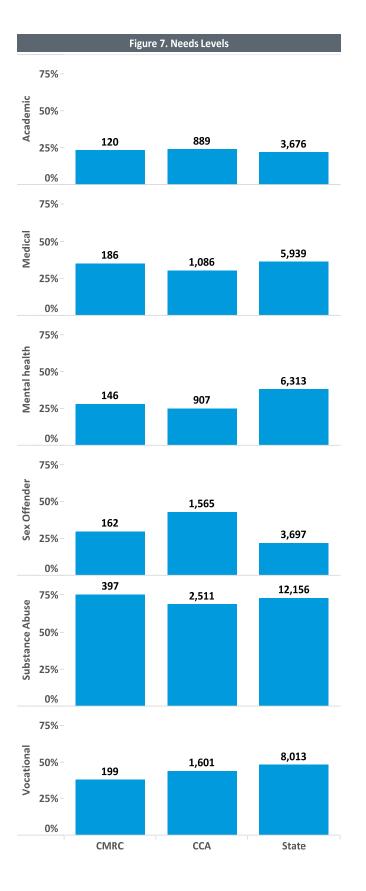


Figure 8. LSI-R average total score

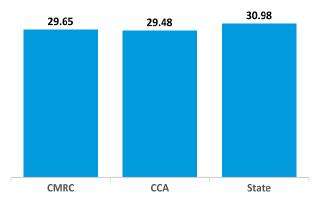


Figure note. Only minor variations exist on Level of Supervision Inventory - Revised risk scores.

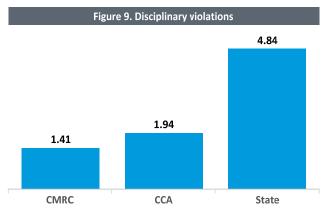


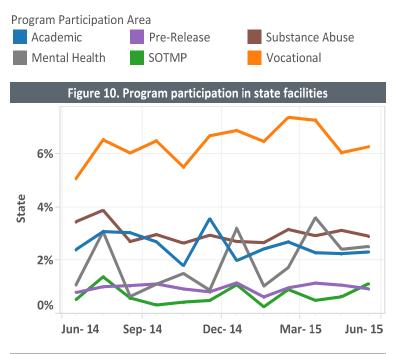
Figure note. Inmates in state facilities have more disciplinary infractions over their incarceration.

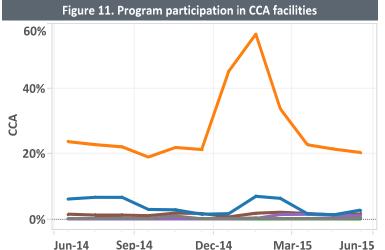
Taken together, the data indicate that offenders in state prisons tend to have higher or more specialized custody and treatment needs than offenders in private prisons. Close custody offenders, protective custody (PC), and/ or residential treatment program (RTP) statuses are exclusively housed in state prisons (except for those awaiting transfer out of a private prison). The comparisons show little difference in risk scores as measured by the Level of Supervision Inventory- Revised (LSI-R). However, offenders in state prisons are more prone to gang alliances and disciplinary violations. Needs levels are broad categories of treatment needs rated on a 1-5scale; for this report, only moderate to high needs (levels 3, 4, and 5) are shown. The data indicate that CCA facilities house the highest rate of sex offenders (most are ineligible for treatment due to not meeting criteria or refusing to participate). Offenders in CMRC have the lowest academic and vocational needs, conversely, offenders in CMRC have the highest rate of offenders with substance abuse treatment needs. Mental health needs are highest at state facilities and lowest at CCA facilities. The medical needs levels do not adequately portray those with very serious medical needs who are housed at state facilities and are very resource intensive because their number is small compared to the overall population. Major mental illness was also examined and the pattern was similar to broad mental health needs portrayed in Figure 7.

