

Private Sector/
Prison Industry
Enhancement Certification

Technical Assistance
and
Training Project

130725

Final Report
December 1987
BJA Grant Number 86-SA-CX-0004

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U. S. DEPARTMENT OF JUSTICE
Office of Justice Assistance, Research, and Statistics

CATEGORICAL GRANT PROGRESS REPORT

This recordkeeping requirement falls under the authority of P.L. 96-511, Sec. 3507. The information provided will be used by grant monitors to track grant progress. No further monies or other benefits may be paid out under this program unless this report is completed and filed as required by existing laws and regulations (OMB Circulars A-102 and A-110; Omnibus Crime Control and Safe Streets Act of 1968, as amended; Juvenile Justice and Delinquency Prevention Act of 1974, as amended; and the Justice System Improvement Act of 1979, as amended).

1. GRANTEE American Correctional Association		2. AGENCY GRANT NUMBER 86-SA-CX-0004	3. REPORT NO. FINAL
4. IMPLEMENTING SUBGRANTEE Correctional Services Group		5. REPORTING PERIOD (Dates) FROM: June 20, 1986 TO: October 31, 1987	
6. SHORT TITLE OF PROJECT Prison Industry/Certification TA		7. GRANT AMOUNT \$174,205	8. TYPE OF REPORT <input checked="" type="checkbox"/> REGULAR <input type="checkbox"/> SPECIAL REQUEST <input type="checkbox"/> FINAL REPORT
9. NAME AND TITLE OF PROJECT DIRECTOR Hardy Rauch, Project Director	10. SIGNATURE OF PROJECT DIRECTOR <i>Hardy Rauch</i>		11. DATE OF REPORT 31 December, 1987

12. COMMENCE REPORT HERE (Continue on plain paper)

I. Introduction

This final report summarizes the project activities conducted by the American Correctional Association and its subcontractor, Correctional Services Group, Inc., from June 20, 1986, through October 31, 1987.

The Cooperative Agreement between the Bureau of Justice Assistance and the American Correctional Association specified the conduct of five major tasks. These tasks are listed below. Project activities are described under the appropriate task.

II. Task 1--Provision of Consultation and Advice Assistance

A. Recipient Responsibilities

Consultant expertise for the provision of advice and consultation shall be identified from the pool of staff expertise within the certified state projects.

1. ACA shall develop policies and procedures that will govern the delivery of technical assistance according to the format set forth under Task I, Step 2 of the application; and submit to BJA for approval.
2. Off-Site Consultation: This type of assistance will entail provision of telephone advice. Off-site consultation or document review will not require prior approval from BJA. A quarterly summary of these activities will be provided to BJA.
3. On-Site Consultation: This delivery method shall be reserved for those situations which require a period of in-depth observation by

13. CERTIFICATION OF RECEIPT BY GRANTEE CRIMINAL JUSTICE COUNCIL (Official signature)	14. DATE
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the assistance provider. This type of assistance will be limited to 5 days per site. On-site consultation will require prior approval from BJA and the production of a work plan. Assistance providers shall be limited to reimbursement of travel and per diem costs. The BJA shall ensure a three-day response time from the receipt of the work plan. Critical issues requests approval may be given by phone.

4. Cross-Site Consultation: This delivery process involves getting the requester to a site where the problem has been successfully resolved, or vice versa. Cross-site consultation will require prior approval from the BJA and the production of a work plan. The BJA shall ensure a three-day response time from the receipt of a work plan. Critical issues requests approval may be given by phone. Costs in support of cross-site consultation shall be limited to reimbursement of travel and per diem expenses for no more than two representatives from requesting agency.
5. Funds are disallowed for peer consultant fees.
6. Information Clearinghouse: Organize, develop, and distribute a formal/informal PS/PIEC program newsletter to correctional administrators across the country, relating to the PS/PIEC program and to provide a central clearinghouse for the exchange of information among the certified program managers.
 - a. ACA shall submit in draft all materials for approval by BJA prior to distribution.

B. Grant Adjustments

Subtask 6 was eliminated from Task 1 and transferred to Grant Number 86-SA-CX-0003, "Prison Industries Information Clearinghouse."

C. Task Activities--Chronological Order

On May 14 and 15, Bob Buchanan and Cindie Unger attended the workshop hosted by the Bureau of Justice Assistance on "Private Sector/Prison Industry Enhancement Certification Program." This meeting was held to familiarize the PS/PIEC program managers and technical assistance providers with federal laws governing federal procurement, scope of products and services provided by the federal government, and the scope and purpose of the management performance review instrument that is to be developed pursuant to the technical assistance contract.

On July 17, Bob Buchanan and Cindie Unger attended a project meeting held in BJA's Washington offices to meet with the newly appointed PS/PIEC Program Director, Nick Demos. The objectives of the PS/PIEC Program Technical Assistance Project were discussed and finalized.

On July 22, Cindie Unger and Karen Whitlow attended the regional meeting of correctional industries directors held in Kansas City. Fred Braun, President of Zephyr Industries and Heatron, Inc., and Bill McVey, President of Jensen Engineering, were the featured speakers. The Zephyr Industries and Jensen Engineering projects are certified under the PS/PIEC program.

On August 27, Bob Buchanan and Cindie Unger met with Nick Demos and Louise Lucas, BJA program staff, and Hardy Rauch, ACA PS/PIEC Project Director, to discuss issues related to the TA project.

During August a "PS/PIEC Site-Visit Schedule" was developed and approved by the BJA project monitor.

Paul Schwartz and Dick Clasby were contacted, in August, to request their services as TA providers to North Dakota and Montana, respectively. Both agreed, subject to their Directors' approval. Letters requesting authorization

to use Paul Schwartz and Dick Clasby as TA providers were prepared for Louise Lucas' signature.

In August, letters were sent to Jim Johnson, Director of Industries, North Dakota, and John Holst, Director of Industries, Montana, advising them of a change in PS/PIEC management at BJA and a delay in responding to their requests for technical assistance.

On September 16 and 17, Cindie Unger and Paul Schwartz, PIEC Director from Kansas, met with Jim Johnson, Director of Industries, and Dennis Fracassi, Business Manager, North Dakota State Penitentiary. The purpose of the visit was to assist them in the preparation of an application to BJA for agency certification. Ms. Unger and Mr. Schwartz explained the application process and requirements and shared the certification experience in Kansas. It was anticipated that North Dakota would submit an application to BJA for provisional agency certification within six to eight weeks of the TA provision. The agency proposed to seek provisional certification due to the absence of statutes allowing the agency to collect monies from inmates for crime victim compensation and allowing the compensation program to receive such monies.

On September 18, Cindie Unger reviewed the two designated cost accounting centers at the Minnesota Correctional Institution-Stillwater--the metal fabrication/farm implement manufacturing plant and the floppy disk assembly plant. Don Tomsche, Coordinator, Correctional Industries Program, and Dick Christ, institutional Prison Industries Director, were interviewed. Ms. Unger also toured the traditional industries plants, reviewed the space the Department hopes to use to refurbish Department of Agriculture vehicles, and reviewed a pilot telemarketing effort between the Department and the private sector. If the telemarketing endeavor works out, Mr. Tomsche indicated they would designate it as a cost accounting center under the provisions of the

certification program. At that time, the DOC had completed negotiations with the U.S. Department of Agriculture for vehicle refurbishing and was awaiting a waiver from the General Services Administration. The waiver is necessary to permit the Department of Agriculture to enter into a contract for inmate services with the DOC.

