

# Correctional Technologies: A way to raise money?

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In cities and counties across the country, correctional departments and correctional facilities have been hit by the economic and budgetary crisis. Agencies have decreasing tax revenue and increasing deficits, while incarceration and inmate population rates continue to rise. Agencies must get creative with technology implementation and find ways to make money.

Most correctional facilities are outfitted with what is referred to as inmate phone systems. Essentially, inmates are given access to phone services and typically pay a high cost per minute to call family, friends or perhaps their lawyer. Inmate phone systems are often built out at little cost to the agency. Correctional facilities can reap the reward of money generated by these telephone calls. While vendors profit from these phones services, so does the agency. The revenue that is generated from the high-cost calls is divided between the operating vendor and the agency. Facilities with larger inmate populations are obviously going to have the most calls made and therefore receive the most money.

When correctional facilities and agencies are able to utilize simple and less expensive technologies, such as these phone systems, they can save money during financial crunches. Another technology often seen as a money-saving tool in correctional agencies is electronic monitoring devices. These devices are typically given to nonviolent offenders who are often incarcerated on drug charges, released from prison, and then monitored 24 hours a day. While there can be a significant cost to purchase a large number of these devices, fitting convicted criminals with a GPS monitoring device can save thousands versus imprisoning them. It normally costs thousands of dollars per month to house an inmate in jail. Between the cost of food, guards, surveillance and other means of protection, buying a single GPS tracking device that ranges from \$5 to \$15 per day is a much more cost-effective solution. Like inmate phone systems, electronic monitoring devices are based on a split-profit model in which agencies receive revenue from the devices and sometimes from the person wearing the device.

In addition to the two technologies mentioned above, there are other ways to reduce costs in prisons. Additional surveillance systems and other video monitoring devices can reduce the need for personnel in prisons, but there will still be a requirement for personnel to monitor video feeds. While surveillance systems may not act as a deterrent for crime in prisons, it does allow 24-hour monitoring of all inmates and enables guards to detect a fight breaking out or unauthorized cell phone use.

GovWin Take:

California spends the most money annually on its correctional system. For 2011-2012, its estimated budget is \$9.3 billion, a slight decrease from the previous year. In February, [GovWin reported](#) on California's Department of Correction and Rehabilitation's "Year at a Glance" report. The state recently awarded a contract for GPS tracking systems to cut costs and ease the burden of overcrowded correctional facilities.

Another means of understanding the growing costs and spending needs for correctional facilities is by taking a look at GovWin's State and Local Justice/Public Safety and Homeland Security [Market report for 2010-2015](#). According to the report, spending on corrections will grow at the state level by an estimated 3.3 percent from 2010 to 2011, but the increase will drop to 2.9 percent from 2011 to 2012. The county level will see a similar trend with an increase of 1.1 percent from 2010 to 2011, but only 0.9 percent from 2011 to 2012. What is causing these downward spending trends? You can attribute some of the decline to the increased spending on technologies that keep individuals out of prison, like electronic monitoring devices for nonviolent criminals. While vendors in this market would like to see spending on corrections increase, a slowed growth rate may signal more opportunities for cost-effective solutions like those outlined above.

Vendors who supply inmate phones systems, electronic monitoring devices, and other inmate commissary services must continue to work with agencies struggling to develop plans and means of raising money. Agencies must embrace and work to use more cost-cutting technology in order to prevent overcrowding in prisons. They can develop strategies combining various tools and a variety of options that provide both large and small correctional facilities with means of improving the safety of inmates while savings money.