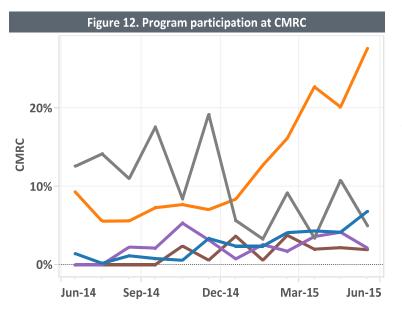
Private Prison Program Services

Private contract prisons are mandated by statute (Colorado Revised Stature 17-1-201 (2) to provide a range of dental, medical, and psychological services, as well as diet, education, and work programs. The following describes program services that are available this year at the CCA private facilities.

Participation in treatment programs is tracked monthly on the DOC Dashboard Measures (see https://www.colorado.gov/pacific/cdoc/departmental-reports-and-statistics). Since the implementation of achievement earned time per House Bill 12-1223 in August 2012 – legislation which forced standardized coding of program discharges – successful program completions or achievements have also been tracked on the DOC Dashboard Measures. However, the dashboard measures summarize participation for all prison offenders, so this report analyzes that data by the three location categories (CMRC, CCA facilities and state facilities) to better understand how services in private prisons compare to those in state prisons. It should also be noted that this review is not an evaluation of the quality of the provided treatment programs.







Figures 10 through 12 shows the percent of offenders enrolled in programs at the end of each month in FY 2015. Each graph is scaled the same so comparisons can be made between the three locations.

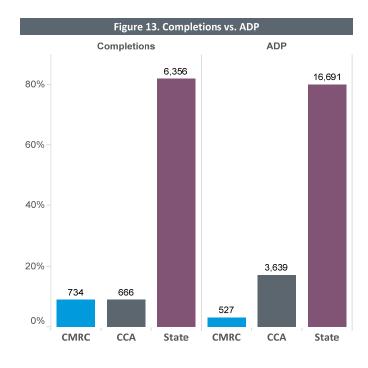
Offenders can be enrolled in more than one type of program at a time, but are not duplicated within a category if enrolled in multiple classes within a single discipline. State prisons offer the greatest variety and quantity of rehabilitation programs. In August of 2014, CMRC began offering sex offender maintenance programs at their site. CMRC does, however, deliver the highest volume of mental health programs.

Per contractual requirement CCA and CMRC sites are required to provide

> MEANINGFUL WORK AND/OR PROGRAM OPPORTUNITIES TO THE OFFENDER POPULATION SO THAT 80% OF THE ELIGIBLE POPULATION IS ENGAGED IN MEANINGFUL EMPLOYMENT FOR AT LEAST FOUR (4) HOURS PER DAY, FIVE DAYS PER WEEK. THIS PROVISION IS EXPRESSLY SUBJECT TO CDOC ADMINISTRATIVE REGULATION 850-03, INCLUDING THE DEFINITION OF "ELIGIBLE OFFENDER.

As the data currently demonstrates private prisons are not meeting the 80% specified but remaining at approximately 50% on a yearly basis. Table 2 shows successful completions and achievements in each program area by the three locations during FY 2015. Figure 13 compares the completion rates to the average daily population (ADP). These data show that the program completion rate in state prisons was slightly higher compared to their ADP (82% vs. 80%). CCA facilities had a lower completion rate compared to their ADP (9% vs. 17%) and CMRC had a higher completion rate compared to their ADP (9% vs. 3%).

	CMRC	CCA	State
Academic	21	192	738
Mental Health	588	87	988
Pre-release			957
Sex Offender			155
Substance Abuse	27	268	1,098
Vocational		371	2,165
Grand Total	636	918	6,101



Community Labor/ Relations/ Unique Programs

Bent County Correctional Facility

Bent County Correctional Facility (BCCF) has a Community Relations Board who meets quarterly and is comprised of members of various outside law enforcement agencies, vendors, school officials and city/county government employees BCCF staff employed at the facility support the community through projects for Local School Boosters, Clubs and Athletic

Groups; Las Animas/Bent County Golf Course Advisory Board; Parent Teacher Association; 4-H Project Leaders; Bent County Deputy Officers (Reserve Officers); Las Animas/Bent County Chamber of Commerce; Bent County Development Foundation; Bent County Health Care Center Board of Directors; and the Bent County Fair Board.