On September 23 and 24, Cindie Unger and Bob Buchanan met with Fred Mills, Administrator, Free Venture-Private Industry, California Department of Youth Authority. Ms. Unger and Mr. Buchanan toured three designated cost accounting centers--the Olga Company, TWA Reservations Center, and Physician Support Service. During the tour, private sector and agency employees were interviewed, as were inmate workers. At that time, there were no plans to designate additional cost accounting centers. Olympic Tool was discussing decertifying its project based upon the fact it did not transport inmate-made goods in interstate commerce.

Miscellaneous correspondence was prepared during September, including confirmation letters to PS/PIEC directors concerning site visit schedules and objectives, thank-you letters, progress letters, and requests for information concerning federal procurement.

Telephone conversations regarding the PS/PIEC certification program and criteria were held with Don Lincoln, Nebraska Prison Industries; Bob Caulder, PRIDE (Florida); and Len Barbieri, Deputy Director, Connecticut Department of Correction. Mr. Lincoln might be interested in applying for certification, depending upon the outcome of the NIJ/CJA demonstration project award. Mr. Caulder contacted Louise Lucas and based upon their conversation decided not to pursue certification. Connecticut recently passed a law permitting the employment of inmates by private sector companies. Ms. Unger met with Mr.

Barbieri in October to explain the certification program to him and to share PS/PIEC application information.

Telephone calls were made during September to schedule all on-site project reviews, with the exception of Idaho, and to make all necessary travel arrangements.

Telephone calls were also conducted between Ms. Unger, Mr. Rauch, and Ms. Lucas to confirm travel arrangements, to discuss results of the on-site visits, and to discuss calls from Mr. Barbieri, Mr. Lincoln, and Mr. Caulder.

Dick Clasby contacted John Holst in Montana to discuss technical assistance delivery. Mr. Clasby and Mr. Holst agreed to postpone T/A delivery until after the first of the year, when their respective schedules will be less hectic. Mr. Clasby and Ms. Unger discussed this assignment by telephone and agreed it would be more beneficial for Mr. Holst to travel to Utah than for Mr. Clasby to visit Montana.

On September 7, Louise Lucas and Cindie Unger reviewed the two designated cost accounting centers in Kansas: Jensen Engineering (drafting) and Zephyr Metal Products Manufacturing (sheet metal fabrication). Paul Schwartz, PS/PIEC Director, and Jack Porter, Zephyr Industries, and several inmate workers were interviewed. Ms. Lucas and Ms. Unger also toured Heatron Industries. Heatron is not a designated cost accounting center under the PS/PIEC program but is owned and operated by Fred Braun, the owner of Zephyr, and half of its work force are inmates. Ms. Lucas and Ms. Unger reviewed the documentation in support of Kansas' application for certification.

On September 10, Cindie Unger attended a Cluster Group Meeting in Washington, D.C., sponsored by BJA. Ms. Unger also made a short presentation describing the background and objectives of the PS/PIEC program and the current status of the program. The purpose of this meeting was to acquaint BJA

contractors and staff with one another and to describe the many projects BJA is sponsoring. The primary objective was to create an internal technical assistance referral system across criminal justice areas.

On September 14, Cindie Unger met with John Slansky, PS/PIEC Director and Warden of the Northern Nevada Correctional Center, a medium security institution. Ms. Unger toured the Vinyl Products manufacturing plant operating on the grounds of the prison and the limited traditional prison industries plants. Mr. Slansky, the plant manager, and several inmate workers were interviewed. At that time, there were plans for Vinyl Products to build a larger plant on the grounds of the prison. Given the larger plant, Vinyl Products planned to vacate existing prison space, which would enable Mr. Slansky to recruit additional private sector companies to develop prison-based operations using inmate workers. At the time of the site visit, there was no suitable space for additional PS/PIEC programs. Mandatory criteria documentation was reviewed and collected for submission to BJA. Mr. Slansky was requested to send the documentation that was not available during the site visit to Louise Lucas at his earliest convenience.

On September 15, Cindie Unger reviewed the sign shop at the Utah State Prison (Draper), a PS/PIEC designated cost accounting center. Dick Clasby, PS/PIEC Director, was interviewed, as well as three inmate workers. Ms. Unger also toured the traditional prison industries currently operating. The "Inspection Assembly and Packaging" project was in hiatus awaiting future orders from the Department of Defense. Mr. Clasby shared his past experiences with private sector projects, highlighting the need for PS/PIEC directors to fully investigate the private sector companies' financial records and reputation before designating them as cost accounting centers. At that time, Mr. Clasby was negotiating with a local manufacturing firm to employ inmate

workers within the prison. The company was conducting a market and feasibility study. Documentation in support of the PS/PIEC program's mandatory criteria was reviewed and copies were obtained for transmittal to Louise Lucas.

On September 24, Cindie Unger and Bob Buchanan met with Len Barbieri, Deputy Commissioner, and Rod O'Connor, Planning Director, with the Connecticut Department of Correction. The PS/PIEC application was reviewed in depth. Ms. Unger provided the Connecticut officials with examples of certified states' policies and procedures, applications, legislation, and other materials to assist in the preparation of the PS/PIEC application. Connecticut was planning to be one of several states to be selected to participate in NIJ's Public/Private Partnership in Prison Industries demonstration program. The Connecticut Department of Correction was then negotiating with several private sector companies to locate within the prison system. Plans were to maintain contact with Mr. Barbieri should the Department decide to seek certification.

On September 29, Cindie Unger met with Mel Johnson, PS/PIEC Director, to review Idaho's designated cost accounting center, "The Rock Shop." Mr. Johnson; Jack Nelson, accountant; and the shop supervisor were interviewed. All documentation in support of the PS/PIEC program's mandatory criteria was reviewed and copies were collected for transmittal to Louise Lucas. There were no plans to certify additional cost accounting centers.

On October 2, Cindie Unger attended the annual meeting of the Kansas Correctional Association in Overland Park, Kansas. She met with Paul Schwartz, PS/PIEC Director in Kansas, and Dr. Judith Schloegel, Executive Director, National Center for Innovation in Corrections. The product of this meeting was the opportunity for Mr. Schwartz and other representatives for Kansas to visit a firm in Texas interested in developing a private sector enterprise (sterile bottled water) inside a correctional facility. Dr. Schloegel accompanied the

Kansas delegation to Texas in late November or early December for exploratory meetings.

Miscellaneous correspondence was prepared during October, including confirmation letters to PS/PIEC directors concerning scheduled site visits and objectives, thank-you letters, progress letters, and requests for information concerning federal procurement policies.

In addition, project staff sent the North Dakota Prison Industries liaison, Dennis Fracassi, copies of Guidelines for Prison Industries, Private Sector Involvement in Prison-based Businesses, and miscellaneous materials to help him complete North Dakota's application for certification.

