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Office of the Inspector
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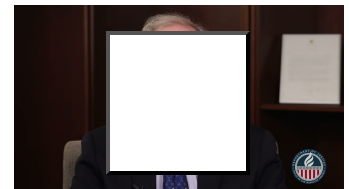
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Evaluation of the Federal Bureau of Prisons' Use of First Step Act Funding and Implementation of First Act Programs at Its Institutions. 5-28-2026

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The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) evaluated how the Federal Bureau of Prisons (BOP) used \$1.23 billion that Congress appropriated to the BOP to implement the FSA, along with the availability of FSA programs to benefit inmates at BOP-operated institutions, between FYs 2022 and 2024. We made findings in the five areas identified below:

Video



We believe that the BOP's use of some FSA funds potentially raises appropriations law issues:

Use of FSA Funds for Telephone Minutes

- We found that the BOP used \$258.7 million in FSA funds to reimburse itself for providing inmates with free telephone calls without clear authority to do so.
- The BOP reimbursed itself about \$106 million in excess of the cost that the BOP calculated it had incurred for providing the telephone service to the inmates.
- The BOP's reimbursement process involved the transfer of FSA funds, including the \$106 million,

from its regular appropriations (which Congress appropriated for a specific year), into the BOP's Trust Fund (which has no set time limit on spending).



We identified concerns with the BOP's transfer of FSA funds outside DOJ:

Transfer of FSA Funds to DOL

- The BOP transferred nearly \$120 million to the U.S. Department of Labor (DOL) to implement a joint grant program designed to offer vocational training, skills building, and other support services to inmates returning to the community. Most responsibility for administering the program was assigned to DOL, and the BOP maintained limited oversight of transferred FSA funds and grant-related instruction at BOP institutions.
- As of December 2025, implementation of this grant program was significantly delayed.



We identified further weaknesses with the BOP's internal financial controls and management:

Financial Controls

- We identified serious weaknesses with the BOP's financial controls over FSA spending that contributed to large-scale financial issues like those above and myriad smaller-scale issues that caused institution staff to be unsure of which purchases could be made with FSA funds.
- We found that the BOP had difficulty obligating funds before their availability expired; the BOP was unable to obligate \$16.8 million of the FY 2022 FSA funding made available to it.

We found that the BOP made progress in expanding FSA program delivery but challenges remain:



- Since FY 2022, the BOP has generally been able to increase the number of inmates who completed FSA

Inmate Programming

programs.

- However, institutions offered significantly fewer FSA programs than anticipated due to:
- limited staff availability,
 - lack of instructional space, and
 - lockdowns limiting inmate movement.
- We found that, between FYs 2022 and 2024, 24 percent (9,819 of 41,548) of inmates who received FSA time credits resulting in their early release from BOP custody had not completed a single FSA program.



We found significant limitations in the BOP's collection and monitoring of FSA program data:

FSA Program Data

- We identified issues with the BOP's data on FSA programs, including what data it collects and the accuracy of data that is collected.
- The lack of reliable data impairs the BOP's ability to accurately quantify results of its FSA implementation in order to determine whether the BOP met FSA objectives, inform FSA-related decision-making, and report implementation progress to stakeholders.

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