

Part 1 – Agency Profile

Agency Overview

In 1974, the Idaho Legislature passed the Correctional Industries Act creating Idaho Correctional Industries (ICI) as a financially self-sustaining organization. This act empowered the Idaho Board of Correction as the governing body over ICI. Currently, the Idaho Department of Correction supervises ICI with major program approval by the Board of Correction.

ICI management team is comprised of business and manufacturing professionals experienced in product design, vocational training, manufacturing, marketing and sales. This expertise is the foundation of developing inmate-training programs that produce products that can be sold in the markets specified in the state legislation. The core management team consists of the General Manager, Marketing & Sales Manager, Production Manager, Controller, and Materials Manager.

ICI goal is to provide incarcerated inmates with job training and work experience by employing them in a realistic work environment that teaches work ethics and skills that will increase their chance for successful transition as a productive member of society. The management group and a staff of twenty-seven highly skilled professionals work as a team to accomplish this goal.

The state legislation mandates ICI to be financially self-funded with no annual appropriation from the General Fund. The legislation requires ICI to generate operating funds through the sales of manufactured goods or services. This mandate saves tax dollars and enables the State to provide cost effective occupational training to the inmates of the Department of Correction.

The state legislation specifies the markets that are eligible to purchase ICI products. The markets include state and local government organizations, non-profit organizations, private sector wholesalers and retailers within the State of Idaho. ICI marketing efforts are focused primarily on the government sector. Examples of government sector customers/supporters of ICI programs include the Department of Transportation, Department of Education, Department of Correction, Boise State University, and College of Southern Idaho. The product requirements of these types of customers determine inmate training programs and manufacturing processes.

Success of this agency is predicated on the continued support of our customers. To a large extent, our customer spending plans are influenced by state and regional economic conditions. A vibrant economy is necessary for ICI to successfully achieve their stated goals and objectives of financial self-sufficiency, development and implementation of inmate vocational training programs and inmate work place skills training. Downturns in the economy negatively impact local and state government ability to fund services. During these periods agencies reprioritize budget spending plans to pay for baseline services. As this happens there are fewer dollars available to purchase products from ICI resulting in fewer employment and training opportunities for inmates.

Core Functions/Idaho Code

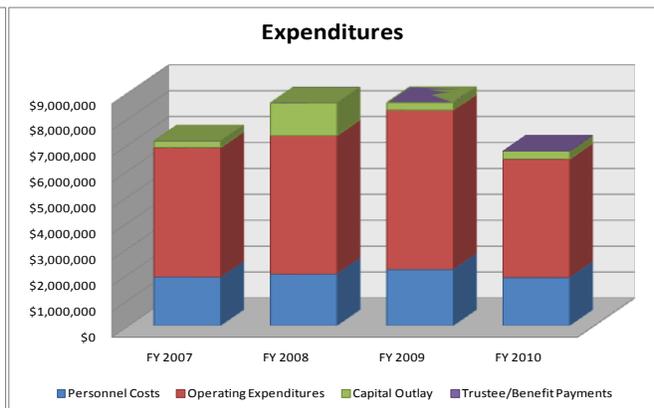
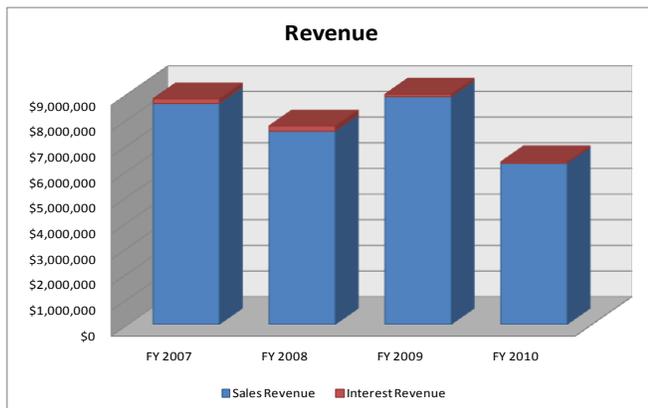
The authority of ICI is found in Idaho Code, Chapter 4, Title 20. ICI is organized to reduce inmate idleness, provide training opportunities for incarcerated persons and to develop positive work attitudes and worker job skills. ICI three-fold mission statement elaborates on the core functions.

1. To decrease idleness by employing inmates through safe, productive, and rehabilitative training and employment enterprises, which teach valuable job seeking and job keeping skills;
2. To reduce the tax burden of corrections by promoting positive inmate behavior while incarcerated, reduce the recidivism rate, operate a non-tax funded self-sufficient program and offer outstanding value to customers;
3. To produce and market modern, cost-effective, quality products and services at competitive prices to meet the needs of the authorized markets.

ICI's success in meeting the goals and objectives of the core functions can be measured by sales revenue, net income and inmate employment levels. The following table and graphs highlight ICI performance over the last four years.

Revenue and Expenditures

Revenue	FY 2007	FY 2008	FY 2009	FY 2010
Sales Revenue	\$8,611,932	\$ 7,527,342	\$ 8,875,531	\$ 6,277,672
Interest Revenue	<u>\$180,189</u>	<u>\$ 204,559</u>	<u>\$93,317</u>	<u>\$56,762</u>
Total	\$8,792,121	\$ 7,731,991	\$ 8,968,848	\$ 6,334,434
Expenditure	FY 2007	FY 2008	FY 2009	FY 2010
Personnel Costs	\$1,867,759	\$ 1,984,542	\$ 2,151,983	\$ 1,843,968
Operating Expenditures	\$4,997,459	\$ 5,342,620	\$ 6,156,076	\$ 4,574,609
Capital Outlay	\$253,047	\$ 1,259,779	\$ 287,445	\$ 308,040
Trustee/Benefit Payments	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	\$7,118,265	\$ 8,586,941	\$ 8,595,504	\$ 6,726,617



Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2007	FY 2008	FY 2009	FY 2010
Average Monthly Inmate Employment Numbers				
Traditional Industries Programs	242	235	203	157
Prison Industry Enhancement Program	<u>167</u>	<u>191</u>	<u>149</u>	<u>151</u>
Average Monthly Inmate Employment	409	426	352	308

Performance Highlights

Idaho Correctional Industries has had to restructure and develop new programs to survive this economic downturn. Idaho Correctional Industries staff has been the highlight of budget year 2010. As an agency we moved to an ERP (Enterprise Resource Planning) system this process has been on-going and very extensive as every process has been reviewed, evaluated, and a new system learned by every ICI staff member.

1. ERP System - Business Management tool
2. Re-Furbished panel program started

- We did not have any large projects for budget year 2010 but completed and provided products and services on smaller sales orders.

We survived FY2010 - One of the greatest economically challenging times since the Great Depression.

Part II – Performance Measures

Performance Measure	2007	2008	2009	2010	Benchmark
1. Inmate Employ/Training Positions	242	235	203	157	FY10 205
2. Manufactured Product Sales Revenue	\$7,013,784	\$5,929,204	\$7,188,628	\$4,693,169	FY10 \$ 6,211,739
3. Annual Sales Per Inmate Employment/Training Position	\$28,983	\$25,231	\$ 35,412	\$ 29,893	FY10 \$ 30,301

Performance Measure Explanatory Note:

- FY10 Decrease by 23% in Inmate Employ/Training Positions, market conditions and total sales affect this number.
- FY10 Inmate Job/Training Position Increased by 01% in the Prison Industry Enhancement Program.
- Total sales revenues were down in 2010 due to market conditions and loss of budgets too our primary customers.

For More Information Contact

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