Telephone calls were made during October to schedule all on-site project reviews and to make all necessary travel arrangements. Telephone calls were also conducted between Mr. Rauch, Ms. Lucas, and Ms. Unger to confirm travel arrangements, to discuss results of the on-site visits, to discuss the Cluster Group Meeting, and to discuss other project business.

Ms. Unger also called Mr. Fracassi to check on North Dakota's progress with the certification application. Mr. Fracassi indicated that progress was being made and he expected to submit the application in December. Mr. Jim Johnson, Prison Industry Director, had been hospitalized during October and progress had been slower than anticipated during the September technical assistance visit.

Ms. Unger called Don Tomsche, PS/PIEC Director in Minnesota, to check on his progress with the Department of Agriculture and to clarify the need for and status of the waiver discussed during the September site visit. Mr. Tomsche indicated they were still waiting on the waiver and that it was needed ostensibly due to the Walsh-Healey Act prohibiting prison labor on federal procurement in excess of \$10,000. Actually it was needed due to restrictions

placed by Executive Order 11755 on the use of inmate services by federal agencies. Because of this misunderstanding Ms. Unger incorrectly stated the waiver was unnecessary under Public Law 98-473 and sent Mr. Tomsche the following information in support of this contention:

1. Issuance of Final Guidelines for PS/PIEC Program, Federal Register/ Vol. 50, No. 61/Friday, March 29, 1985/Notices.
2. USC Chapter 85, Sec. 1761, as appears after Justice System Improvement Act of 1979 (PL96-157) and as amended following enactment of PL98-473 on October 12, 1984.
3. PL90-351 as amended, "Prison Industry Enhancement."
4. Questions and answers concerning prohibitions against marketing and transportation of convict-produced goods/services.

Ms. Unger also called Ms. Lucas to discuss this matter and learned that Executive Order 11755 prohibited prison labor from being used to provide services to federal agencies.

On January 14, 1987, Nick Demos, Cindie Unger, and Fred Mills gave a presentation at the ACA Midwinters on the impact of the prison industry enhancement program. The workshop was well attended and many attendees came up after the session to ask further questions.

During January, Paul Schwartz, PS/PIEC Director from Kansas, called to invite Ms. Unger to attend a meeting of the PIE Program Advisory Group. The Advisory Group was meeting to explore further a joint endeavor with Tetrapak. Due to prior project commitments, CSG project staff were unable to attend.

During February, CSG staff reviewed the application for certification of Strafford County, New Hampshire. A letter summarizing minor deficiencies was provided to Louise Lucas, BJA project monitor.

Also during February, CSG staff reviewed Oklahoma's draft certification application and provided a verbal critique of its contents. Mike Cody, Deputy Commissioner, indicated the state would make formal application later that spring. Preliminary arrangements were in process for two Oklahoma representatives to visit Washington's certified projects. Mr. Cody indicated he would like to postpone the visit until late spring.

Roger Endell, former Director of the Alaska Department of Corrections, contacted Hardy Rauch about a possible on-site technical assistance visit. At the request of Mr. Rauch, CSG staff contacted Mr. Endell to offer assistance. Mr. Endell was to "get back in touch" with the ACA-CSG team in March. The proposed project was complicated by the fact it would be located in a prison to be built and owned by a city but leased to the state and because the proposed facility would be located in a free-trade zone.

Mr. Endell was referred to Marti Conard, as he was planning a business trip to Seattle in March. Ms. Conard was alerted to the possibility of a call from Mr. Endell.

During March, CSG staff distributed the summary results of the informal workshop evaluation to all the PS/PIEC directors, reminding them of the services offered by the technical assistance contractor.

CSG staff also sent Paul Schwartz and Don Tomsche copies of Dick Clasby's workshop presentation since they were both absent from the second afternoon of the meeting when it was presented.

Bill Frazier, Director of Industries for Contra Costa County, California, contacted CSG staff in late March to express interest in the certification program. A detailed letter was sent to Mr. Frazier which explained the certification process and included other informational materials. Mr. Frazier was to call back after reading the materials to plan to the next step. He was

very interested in getting certified industries started in Contra Costa County as soon as possible. Mr. Frazier was referred to Fred Mills in Sacramento if he had specific questions about planning, developing, and/or implementing a private sector certified industry.

CSG staff reviewed a proposal sent to Louise Lucas from Walker Thomas. Mr. Thomas is currently employed by the New York Department of Corrections but this was a personal effort. CSG staff sent Mr. Thomas a letter outlining the steps he should take to make his proposal more marketable. CSG provided a sample proposal for his review. Mr. Thomas appeared to be very interested in securing employment in another jurisdiction so he might implement his ideas about prison industries.

Stan Wexler, Marketing Director for UNICOR, was contacted by letter and the following was requested from him:

- A copy of the National Catalogue of Trade Associations
- A copy of Government Product News
- A copy of the Federal Yellow Pages or instructions for requesting a copy
- Copies of one market analysis study conducted by UNICOR's marketing research group that UNICOR decided not to pursue

On April 24 Louise Lucas and Cindie Unger provided on-site technical assistance to the Strafford County, New Hampshire, Industries Director, Marilyn Allen, and County Commissioner, Roland Roberge. Strafford County's policies and procedures regarding workmen's compensation were revised to conform to PS/PIEC program mandates. Ms. Allen sent Ms. Lucas the revised policies and procedures on County stationery with the signatures of the necessary county officials during the first week of May.

During the latter part of April, CSG staff began coordinating the provision of cross-site technical assistance to the State of Oklahoma. The on-site visit was tentatively scheduled for May 20 and 21.

Steve King from the Nebraska Department of Corrections contacted CSG staff on April 30 to discuss Nebraska's certification application. It was agreed that Mr. King would send the draft application for Ms. Unger's review prior to formal submission to BJA.

On May 13, Fred Scaglione and Cindie Unger discussed New York City's "readiness" for certification. Due to the presence of legislation prohibiting the participation of the private sector in prison industries in any way, Mr. Scaglione concluded that New York City was not ready to apply for certification. At that time he perceived it as an "uphill" battle.

On May 19, Cindie Unger reviewed Nebraska's application for certification and prepared a letter summarizing her findings for submission to Louise Lucas. Ms. Unger called Steve King, Administrative Assistant, to inform him that certain deductions Nebraska was entitled by state statute to take from the wages of inmate workers were not permissible under the certification program guidelines.

On May 19, Grant Grissom was called to check on the status of Baltimore's application for certification. Dr. Grissom is a private consultant working with the Baltimore Department of Corrections to develop private sector involvement in the city's prison industries programs. Dr. Grissom indicated that the process had been slowed by the renovation of the industries building and the fact the renovation went over budget. The money originally appropriated for this project was supposed to be sufficient for the renovation and to purchase equipment.

On May 20 and 21, Cindie Unger accompanied Mike Cody and Neville Massie on a cross-site technical assistance trip to Washington state to review Marti Conard's certified projects--Inside-Out and Redwood-Outdoors.

On May 22, Rose Baca, Administrative Assistant with the New Mexico Division of Prison Industries, was contacted to provide a status report with respect to designating a certified project. Ms. Baca indicated they were having trouble with setting up a cost accounting system and with some of their policies and procedures. Ms. Unger requested copies of current policies and procedures regarding the certification program. Ms. Baca and Fred Ortiz, Correctional Industries Director, requested that Ms. Unger review their program on-site and provide them with assistance in formulating needed policies and procedures. This meeting was scheduled for June 9 and then rescheduled for June 16.

