United States Marshals Service
FY 2019 Performance Budget
President's Budget

Justice Prisoner and Alien Transportation System Revolving Fund

February 2018

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I. Overview

The Justice Prisoner and Alien Transportation System (JPATS) mission is to coordinate and transport prisoners and detainees safely, securely, and humanely in a timely and economical manner. JPATS is a revolving fund with total operating costs reimbursed by customer agencies. JPATS coordinates the movement of Federal prisoners and detainees in the custody of the U.S. Marshals Service (USMS) and the Bureau of Prisons (BOP), including pretrial, sentenced, and criminal aliens. JPATS also transports Department of Defense and state and local prisoners on a reimbursable, space-available basis.

Using USMS and BOP projected prisoner population movement requirements, JPATS develops total projected costs associated with air transportation. JPATS uses OMB Circular A-126 guidelines to identify fixed and variable cost categories and applies activity-based costing to develop flight hour rates. JPATS bills its customers based on the number of flight hours and the number of seats the customers use to move their prisoners/detainees.

As a revolving fund, JPATS operates with numerous benefits, including but not limited to:

- the no-year account mitigates risks of unanticipated customer program changes or cost variances providing a consistent funding stream;
- the concept of full-cost recovery meets program goals for transparency and equitable distribution of costs and adheres to industry best practices;
- the revolving fund allows for multi-year funding and leasing authority for capital acquisitions; and
- the authority to retain proceeds from disposal of aircraft, support equipment, and parts encourages extensive stewardship and asset management.

The JPATS revolving fund generates cost stability for customer agencies because the fund can absorb cost fluctuations for operating expenses such as fuel and aircraft maintenance on a short-term basis. It also simplifies the task of replacing aircraft and obtaining major aircraft parts by enabling JPATS to extend the cost of equipment purchases or equipment leases over several years, and to plan the procurement of equipment or equipment lease agreements when needed.

JPATS is committed to ensuring each scheduled mission is properly staffed with a well-trained, professional crew. Each mission includes qualified pilots and Federal Aviation Administration (FAA) aircraft maintenance personnel to safely operate the aircraft. Experienced law enforcement and security officers ensure crew and airlift site safety and the safe, secure transfer of prisoners. Each flight is also staffed by a certified medical specialist who validates required screenings and medical records and ensures all prisoners are medically stable and fit to fly.

A. Budget Assumptions

JPATS continually seeks opportunities to improve the quality of prisoner movement services, optimize the transportation network, and produce efficiencies for the customer. Key assumptions for this budget formulation include:

- The 737-400 aircraft maintenance increase is based on current year actual expenses.
- The price per gallon of jet fuel continues to fluctuate due to the changing market.

- Based on experience, owning large aircraft ensures a higher availability rate for missions, provides flexibility and surge capability if needed, and generates annual savings of approximately $6 million in comparison to a leased alternative.

B. Efficiencies and Savings

JPATS continually examines its operational areas to provide consistent, quality services while seeking to increase efficiencies and generate savings for the customer agencies.

JPATS Efficiencies:

JPATS continues to lead optimization efforts to improve performance in the delivery of services and gain efficiencies in both time and cost. Central to JPATS' program initiatives are the data and analysis made possible through the JPATS' Management Information System (JMIS). More accurate and timely data is now available to help management analyze program areas. Working both internally and externally across its customer base, JPATS is using performance data to identify potential problems, create viable solutions, and drive program improvement. JPATS measures and monitors weekly and monthly performance and reports quarterly performance to the Director, USMS, and the JPATS Executive Committee (JEC) through the JPATS Working Group (JWG).

