

FPI PROGRAM HIGHLIGHTS

September, 2016

Mission

The mission of Federal Prison Industries, Inc. (FPI) is to protect society and reduce crime by preparing inmates for successful reentry through job training.

History & Overview

FPI (also known by its trade name UNICOR) was established in 1934 by statute and executive order to provide opportunities for training and work experience to federal inmates. (18 U.S.C. § 4121, et seq.) FPI does not rely on tax dollars for support; its operations are completely self-sustaining. FPI is overseen by a Presidentially-appointed Board of Directors. It is one of the Bureau of Prisons' most critical programs in support of reentry and recidivism reduction.

At present, FPI currently provides inmate employment to approximately 10,981 inmates which is significant in reducing idleness among the inmates. This important reentry program is significant to the future of inmates who are receiving job skills training, and also to society as a whole since approximately 45,000 inmates release back to our communities yearly.

Program Benefits....

- *to society* - Rigorous research, as outlined in the Post-Release Employment Project (PREP Study), demonstrates that participation in prison industries and vocational training programs has a positive effect on post-release employment and recidivism. The research revealed inmates who worked in prison industries were 24 percent less likely to recidivate than non-program participants, and 14 percent more likely to be gainfully employed. These programs had an even greater positive impact on minority offenders who are at the greatest risk of recidivism. FPI's operations are entirely self sustaining and operate without appropriated dollars borne by the taxpayer.
- *to private businesses* - During FY 2015, 72 percent of FPI expenditures went toward the purchase of raw materials, supplies, equipment, and services from private sector businesses. Nearly 50% percent of FPI's purchases were from small businesses, including businesses owned by women, minorities, and those who are disadvantaged.
- *to taxpayers* – A Washington State Institute for Public Policy study concluded that correctional industries programs such as FPI generate significant savings of taxpayer dollars. For every \$1.00 spent on correctional industry programs, \$4.77 is saved in future criminal justice costs (arrests, conviction, incarceration, post-release supervision, and crime victimization) due to the demonstrated reduction in recidivism among inmates who work in these programs.

- **to the Bureau of Prisons** - FPI contributes significantly to the safety and security of Federal correctional facilities by keeping inmates constructively occupied. Inmates who participate in work programs and vocational training are less likely to engage in institutional misconduct, thereby enhancing the safety of staff and other inmates.
- **to thousands of incarcerated men and women in Federal prisons** - For many inmates, working in FPI represents an opportunity to learn a marketable skill and gain valuable work experience that will substantially enhance their ability to successfully reintegrate into society following release from prison. The program teaches inmates pro-social values including the value of work, responsibility, and the need to respect and work with others.
- **to the courts, crime victims and inmate families** - In FY 2015 inmates who worked in FPI factories contributed approximately \$1 million of their earnings toward meeting their financial obligations, e.g., court-ordered fines, child support, and/or restitution. Many inmates also contributed to the support and welfare of their families by sending home a portion of their earnings.
- **to veterans** – 758, or approximately 7% of the inmates employed by FPI are veterans. This is critical, as more than 200,000 veterans are incarcerated in the nation’s prisons and jails.

How FPI Spends Its Dollars: 72 percent - purchase of materials/supplies from vendors
 23 percent - staff salaries
 5 percent - inmate pay (used to meet financial obligations and for commissary purchases of products supplied by local vendors)

100 percent returned to the private sector

Products: FPI produces over 80 different products and services for sale to the federal government in its five major product/service groups.

Customers: FPI’s primary customers are federal government agencies including the Department of Defense, Department of Homeland Security, Department of Justice, General Services Administration, Veterans Affairs and the United States Postal Service.

Recent New Authorities: In Fiscal year 2012, FPI was granted two new authorities to manufacture and sell products into the commercial market: (1) pilot repatriation authority and (2) the ability to participate, along with the states, in DOJ’s Prison Industries Enhancement Certification (PIECP) Program. The first of the two authorities—“repatriation” provides FPI the ability to manufacture products, with the approval of its Board of Directors that would otherwise be manufactured and/or assembled outside of the United States. FPI currently has approximately 305 inmates employed in repatriation work for approximately 12 different projects.

The second—PIECP, gives FPI the authority to participate in the commercial market under a certain set of conditions, including where inmates are paid the prevailing wage for similar work that would be performed in the locality. Inmate work is voluntary, business and labor are notified in advance, and no displacement may occur as a result of this inmate work under the PIECP program. Both of these authorities provide expanded work opportunities for inmates to help assist in FPI’s reentry efforts. FPI has two active PIECP programs, one cable operation,

and one cutting and sewing operation, both of which have the potential to employ 100 inmates. Currently, a combined total of 75 inmates are employed in the PIECP program.

FPI's five product groups are as follows:

Agri-Business Group

Clothing & Textiles Business Group

Services Business Group

Office Furniture Business Group

Electronics, Fleet, and Recycling Business Group