In a May 13 letter, Dick Clasby, Director of Industries Operations for Utah, was asked for his formal permission to use Utah's certification application as a technical assistance tool. He granted permission in a letter dated May 28.

On May 15 letters were sent to all the PIE directors summarizing the information provided by Stan Wexler, UNICOR. This included the address of the National Trade and Professional Association Catalog; the address of the Federal Yellow Pages; a description of the UNICOR Product Development Center products and how to access them; where to order Government Product News and how to place an advertisement in this publication; sources for electronic editions of the Commerce Business Daily; and a copy of a marketing study on electronic connectors, conducted by UNICOR.

On May 29 Ms. Unger reviewed Oklahoma's application for certification and prepared a letter for Louise Lucas and Mike Cody critiquing it. Mr. Cody and

Neville Massie were contacted by telephone to discuss small problems with the application and to suggest ways to remedy these shortcomings.

Cliff Benser from the Maryland State Use Industries called on June 25 to discuss the possibility of Maryland becoming certified. From this discussion it appeared that Maryland had the necessary statutory authority to comply with the PIE mandatory criteria. A copy of the application and a sample application were sent to Mr. Benser.

During the middle of June CSG staff made arrangements to make on-site visits to both the Illinois Department of Corrections and the New Mexico Department of Corrections. The Illinois trip was scheduled for July 2 and the New Mexico trip for June 16 and 17. The June 16 trip was postponed to July 7 and 8.

On June 15, a letter was sent to Marilyn Allen, Industry Developer for Strafford County, to request a "Notice of Designation" for the GFS Manufacturing project and an extra copy of Strafford County's certification application for CSG project files.

On June 15, a letter was sent to Stan Wexler, Marketing Director for Federal Prison Industries, requesting further information about federal grant monies for private sector ventures.

The state and local jurisdictions that contacted ACA/CSG or BJA for further information about the PS/PIEC program or requested or received technical assistance are listed below followed by the most recent information (June 1987) about the status of their intentions regarding certification.

- Alaska--Alaska is working with the National Institute of Justice to plan for the involvement of the private sector in prison industries and eventual application for certification.

- Arkansas--Arkansas statute forbids the payment of wages to inmates. Arkansas authorities primarily wanted reassurance that they could continue to sell inmate-produced goods to neighboring state agencies.
- Contra Costa County, California--Contra Costa County remains interested in certification but the state needs to pass enabling legislation.
- Colorado--Colorado submitted an incomplete application in June. The appropriate staff were notified and planned to resubmit later in the summer or early fall.
- Connecticut--Connecticut plans to apply for certification in January 1988. In the interim they planned to request technical assistance to present the case for certification to the legislative committee.
- Miami--Informational materials regarding certification were sent to the Assistant Director of Support Services in May.
- Illinois--Illinois was seriously considering seeking certification for its juvenile division prior to Howard Skolnick's departure.
- Indiana--Indiana requested an application in June and again in October.
- Maryland--Maryland requested an application in June. In July, project staff telephoned the contact person to see if further help was needed.
- Baltimore--The City of Baltimore plans to seek certification once the industries' physical plant is renovated. At present, Baltimore does not have sufficient money to properly renovate and outfit existing facilities.
- Missouri--Missouri plans to seek certification but must pass the

necessary enabling legislation. Agency staff requested sample legislation in May.

- Montana--Montana was one of the agencies selected for NIJ's prison industry project. However, the Governor's plans for private sector involvement ran counter to the objectives and criteria expounded by the PS/PIEC program. Montana is on hold.
- Nebraska--Nebraska submitted an application for certification to BJA in May.
- New York City--Officials in New York City are convinced that the New York State Legislature would not pass the necessary enabling legislation.
- North Dakota--North Dakota industries is without leadership after Jim Johnson left North Dakota for California. It was at Mr. Johnson's insistence that North Dakota was considering certification.
- Oklahoma--Oklahoma submitted an application for certification to BJA in May.
- Oregon--A private consultant was interested in certification for a privately owned and operated local facility in Oregon. Information was provided to this gentleman but nothing else has come of this contact.
- South Carolina--South Carolina requested an application form and applied for certification during the summer.
- Tennessee--Tennessee officials are considering certification but no formal decision to proceed has been made. Application materials have been sent to Tennessee.
- Texas--A private firm that was competing to build and operate a

private prison in Texas was interested in certification.

Informational materials were sent to this firm last winter.

On July 2, Cindie Unger met with Howard Skolnick, Prison Industry Director for the Illinois Department of Corrections, to discuss the possible certification of the Department's juvenile division. The Department was receiving increasing numbers of juvenile offenders and, while Department officials recognized the need to keep them productively occupied, they did not want to dilute the adult correctional industry market. In other words, Illinois was seeking a market for goods produced by juvenile offenders different from existing markets in Illinois for prisoner-made goods. Illinois had most of the necessary legislation in place to support application for its juvenile division, but the Director of the Department had to come to a final decision. (Mr. Skolnick was planning to pursue this matter further with his Director but he resigned in August.)

On July 7 and 8, Cindie Unger met with Fred Ortiz, Director of Prison Industries for the New Mexico Department of Corrections, and Rose Baca, Administrative Assistant, to discuss New Mexico's lack of progress toward designating a cost accounting center. It appeared that the New Mexico prison industry officials were pressured by the Governor and the Department Director to make application for certification before they were totally ready to move ahead with two potential projects. New Mexico had plans to designate a plastic cutlery manufacturing plant once the expensive manufacturing equipment was purchased. Further, they were working with a furniture wholesaler and hoped to negotiate a final contract later in the summer. CSG staff planned to maintain closer contact with the New Mexico officials to monitor their progress toward designating a cost accounting center.

During July, CSG staff prepared a written draft response to a letter received by Louise Lucas from Richard Cummings, a lawyer representing Rocktile, Inc., a company in competition with Idaho's "Rock Shop."

On July 10, CSG staff called Jerry Campbell, Industry Director in Arkansas, at the request of John Slansky. Mr. Campbell was not interested in certification because by statute Arkansas cannot pay wages to inmates. However, he did ask about the legality of selling goods produced by Arkansas inmates to other states. He was told that this practice was allowed under the Walsh-Healey Act unless the other state's laws forbade this type of transaction pursuant to 49 USC Sec. 60-Hawes-Cooper Act.

On July 15, CSG staff sent John Carullo, Director of Industries for the South Carolina Department of Corrections, a copy of Utah's application for certification. It appeared that South Carolina would be making application in the near future.

On July 16, Cindie Unger met with Rod O'Connor, Chief, Program Development; Matthew Williams, Correctional Industry Director; and Carla Brown, a private consultant working with the Connecticut Department of Correction. Connecticut has plans to make application for certification in January 1988. Two small changes must be made in Connecticut's enabling legislation to conform to the certification program's mandatory criteria.

On July 20, Ray Mueller from Colorado called to ask specific questions about inmate wages. CSG staff forwarded the following materials to him: descriptions of each certified project with the hourly wages highlighted, the wage plans and job descriptions for Utah's two certified projects, and the Nevada DOC policy regarding the "Financial Aspects of Inmate Work Programs."