JPATS Savings:

JPATS purchased two 737 aircraft in FY 2013. Combined ownership costs incurred, including maintenance, depreciation, capital investment, and replacement leases for extended maintenance, were significantly less than the cost of a long-term aircraft lease. Subsequently, JPATS purchased a third 737 in FY 2016 to support scheduled program maintenance and contingency operations. The lease-to-purchase contract was supported by the General Services Administration (GSA) Capital Asset Planning (CAP) tool in the Federal Aviation Interactive Reporting System (FAIRS). JPATS conducted an extensive aircraft acceptance process prior to the purchase. After flying missions for approximately a year and completing a scheduled heavy maintenance check, JPATS purchased the aircraft using capital investment funds available within the JPATS' working capital fund carryover account. The purchase is projected to save the program $16,800,000 over five years. In addition to cost savings, owned aircraft of similar type are proving to provide JPATS with greater operational flexibility, fewer logistical concerns (benefits of supporting a common platform), and a reduced security risk.

JPATS continually reviews requirements and program infrastructure to meet its operational requirements. Due to the age and reliability of the current aircraft performing the "Medium Aircraft" mission, JPATS initiated a review of the "Medium Aircraft" requirements using a cost analysis for the replacement of the Saab aircraft. As a result, a lease-to-purchase option was supported by the GSA CAP tool in the FAIRS system. The Saab Aircraft is approaching the end of its useful life increasing the risk of mission failure. In addition, the Saab 2000 is an uncommon airplane which increases the cost for upkeep and pilot training. The maintenance costs in FY 2018-2019 are expected to be significant due to the extensive maintenance required, the difficulty expected in locating unique repair parts, and the lack of availability of qualified

mechanics. Customer requirements and the business case results support the purchase of a larger, long range capable aircraft which offers flexibility for mission expansion and other advantages due to fleet commonality. The timing of the acquisition for the Saab replacement is critical to ensure prisoner movement is uninterrupted and JPATS can support an increase in prisoner population.

JPATS renewed its aircraft maintenance Universal Service Agreement with the FAA for the fifteenth consecutive year. The FAA continues to provide service for all JPATS-owned aircraft, thus achieving the best value for the government.

C. Budget Summary

JPATS Revolving Fund program estimates for Obligation Authority (OA) and Personnel Data are based upon customers' projected requirements and estimated carry forward authority.

Financial Operations, FY 2017 – 2019
($ in thousands)

		FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Authority	Operating	44,331	54,678	57,082
	Less Depreciation	(1,341)	(2,396)	(3,017)
	Operating Authority	42,990	52,282	54,065
	Carry Forward Authority*	35,855	20,186	15,000
	Total Authority	78,845	72,468	69,065
Staffing	Civilian Positions	123	123	123
	Civilian End Strength	96	110	110
	Personal Contract Guards	107	90	124
	Average GS Salary	$90,669	$90,247	$97,659
	Average SES Salary	$180,910	$181,376	$187,557

* From SF-133, "Report on Budget Execution and Budgetary Resources," dated September 30, 2017.

D. Revenues and Expenses

Accumulated Operation Results (AOR) for FY 2017 and anticipated AOR for FY 2018 and FY 2019 are shown below. The Revenue and Expenses chart on page 14 provides corollary details.

Revenues and Expenses, FY 2017 – 2019
($ in thousands)

	FY 2017	FY 2018	FY 2019
Revenue	49,073	54,678	57,082
Cost of Operations (includes depreciation)	(42,311)	(54,678)	(57,082)
Operating Results	6,762	0	0
Non-Operating Adjustment - Other	9,167	0	0
Net Operating Results (NOR)	15,929	0	0
Prior Year AOR	3,977	19,906	19,906
AOR Adjustments	0	0	0
Net Accumulated Operating Results (AOR)	19,906	19,906	19,906

II. JPATS Performance Challenges

A. Transporting Prisoners in a Safe, Timely, and Economical Manner

Challenge: JPATS must continue to successfully transport prisoners safely, timely, and economically within limited resources to provide the best value to its customers. JPATS must look for innovative solutions to create greater efficiency and sustain optimum program performance within the current transportation infrastructure.

1. Conduct Safe, Secure, Humane Prisoner Transport

Strategy: Improve the quality and timeliness of intelligence to reduce potential threats.

