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# Cost Effectiveness Comparisons of Private Versus Public Prisons in Louisiana: A Comprehensive Analysis of Allen, Avoyelles, and Winn Correctional Centers

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## Abstract

The state of Louisiana built three identical medium-maximum security prisons in the late 1980s. The first to open was the state operated Avoyelles Correctional Center on June 19, 1989. Winn Correctional Center, operated under contract by Correctional Corporation of America to the Louisiana Department of Corrections, was the next to open on March 19, 1990. Last to open was Allen Correctional Center on December 4, 1990, operated by Wackenhut Corrections Corporation under contract to the Louisiana Department of Corrections. In effect, the state of Louisiana created a field experimental laboratory for the study of privately operated versus publicly operated prisons. However, the state did not plan for any systematic collection of data that could be used to evaluate the comparative effectiveness of these three prisons. Consequently, in order to structure a cost-effectiveness evaluation of these three prisons, it was necessary to use secondary data which were derived from formal reports submitted by each prison to the Louisiana Department of Public Safety and Corrections and from budgetary/auditing records of the DOC.

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## Study Overview

This *ex-post facto* field experiment study was conducted to address two broad questions. First, are there measurable significant differences in terms of cost-effectiveness between private and publicly operated prisons? Second, are there measurable differences between the two private prisons? Secondary "effectiveness" data on each of the three prisons were collected using the monthly "30-1 Reports" which were submitted by each prison for the operational fiscal years of 1991-92 through fiscal years 1995-96 to the Louisiana Department of Public Safety and Corrections. Preliminary summaries were sent to the respective prisons for verification of accuracy prior to analysis. Additionally, cost and budgetary information was obtained for each of the three prisons. All data were collected, verified, and analyzed between Fall, 1995, and the release of the final report on December 10, 1996. These data were used to create over two hundred different measures and indices that allowed an in-depth analysis of nine critical issues:

1. The **Comparability** of the three prisons and their respective inmate populations;

2. **Public Safety** as measured by preventing prison escapes and protecting visitors to the prisons;
3. **Staff Safety** as measured by assaults and injuries to staff;
4. **Inmate Safety** as measured by risk of victimization by Category I, II, and III Incidents (Incidents were classified as being *Critical Incidents* included: assaults, assaults with serious injuries, assaults with and without weapons, institutional disturbances, gunshots, aggravated sex offenses, and inmate deaths. Other reported were classified as *Non-Critical*.);
5. **Inmate Safety and the effective use of formal disciplinary actions**;
6. **Inmate Safety** in terms of **medical risks from communicable diseases** and **contraband substance abuse**;
7. **Assessment of the prison organization management type and its relation to effectiveness, efficiency, and work climate** created for employees;
8. **Assessment** of each prison in terms of **creating environments of well being** and **opportunity for change** as measured by: inmate complaints, scope, and effectiveness of adult education programs;
9. **Cost measures** and their relationship to **effectiveness and safety**.

## Limitations and Assumptions of Study

Among the limitations and assumptions of this study are these:

- All three prisons had comparable construction, numbers of inmates, and operational histories;
- All three prisons were certified by the American Correctional Association and were assumed to be in compliance with ACA standards;
- All the data used in this study are drawn from secondary sources and, therefore, subject to reporting

errors. While attempts were made to ensure as accurate reporting as possible, the researchers were dependent on the accuracy of the submitted and verified formal reports;

- It was assumed that prisons would report the most serious incidents more accurately than less serious incidents and that this bias would be randomly distributed among the three prisons.

#### STUDY FINDINGS AND CONCLUSIONS

The study reported 47 Final Conclusions. Among the general conclusions were these.