On July 21, CSG staff called Cliff Benser from the Maryland State Use Industries to clarify Maryland's position with respect to certification. Mr.

Benser was collecting information for his boss, Daniel Moore, apparently without the knowledge of Arnold Hopkins, the Commissioner of Corrections; hence the letter from Mr. Hopkins requesting further information about the PS/PIEC program.

On July 29, Ray Mueller from Colorado called asking about the management of private sector manufacturing programs inside correctional institutions. CSG staff gave him the names and phone numbers of John Slansky, Marti Conard, Mel Johnson, and Fred Mills.

On Tuesday, August 11, Neville Massie called to see if there was any way for Oklahoma to receive their "certificate" by August 18. Since Ms. Lucas was on vacation, Cindie Unger called another BJA staff member, Kim Rendelson, to inquire if this indeed was possible. Ms. Rendelson assured Ms. Unger that it was not. This message was delivered to Ms. Massie.

Further, on August 11, Rose Baca, Administrative Assistant to Fred Ortiz in New Mexico, called to request approval to receive cross-site technical assistance. Ms. Baca planned to visit Washington, Idaho, and Utah. Ms. Unger asked her to prepare a work plan, estimate her expenses, and submit it to Louise Lucas. It was submitted to Correctional Services Group on August 17 and was forwarded to BJA on August 28.

On August 12, ACA requested a list of certified projects complete with the number of inmates working on each project. Ms. Unger called each of the certified directors to get current information on the number of inmate employees. This information was sent to ACA on August 13.

On August 17, CSG staff reviewed Missouri statutes describing the crime victim's compensation programs and establishing Missouri Correctional Industries. Commentary was provided to David Kormann, Director, Division of Administration for the Missouri Department of Corrections and Human Resources.

On August 18, Cindie Unger reviewed South Carolina's application for certification, finding only two minor deficiencies. The first was that South Carolina's enabling legislation appeared to lack the statement concerning the "authority to substantially involve the private sector as..." Further, language in the application indicated that the "following minimum deductions are required." Since those listed are the only deductions permitted under the PS/PIEC program guidelines, it was suggested that the word "minimum" be stricken from this procedure.

On August 21, Cindie Unger wrote to Susan Humphrey-Barnett requesting information about Alaska's prison industries' goals and governing statutes.

On August 24, Cindie Unger provided Wes Milton, Industries Director for the Alaska Department of Corrections, with information about the certification program. Mr. Milton was also asked for information about Alaska's industries programs.

On August 26, Louise Lucas and Cindie Unger had a conference call with Fred Scaletta, Iowa Department of Corrections. Mr. Scaletta had a question about victims assistance/compensation programs and what the PS/PIEC program guidelines required. He was provided with the statutes on victims assistance or victims compensation programs for Oklahoma, Kansas, Utah, Minnesota, Idaho, and South Carolina. He was also given a listing of the certified project directors, their addresses and phone numbers.

On September 3, CSG staff reviewed the preliminary agenda for the November "Conference on Prison Industries" and provided suggestions to Jane Hines, Project Assistant.

On September 8, CSG staff forwarded to Fred Scaletta an opinion issued by General Counsel regarding deductions from inmate wages for court-ordered restitution.

Also on September 8, CSG staff forwarded to New Mexico a notice announcing the "Strategic Planning for Prison Industries" program funded by BJA. Rose Baca of new Mexico was interested in seeking assistance of this nature.

On September 11, CSG staff sent Kathy Burkhardt from ACA a list of PS/PIEC directors. Ms. Burkhardt assumed Rhonda Dibert's duties at PI-NET.

On September 17, CSG staff member Cindie Unger met with the following Iowa Department of Corrections officials: Harry Cannon, Deputy Director, Prison Industries; Fred Scaletta, Institution Programs Administrator; and John Goeldner, Legislative Aide. Ms. Unger reviewed the application process and discussed the process with representatives from the State Department of Economic Security and the State Victim Compensation program. During the meeting pertinent statutes and administrative regulations were reviewed and Ms. Unger provided suggestions for how they should be revised to be compliant with certification requirements.

On September 21, CSG staff member Cindie Unger, in association with Louise Lucas and Hardy Rauch, met with the following Alaska Department of Corrections officials: Susan Barnett-Humphrey, Commissioner; Charles Fry, Assistant Director; Allen Cooper, Assistant Director; Wes Milton, Director of Prison Industries; and Charles Moses, Director, South Central Region. Ms. Lucas, Mr. Rauch, and Ms. Unger reviewed the Private Sector/Prison Industry Enhancement Certification application process and the mandatory criteria. Alaska's compliance with the mandatory criteria was evaluated during the meeting. Also discussed during this meeting were the traditional prison industries that would lend themselves most readily to certification.

On September 22, Cindie Unger, Louise Lucas, and Hardy Rauch toured the traditional prison industries operated by the Palmer and Wildwood Correctional Centers.

During the month of September, CSG staff worked on the revision of the application kit.

On October 16, Cindie Unger met with the following Maryland Division of Correction officials: Arnold Hopkins, Commissioner; Dan Moore, Director, State Use Industries; and Cliff Benser, Projects Manager, State Use Industries. Also present was Gerald Curran, State Senator. Ms. Unger reviewed the certification application and the application procedures. The advantages of certification were discussed, as were the responsibilities. It appeared that Maryland would not seek certification at that time. Officials did not feel that they had sufficiently exploited the state use market. Maryland's renewed interest in the program was attributed to a change in governors and a change in the administration of the Department of Public Safety and Correctional Services.

During the month of October, CSG staff completed revision of the application kit. It was submitted in draft form to Louise Lucas the last week of the month.

A draft monitoring schedule was disseminated to the PS/PIEC directors the last week in October.

A letter was sent to John Carullo, Director, South Carolina Division of Prison Industries, outlining the deficiencies with the agency's application for certification and suggesting ways to eliminate these problems.

III. Task 2--Dissemination of Documentation

A. Recipient Responsibilities

ACA shall review documents from requestors, review literature, and disseminate materials as required by BJA.

B. Grant Adjustments

None requested.

C. Task Activities--Chronological Order

During June, each of the seven PS/PIEC program directors was contacted in writing to solicit pertinent ideas about the content of the "Management Performance Review Document" and the handbook on doing business with the federal government, and to secure relevant planning documents and statutory language authorizing private sector involvement in prison industries.

A written request was sent to BJA on June 6, 1986, requesting the following information:

- "National Survey and Assessment of Private Sector Prison Industries," Criminal Justice Associates, December 1984.
- Application kit BJA provides to interested state or local departments of correction.
- Applications submitted by the seven state correctional agencies currently certified under PS/PIEC program guidelines.
- Performance reports filed by the seven certified agencies for the first quarter of 1986.
- Previous reports filed by Criminal Justice Associates that are applicable to the PS/PIEC Program Technical Assistance Review Project.