JPATS continues to improve its capability to produce quality and timely intelligence on prisoners and operational sites necessary to maintain safe and secure missions. JPATS created an Intelligence Research Specialist program that ties into intelligence assets across the USMS and BOP to develop and share prisoner attributes and threat information relevant to prisoner operations and transportation. Actionable intelligence produced daily mitigates risks associated with potential threats during transportation operations. JPATS continues to increase the capture

of prisoner attribute data in JMIS and developed daily intelligence products for its crews to access through mobile devices.

JPATS completed improvements to its perimeter security program to increase JPATS' protective posture, raise threat awareness, and reduce risk. Actions were taken following an extensive study of perimeter security procedures at the various airlift sites and across the national transportation network including implementation of quarterly and annual improved tactics training, procurement of improved tactical gear and additional automatic weapons, and making security information available throughout the duty day to security personnel via tablets. These enhancements provide a heightened sense of threat awareness and a more robust security posture to ensure improved officer and crew safety.

Strategy: Ensure safe and reliable aviation operations while minimizing risk.

JPATS continues to leverage new aviation technologies to minimize safety and operational effectiveness risks. JPATS implemented a comprehensive Aviation Safety Management System (SMS) that defines and documents JPATS' operations and aligns them with the GSA's Interagency Committee on Aviation Policy (ICAP) and the International Standards-Business Aviation Organization (IS-BAO) best practices. JPATS' SMS was recognized and achieved IS-BAO Stage One Certification. IS-BAO compliance is considered to be the Gold Standard in both Federal Aviation and International Commercial Aviation. In addition, JPATS will continue to transform aviation support functions and train its personnel for optimal aviation operations as well as maintain IS-BAO Certification. Finally, JPATS is exploring new technologies to add predictive analysis tools to its SMS allowing JPATS to foresee and mitigate significant risks of future incidents or accidents.

2. Transport Prisoners in a Timely Manner

Strategy: Reduce scheduling process time and movement request backlog.

JPATS continues to optimize the JMIS Assisted Routing and Scheduling System (JARS), which plans the trips and routes of routine prisoner transportation through information technology processes. JARS schedules nearly 83 percent of JPATS' prisoner movement requests, 84 percent of which are completed as scheduled, allowing transportation specialists to focus on high priority and more complex prisoner transportation schedules. JPATS continuously monitors and assesses movement request timelines to ensure maximum delivery with minimal backlog. The greatest percentage of backlogged prisoners results from designated prisoners being delayed in transit due to lack of bed space at their final BOP destination. JPATS is partnering with the BOP to leverage facility bed space data and integrate with JMIS movement request destination data to achieve greater efficiencies and reduce timelines for prisoner scheduling to final destination.

Strategy: Reduce prisoner processing errors, increase transfer time, and eliminate airlift site refusals.

In concert with its customers (USMS and BOP), JPATS has developed a proof-of-concept to allow USMS and BOP to compile documents required for prisoner movement in electronic form.

The current paper prisoner movement packet consists of a movement order, prisoner profile with security information and a photo, a medical form with tuberculosis (TB) clearance, and additional documents as required by each agency. The new system, a secure cloud-based, web-accessed technology referred to as the Movement Package (MPAC), facilitates the transfer of prisoners from one transport officer or facility to another across DOJ partners. This technology will incorporate an electronic movement request from data provided by USMS and BOP systems and demonstrate the efficiency and accuracy of enabling facility and transport staff to view the documents prior to movement on a desktop, laptop, or mobile device. Most notably, electronic prisoner transportation documentation and data that can be viewed prior to or "just in time" at airlift sites will reduce errors produced from rekeying data across systems and eliminate prisoner transfer denials that arise from missing paperwork. The system will be hosted in BOP's Amazon GovCloud environment and is due out in FY 2018.

3. Transport Prisoners in an Economical Manner

Strategy: Use the most economic bed space before and during transit.