##### Comparability

- All three prisons were found to be as comparable as reasonably possible in terms of expansion history, capacity, and design. All operated under the same laws of the state of Louisiana and the same operating policies of the Department of Public Safety and Corrections. All prison held prisoners who were comparable in terms of numbers, types of offenses committed, security types, gender, and ethnicity:
  - Maximum capacity of each facility was 1,474;
  - All prisoners were male;
  - For Avoyelles: 80.7% of inmates were minorities;
  - For Allen: 76.5% of inmates were minorities;
  - For Winn: 79.3% of inmates were minorities.
- Differences were found among the three prisons in terms of organizational management procedures, leadership style, longevity of current warden, number of wardens over a four year period, private versus public, and size of farming operations.
- Significant differences were found in numbers of employees hired, the proportion and distribution of female staff, and the proportion of minority staff:
  - Avoyelles employed 384 correctional personnel—24% female and 18.5% minority;
  - Allen employed 335 correctional personnel—37% female and 32% minority;
  - Winn employed 340 correctional personnel—42% female and 50.3% minority.
- All three prisons were found to adequately satisfy the goal of protecting the public in terms of protecting visitors to the facility and preventing escapes. However, Avoyelles reported zero escapes for 36 months of reported data, while Allen reported four escapes for 44 months of data, and Winn reported five escapes for 46 months of data.

Among the most important of general conclusions of this study were the following.

##### Final Conclusion XII-37 (p. 566)

The two private prisons—Allen and Winn Correctional Centers—significantly out performed the publicly operated Avoyelles Correctional Center on the vast majority of measures used to compare the three prisons. Both private prisons were found:

- To be significantly more cost-effective to operate by between 11.69% to 13.8%, based on the average for the past five fiscal years; Allen cost \$22.93 per inmate per day, Winn cost \$23.49, and Avoyelles cost \$26.60;
- To report statistically fewer *critical incidents* (e.g., *serious assaults on inmates, serious assaults on staff by inmates, assaults with weapons, etc.*); Avoyelles averaged 15.14 critical incidents per month as compared to 7.48 for Winn and 7.93 for Allen;
- To provide safer work environments for employees by protecting staff from inmate assaults; Avoyelles was found to have the statistically highest number of monthly *inmate assaults on staff resulting in serious injury*;
- To provide significantly safer living environments for inmates; Avoyelles was found to have the statistically highest average monthly incidents of *assaults on inmates resulting in serious injuries, assaults on inmates involving weapons, assaults on inmates not resulting in serious injury, and assaults on inmates not resulting in serious injury but involving use of weapons, and assaults on inmates not resulting in serious injury and not involving use of weapons*;
- To judiciously and effectively utilize inmate disciplinary actions in maintaining order among inmate populations;
- To more effectively and efficiently deploy fewer security personnel while achieving higher levels of inmate and staff safety;
- To have proportionally more inmates complete basic education, literacy, and vocational training courses.

##### Final Conclusion XII-38 (p. 567)

The publicly operated prison, Avoyelles Correctional Center, out-performed the two private prisons on several measures. Avoyelles:

- Prevented escapes better—Avoyelles recorded “zero” escapes during the years for which data were available as compared to three for Allen and five for Winn;
- Reported statistically fewer aggravated sex offenses. [note: all three prisons reported similar numbers of the most serious Class I Aggravated Sex Offenses (e.g., rape)—Allen 2.023 incidents per month, Avoyelles 2.222, and Winn 2.222; Allen and Winn employed proportionally more females than Avoyelles; the high incidences in Class II acts appeared to have been related to differences in inmate management policies which were intended to protect female employees rather than any real increase in risk to the inmate population];
- More effectively controlled substance abuse among inmates through a more aggressive urine analysis testing program than either private prison—positive urine analyses were statistically higher at the Allen Correctional Center and slightly higher, but not statistically significant at Winn;
- Offered a broader range of education-vocational training courses and involved more inmates in them; however, the ratio of “program completions” to “inmates enrolled” were statistically higher in both private prisons;
- Provided a broader range of treatment, recreation, social services, and habilitative services to inmates.

**Final Conclusion XII-41 (P. 573)**

Private prisons probably have a definite place in any state’s total prison system. However, in the Louisiana case, the private prisons outperformed the public prison largely because of *dynamic competition which existed among the three prisons*. No state should consider a totally privately operated prison system, nor should any state do business exclusively with only one vendor. To do so would result in the loss of *dynamic competition*.