The following information was reviewed:

- Kansas statutes relating to inmate work programs
- Kansas Department of Corrections, Cost Impact of Using Inmate Labor in a Manufacturing Environment, by Arthur Young and Company (9/81)
- Federal prison industries regulations (current)
- Federal prison industries regulations (pending version)
- Federal prison industries marketing division miscellaneous materials
- Current federal acquisition regulations in procurement

- UNICOR, 1984 and 1985 annual reports
- UNICOR miscellaneous materials on products/services
- ACA, A Study of Prison Industry: History, Components, and Goals (1/86)
- Joan Mullen et al., The Privatization of Corrections (2/85)
- Robert C. Grieser et al., Guidelines for Prison Industries (1/84)
- Camille G. and George M. Camp, Private Sector Involvement in Prison Services and Operations (2/84)
- George Sexton et al., Research in Brief, "The Private Sector and Prison Industries" (8/85)
- George Greisinger et al., Study of Correctional Industries and Related Training Programs in the State of Connecticut, Department of Corrections (5/85)
- U.S. General Services Administration, Doing Business with the Federal Government (10/81)
- The American Foundation, A Guide to Effective Prison Industries, Volumes I-VI (1979)

Project activities relating to Task 2 completed during July and August included a review of the following pertinent information:

- National Survey and Assessment of Private Sector Prison Industries (Criminal Justice Associates, December 1984)
- BJA's PS/PIEC Program Application Kit
- Seven applications submitted by the agencies/projects currently certified under the PS/PIEC program guidelines
- Quarterly performance reports filed by the seven certified agencies/projects

- Progress reports filed by Criminal Justice Associates applicable to the PS/PIEC TA project

The following documents were ordered or requested during October to complete the "Federal Procurement Document." The documents, or excerpts, will be kept on file for dissemination to PS/PIEC directors:

- Code of Federal Regulations, Title 41
- Code of Federal Regulations, Title 32
- Index of Federal Specifications and Standards
- U.S. Government Purchasing and Sales Directory
- Selling to the Military
- Standard Industrial Classification Manual
- Selling to the Department of the Treasury
- Postal Contracting Manual Publication 41
- Area Trends in Employment and Unemployment
- Selling to the Air Force
- How to Do Business with DLA
- An Introduction to DLA
- An Identification of Commodities Purchased by the DLA
- Selling to the United States Department of Agriculture
- Selling to the Postal Service
- Contracting with the United States Department of Transportation
- Information Bulletins: Could You Use a Multibillion Dollar Customer? Let's Do Business; Doing Business with the Veterans Administration
- Standard Forms 32, 19, 19B, 23A, and 33A (General Services Administration)

During January 1987 written materials describing the PS/PIEC program were sent to:

- Patsy Hatfield, Tennessee Department of Corrections
- William C. Becker, Behavior Management Consultants
- Tom McBrayer
- John A. Carullo, Director of Correctional Industries, South Carolina
Department of Corrections

During February, the International Chiefs of Police requested and received information about the PS/PIEC program and specific projects.

Also during February, a freelance reporter, referred by Nick Demos from BJA, requested summary information about inmate earnings and deductions.

In early March, Dr. Grant Grissom from the Criminal Justice Institute contacted CSG to acquire information about private sector prison industries. Dr. Grissom's group was working with the City of Baltimore to develop private sector prison industries. Informational materials were forwarded to Dr. Grissom and the offer of further assistance was extended.

In April, CSG staff responded to the following telephone requests for further information about the PS/PIEC program:

- The City of Baltimore, Maryland--Dr. Grant Grissom was working with the city to develop an application for certification.
- The City of New York--Fred Scaglione, Director of Prison Industries
- The State of Colorado--Raymond Mueller, Acting Industries Director
- The State of Missouri--David Kormann, Director, Division of Administration
- The State of Illinois--Barbara Kearns, Prison Industries Division

The preceding agencies received the following documentation:

- Private Sector Involvement in Prison-Based Businesses
- A fact sheet developed by BJA describing the program
- Names and addresses of the directors of certified projects

- A brief description of the certified projects
- Copies of the federal legislation from which certified agencies are exempt

In addition, the Missouri Department of Corrections and Human Resources and the Colorado Department of Corrections were sent copies of Utah's certification application to illustrate how another agency responded to the mandatory and reporting criteria.

In May, CSG staff responded to the following telephone requests for further information about the PS/PIEC program:

- The State of Nebraska--Brien Hendrickson
- The State of Missouri--David Kormann, Director of the Division of Administration, called for additional information. Copies of enabling legislation for prison industry certification for various states were sent, as well as a copy of the 1984 "Prison Industry Enhancement" amendment to the Justice System Improvement Act of 1979.
- The City of New York--Fred Scaglione, Director of the Correction Industries Division; two examples of states' legislation enabling enhancement certification.
- The City of Miami--Anthony Dawsey, Assistant Director of Support Services
- Julius McPhall, Juneau, Alaska--personal request
- Kevin Powers, Santa Rosa, California--personal request
- George Peal, Jr., Carson City, Nevada--inmate
- The State of Colorado--Ray Mueller; called with a question about taxes

The preceding agencies that initially contacted ACA/CSG in May concerning information about the PS/PIEC program received the following documentation:

- Private Sector Involvement in Prison-Based Businesses
- A fact sheet developed by BJA describing the program
- Names and addresses of the directors of certified projects
- A brief description of the certified projects
- Copies of the federal legislation from which certified agencies are exempt

In addition, the Missouri Department of Corrections and Human Resources and the New York City Department of Corrections received copies of other jurisdictions' enabling legislation.

The Indiana Department of Corrections contacted CSG staff on June 8 to request a certification application and supporting materials, including:

- Private Sector Involvement in Prison-Based Businesses
- A fact sheet developed by BJA describing the program
- Names and addresses of the directors of certified projects
- A brief description of the certified projects
- Copies of the federal legislation from which certified agencies are exempt

CSG staff responded to the following requests for further information about the PS/PIEC program:

- Melissa J. Bowman--Florida Institutional Legal Services, Inc.
- Frank McAtee--Camp Manager, Sonoma County Probation Camp
- Arnold J. Hopkins--Commissioner, Maryland Division of Correction
- Jeffrey Siegel--Attorney. Mr. Siegel works for a firm that develops privately funded prisons.

All of the preceding individuals received the following documents:

- Private Sector Involvement in Prison-Based Businesses
- A fact sheet developed by BJA describing the program

- Names and addresses of the directors of certified projects
- A brief description of the certified projects
- Copies of the federal legislation from which certified agencies are exempt

In July and August, CSG staff responded to the following requests for further information about the PS/PIEC program:

- Steve Denel, Prison Industries, Arizona Department of Corrections
- Pete Robbins, Prison Industries Director, Milwaukee County, Wisconsin
- Phil Marston, Maine Department of Corrections
- Kennedy Wilson, private consultant, Newark, New Jersey
- Avery Wood, Director, Correctional Industries, Mississippi Department of Corrections
- Peter Argeropulos, Director, Correctional Industries, Massachusetts Department of Corrections

All of the preceding individuals received the following documents:

- Private Sector Involvement in Prison-Based Businesses
- A fact sheet developed by BJA describing the program
- Names and addresses of the directors of certified projects
- A brief description of the certified projects
- Copies of the federal legislation from which certified agencies are exempt

Kennedy Wilson also received copies of enabling legislation passed by several of the certified states and a sample contract used by a certified project.