JPATS continues to develop methods and procedures to move prisoners waiting movement out of high-cost paid jail beds to lower-cost beds during the pre-transit status. Likewise, JPATS continues to house prisoners-in-transit in the most economical jail beds available while at the same time reducing to the greatest extent possible the number of days a prisoner is in both pre- and in-transit status.

III. Performance Tables

Performance and Resources Tables

Performance Materials will be provided at a later date.

Performance, Resources, and Strategies

Performance Materials will be provided at a later date.

IV. JPATS Operating Budget

Chart 1: Operating Cost Changes

Changes in the Cost of Operations, FY 2017 – 2019
($ in thousands)

FY 2017 Actual Cost*	$42,311	**FY 2018 Estimate***	$54,678
Pricing Adjustments:		Pricing Adjustments:	
Aircraft Fuel	3,503	Aircraft Fuel	215
Aircraft Maintenance	4,634	Aircraft Maintenance	(2,275)
Civilian Labor	2,113	Aircraft Leases	1,948
Contract Guards	(672)	Civilian Labor	775
Contract Crew	219	Contract Guards	614
Admin & Support	717	Interagency Contracts	292
Aircraft Depreciation	1,055	Aircraft Depreciation	624
Other	798	Other	211
Subtotal	12,367	Subtotal	2,404
FY 2018 Estimate	$54,678	**FY 2019 Estimate**	$57,082

* Cost of operations including depreciation.

Chart 2: Sources of New Orders/Revenue

Sources of New Orders and Revenue, FY 2017 – 2019
($ in thousands)

New Orders	**FY 2017**	**FY 2018**	**FY 2019**
a. Operating Orders From Customers			
USMS	$26,895	$34,423	$35,521
BOP	21,754	20,255	21,561
Other	424	0	0
b. Non-Operating Orders From Customers			
USMS	7,614		
BOP	1,553		
Total Orders From Customers	**$58,240**	**$54,678**	**$57,082**

Chart 3: Revenues and Expenses

Revenues and Expenses, FY 2017 – 2019
($ in thousands)

Description	FY 2017 (Actual)	FY 2018 (Estimate)	FY 2019 (Estimate)
REVENUE			
Operations	49,073	54,678	57,082
Other Income			
Total Revenue	**49,073**	**54,678**	**57,082**
EXPENSES			
Aircraft Operating Expenses			
Aircraft Fuel	7,601	11,104	11,319
Aircraft Maintenance	8,512	13,146	10,871
Aircraft Leases	2,545	2,752	4,699
Aircraft Operating Expenses Total:	**18,658**	**27,002**	**26,889**
Labor Related Expenses			
Civilian Labor	12,579	14,692	15,467
Employee Training	224	626	667
Guards, Contract Services	4,051	3,379	3,993
Labor Related Expenses Total:	**16,854**	**18,697**	**20,127**
Mission Support Expenses			
Contract Crew	36	255	40
Aircraft Ground Spt Expenses	270	323	179
Navigation Data, Tech Periodicals	181	160	221
Medical PHS Expense	33	177	245
Mission Travel	482	661	658
Mission Support Expenses Total:	**1,002**	**1,576**	**1,343**
Non-Mission Support Expenses			
Facilities Expenses	1,563	1,545	1,642
Admin & Support Expenses	1,695	2,412	2,910
Non-Cap Equip Purchase/Rental	327	271	414
Non-Mission Travel	269	583	593
Other Expenses	602	196	147
Non-Mission Support Exp Total:	**4,456**	**5,007**	**5,706**
Total Expenses	**40,970**	**52,282**	**54,065**
Operating Results	**8,103**	**2,396**	**3,017**
Depreciation	(1,341)	(2,396)	(3,017)
Net Operating Results	6,762	-	-
Non-Operating Revenue	9,167	-	-
Prior Year Accumulated Operating Results	3,977	19,906	19,906
Accumulated Operating Result Adjustments	-	-	-
Net Accumulated Operating Results	19,906	19,906	19,906

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