BCCF has a commercial driver's license program where offenders can obtain practical training from computer simulators. Upon completion of the program and CDOC sentence, the offender will be eligible to take the practical driving test and a physical in order to obtain their license. BCCF also has a reading program for offenders to read and record their reading for their child. A CD with the offender's voice and a book are then mailed to the offender's child. Offenders also contribute to the community by recording books and newspaper editions for the blind, learning disabled, and elderly.

BCCF helps in other areas of the community as needed. They produce posters for events and refurbish the school buses prior to the beginning of each school year.

Crowley County Correctional Facility

Crowley County Correctional Facility (CCCF) has a community relations committee that consists of facility managers, as well as, community representatives, including nearby residents, local officials/leaders, and the local media. The committee holds a quarterly community relations luncheon. Members of the community exchange ideas, address community questions and concerns, and discuss the facility's operation and activities.

CCCF completes a number of projects for Habitat for Humanity. The Habitat for Humanity project is a vocational program for the offenders at CCCF. The Vocational Instructor Training Program Truss Shop manufactures roof trusses.

In addition, CCCF staff is involved in other local organizations including the Salvation Army, Rocky Mountain SER (Employment Service partnership,) and the Ordway Chamber of Commerce. The Project Linus Program at CCCF is designed to allow offenders to crochet blankets, scarves, mittens, etc. to donate to charities throughout the world. Additionally, CCCF has a greenhouse where plants are grown and then donated to community gardens, schools, nursing homes, etc. CCCF teams up with the Department of Labor for several apprentice programs, including cabinet making, maintenance repair, construction painter, plumbing and horticulture. CCCF continues its partnership with Friends of Retired Greyhounds in an Adoption/Foster Care Program. This program allows offenders to foster greyhounds that have been taken from the racetracks and given a second chance to be adopted into a home setting.

Kit Carson Correctional Center

Kit Carson Correctional Center (KCCC) holds community relations meetings with leaders of the city of Burlington. These quarterly held meetings are effective in communicating information between the facility and the city/county. KCCC staff is involved in many areas and organizations within the community, including the Boy Scouts and Girl Scouts of America, Rotary Club, Chamber of Commerce, Preventive Justice Arts Council, Prairie Family Center, Library, Old Town and Kit Carson County Carrousel, Fort Morgan Community College classes, and many activities of the Burlington School system.

KCCC currently participates in a Canine Companions for Independence Program. This program prepares animals for final placement that will enable them to provide assistance to handicapped persons. KCCC also has the "Second Chance Dog Program." This program provides "second chance" training for pound dogs to be adopted by families in the surrounding area.

Cheyenne Mountain Re-Entry Program

Community Education Centers operate two unique programs at its Cheyenne Mountain Re-entry Center (CMRC) location; these consist of the Sex Offender Maintenance Program and the Positive Peer Community Program (PPC). CMRC engages community groups and providers of in kind, supportive and educational services for the population served. During 2015, CMRC collaborated on in-reach functions with 10 federal, state, and local agencies, some of which include The Veterans Administration, The Colorado Victim Awareness Council, Arapahoe County Child Support, Iron Worker Union LU 847 of Denver, and Colorado Circles of Support.

CMRC also facilitates an offender pre-release program designed to address areas that have been identified as affecting an offender success. CMRC's customer service training program offers college credits to residents who successfully completed the course. The Positive Peer Community program uses evidence based and best practices to address criminal addictive thinking patterns and behavior. CMRC has presented its SOTMP and Positive Peer Community Programs to the Colorado Parole Board in Denver and also hosted the board at the CMRC facility this year.

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