In September, CSG staff responded to a request for further information about the PS/PIEC program from Michael Montgomery, Director of Operations, the

Marion Adjustment Center, St. Mary, Kentucky. Mr. Montgomery received the following documents:

- Private Sector Involvement in Prison-Based Businesses
- A fact sheet developed by BJA describing the program
- Names and addresses of the directors of certified projects
- A brief description of the certified projects
- Copies of the federal legislation from which certified agencies are exempt

CSG responded to three requests for further information about the PS/PIEC program during October:

- Walter R. Newcomb, Administrator, Department of Corrections, Belknap County, New Hampshire
- Robert Gorski, Correctional Industries Project Coordinator, Industrial Correctional Center, Philadelphia, Pennsylvania
- Bill Meyers, Executive Director, American Legislative Exchange Council, Washington, D.C.

These gentlemen received the following documents:

- Private Sector Involvement in Prison-Based Businesses
- A fact sheet developed by BJA describing the program
- Names and addresses of the directors of certified projects
- A brief description of the certified projects
- Copies of the federal legislation from which certified agencies are exempt
- Issue 3 of PI-NET
- A copy of Washington's promotional material

IV. Task 3--Demonstration and Observation of Model Program Participation

A. Recipient Responsibilities

ACA shall, as required by BJA, be responsible for identifying and exposing exemplary PS/PIEC program management practices and models in the specified program areas.

B. Grant Adjustment

None required.

C. Task Activities--Chronological Order

This task was to be performed at the direction of BJA. BJA did not require ACA to identify and expose exemplary PS/PIEC program management practices and models during the duration of this cooperative agreement.

V. Task 4--Training and Development

A. Recipient Responsibilities

ACA shall, as required by BJA, design, develop, and implement specialized training programs for state and local correctional industry personnel responsible for the planning, developing, operation, and administration of the PS/PIEC program. The training programs will also serve as an advisory meeting for the certified program managers (i.e., information exchange and sharing ideas; information networking; and concerns, policy issues, and problems affecting the program), as well as address generic issues/concerns relating to the nine program areas identified in the RFP.

ACA shall prepare and submit training plans to BJA for approval in advance. The training plan shall include:

- The proposed training format, which shall consist of a short statement of goals and quantified training objectives describing specific knowledge or skills enhancement to be achieved;

- The proposed training site;
- The proposed mix of staff, national experts, and practitioners and training aids to be used to achieve the training objectives;
- The proposed trainers and observers;
- The proposed schedule of training; and
- The curriculum.

B. Grant Adjustment

None required.

C. Task Activities--Chronological Order

Project staff Cindie Unger and Bob Buchanan met with Louise Lucas, Hardy Rauch, Rhonda Dibert, Bill Taylor, Fred Mills, Marti Conard, Mel Johnson, and Rod Miller on January 14 following a presentation on the PS/PIEC program. Plans were finalized for the February 23 and 23 workshop to be hosted by Fred Mills at the Oxnard facility.

During February, many telephone conversations were held with Ms. Lucas, Mr. Rauch, Mr. Taylor, Mr. Mills, the other PS/PIEC directors, other workshop invitees, and with Sandra Klein from ACA in planning the February workshop.

In January, project staff contacted two GSA representatives to invite them to address the PS/PIEC workshop attendees. Project staff sensed reluctance on the part of these individuals to discuss the mandatory source program and its potential impact on certified projects that bid successfully for GSA contacts.

Throughout February, CSG staff prepared for the February 23 and 24 workshop. This preparation involved:

- Developing the final agenda;
- Developing the participant list;
- Coordinating travel arrangements with Fred Mills;
- Inviting speakers;

- Preparing and mailing advance information about workshop;
- Responding to telephone inquiries.

The workshop was held in Camarillo, California, at the Youth Training School. In attendance were the eight PIE project directors, three representatives from interested agencies, a GSA Business Service Center representative, a representative from Federal Prison Industries, four representatives from the California Youth Authority, the BJA project monitor, three TA project staff, three private sector representatives, and four wards.

An informal evaluation was conducted at the close of the workshop. The results were included in the March progress report.

On February 11, CSG staff met with Louise Lucas, BJA project monitor, to review the plans for the proposed workshop, among other project objectives.

CSG staff attempted to contact John Carullo, Prison Industry Director in South Carolina, to extend an invitation to the workshop. Mr. Carullo did not return these telephone calls.

At the April 8 meeting with Louise Lucas, several ideas for improving the PS/PIEC TA contract were discussed; these had been detailed in a March 26 letter to Ms. Lucas.

The summary results of the informal workshop evaluation were developed were attached to the March progress report.

During April, CSG staff sent notices of impending federal procurement conferences to those PIE directors within the applicable regions of the country--Fred Mills, Paul Schwartz, and Marti Conard.

As directed by Louise Lucas, CSG staff contacted each of the certified project directors in July to invite them to attend the ACA Congress for specialized training.

Louise Lucas requested that CSG staff member Russell Mazouch attend the ACA Congress in August, the following month, in order to assist her with on-site tasks associated with the PS/PIEC program.

On August 6, a meeting of the PS/PIEC directors was held in conjunction with the ACA Congress. In attendance were Marti Conard, Washington DOC; Marilyn Allen, Strafford County, New Hampshire; Mel Johnson, Idaho DOC; Hardy Rauch, ACA; Jack Greene, ACA; Rose Baca, ACA; Louise Lucas, BJA; Avery Wood Mississippi DOC; Richard Buford, Mississippi DOC; and the Institutional Prison Industry Director at Parchman.

The primary topic of discussion was the upcoming PS/PIEC directors' workshop to be held in Kansas City, Missouri. The date was set for October 29 and 30 and several workshop topics were suggested. Some discussion was devoted to who, in addition to the PS/PIEC directors, should be invited.

A short, concise survey instrument was developed to solicit ideas from the PIEC directors concerning the topics they would like to see included on the agenda. This was disseminated on August 18. The responses to this survey were used to plan the workshop agenda.

A planning meeting was scheduled with Paul Schwartz, who would host the workshop in Kansas City, for August 25. It was postponed, due to illness, to September 3.

In addition, several letters and telephone conversations were held with Paul Schwartz, Louise Lucas, and Hardy Rauch concerning the October meeting. Further planning was scheduled for September 9 and 10 at ACA's offices in College Park, Maryland.

The following training and development activities were completed during September:

- Cindie Unger and Paul Schwartz met on September 3 to plan the meeting agenda and to identify possible speakers. The meeting agenda for the October workshop was developed and reviewed by Louise Lucas and Hardy Rauch at the September meeting.
- Three hotels near the Kansas City International Airport were contacted as possible sites for the workshop. Based upon the quotations received, CSG staff members Cindie Unger and Karen Whitlow toured the accommodations available at both the Hilton and Holiday Inns. The Hilton was selected.
- Letters of invitation were disseminated to the PIE directors and representatives of other jurisdictions that had expressed interest in certification. These letters were mailed on September 14.
- Cindie Unger invited Fred Braun, President of Zephyr Products, Inc.; George Arneson, President of Arneson & Associates; William Dunn, Chairman of the Board and Chief Executive Officer of J.E. Dunn Construction Company; Fred Mills; John Slansky; and Dick Clasby to address the workshop participants; all agreed. Louise Lucas invited Tom Albrecht, NIJ Program Manager, and John Wilson, Associate General Counsel, Office of Justice Programs, to address the group; they too accepted.
- CSG provided the mailing list of workshop participants to Jack Greene at ACA. Mr. Greene coordinated the airline reservations and the mailing of airline tickets. Ms. Unger made all hotel reservations.

The month of October was given over to preparations for the directors' workshop held October 29 and 30 in Kansas City. Numerous telephone calls regarding the meeting were made and received by CSG staff. Specific training

and development activities, completed during October, that were associated with this workshop included:

- At the request of Paul Schwartz, Dr. Ted Heim, Chairman of the School of Criminal Justice, Washburn University, was invited to attend the October PIE directors' workshop.
- Confirmation letters were mailed to all workshop participants and speakers.
- Informational packets were prepared for distribution prior to the workshop.
- At the request of Louise Lucas, James Felton, Chairman of EBON Services, a New Jersey firm, was invited to attend the PIE directors' workshop.
- CSG staff members Cindie Unger, Dr. Lloyd Rupp, Pete Rich, and Karen Whitlow participated in the PIE directors' workshop on October 29 and 30.
- A summary of the evaluation results was prepared by Karen Whitlow and appended to the October progress report.

In addition, on October 1, Cindie Unger participated in two sessions of the Kansas Correctional Association annual conference. The sessions concerned BJA activities and the Private Sector/Prison Industry Enhancement Certification program.

VI. Task 5--Reporting

A. Recipient Responsibilities

ACA shall submit to BJA a monthly status report in reference to the above five tasks, in accordance with the plan set forth under Task 5 in the proposed application.

ACA shall prepare a progress report each calendar quarter describing the project activities during that quarter, the milestones that have been achieved, any problems that have been encountered, how they have been resolved, and what activities will take place during the next report period. Progress reports shall be submitted no more than 30 days after the end of the quarter. In addition, within one week after the completion of each workshop, the project director will informally report to the BJA project monitor regarding the results of the workshop.

B. Grant Adjustment

For reporting purposes, the task entitled "Preparation of Original Documentation" was subsumed under Task 5--Reporting. The recipient responsibilities under this task were:

1. Decision Support System

The ACA will conclude the development of the BJA Management Performance Review document for assisting in the implementation of the PS/PIEC program. This document will create among the states the ability to put in place a state prison industry performance review system. It will be a comprehensive document of issues for managing a business operation in prison and/or the elements of a good prison industry operation.

- a. ACA shall submit a work plan and cost estimate to BJA for approval 30 days after the cooperative agreement award.
- b. Deliverables due:
 - Outline of document content, including major and first-level subordinate categories of issues;

- Identification of second (final) level issues of specific management activities for review;
- Results of trial implementation with recommended modifications; and
- Final draft document.

2. Federal Procurement Publication

ACA shall develop a handbook relating to "How to Do Business with the Federal Government." The purpose of this document is to enable certified states to pursue the federal market.

- a. ACA shall submit a work plan and cost estimate to BJA for approval 60 days after the cooperative agreement award.
- b. Deliverables are due:
 - To BJA in draft 90 days prior to the expiration of the cooperative agreement;
 - To ACA, from BJA, within 60 days of the expiration of the cooperative agreement; and
 - To BJA for acceptance, in final form, 30 days prior to the expiration of the cooperative agreement.

This subtask was subsequently modified to eliminate the preparation of the BJA Management Performance Review document. (See Attachment 1.)

C. Task Activities

CSG staff began working on the Federal Procurement Document in July 1986 by collecting pertinent materials related to federal purchasing. A draft of the document was completed in January 1987 and submitted to Louise Lucas.

The Federal Procurement Document, entitled Doing Business with the Federal Government, was disseminated to all PIE directors in advance of the February

workshop. Comments and critiques were solicited during the after of the second day of the workshop.

The document was submitted to ACA for review in April. It was submitted to BJA in camera-ready form in May.

On April 8, CSG staff member Cindie Unger met with Louise Lucas and John Wilson, General Counsel, to review a legal opinion concerning who may buy prison industry products and under what conditions. Ms. Unger was instructed to prepare a layman's interpretation of this opinion and send it to Ms. Lucas and Mr. Wilson, in draft form. This product was delivered to Ms. Lucas at an April 28 meeting at ACA offices in College Park, Maryland.

Cindie Unger met with Louise Lucas on September 9 and 10 to discuss the proposed refinement of the application kit and the development of project descriptions for the PIEC programs.

CSG staff began developing revised project descriptions in October. Also during this month, CSG began developing a simple computer program for summarizing and analyzing quarterly information provided by the PIE directors.

Other Tasks/Meetings

The following project activities did not fit neatly under any of the preceding tasks.

On April 28 CSG staff met with ACA project staff and the BJA project monitor to discuss short- and long-term project activities. As a result of this meeting, Louise Lucas planned to travel to CSG offices the last week in May to develop a cooperative agreement for the contract extensions, including a milestone schedule and project budget.

Louise Lucas and Cindie Unger met in Kansas City on May 26 to discuss the cooperative agreement that would govern the grant continuation. Ms. Unger drafted a cooperative agreement and attendant milestone schedule for review by

ACA and for final approval by BJA. Bob Buchanan and Ms. Unger were scheduled to meet with Hardy Rauch on June 23 to review the draft cooperative agreement and to develop a project budget.

During June CSG staff prepared a draft cooperative agreement for ACA's submission to BJA. In addition, CSG staff prepared a subcontract budget for the 18-month renewal of this cooperative agreement.

On June 22, CSG project staff met with Louise Lucas to review the cooperative agreement prepared by CSG staff. On June 23, CSG project staff met with ACA project staff and Tom Albrecht, NIJ representative, to discuss the NIJ project and its relationship to BJA's prison industries projects, including the PS/PIEC program. In addition, CSG/ACA staff met to discuss the budget for the cooperative agreement renewal period.

Appendices

U.S. Department of Justice

Bureau of Justice Assistance



Washington, D.C. 20531

July 14, 1987

Hardy Rauch, Director
Standards and Accreditation
American Correctional Association
4321 Hartwick Road, Suite L-208
College Park, Maryland 20740

Re: Grant No. 86-SA-CX-0004
PIE Technical Assistant Project

Dear Hardy:

The attached Grant Adjustment Notice (GAN) modifies the above-subject grant by:

- o Deleting subtask no. 1, Decision Support System, identified under Task C, Preparation of Original Documentation.

The Management Performance Review document was to provide assistance to the PIE directors in the effective implementation and administration of prison industries. Based on our assessment of the PIE directors from their review of the draft document, it is being deleted. The consensus of the PIE directors was that the document would not provide further assistance in that area, as there are several existing "guides to effective prison industries" which are very thorough.

The PIE directors identified other areas of priority in which they needed technical assistance in order to enhance their PIE program. Those areas will be addressed through specialized training sessions under the proposed FY-88 cooperative agreement continuation.

- o The following additional subtasks have been included under Task C, Preparation of Original Documentation.

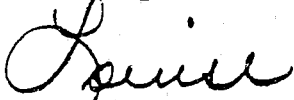
1. PIE Project Descriptions: Develop a formal document that describes current PIE projects on an individual and summary basis. The document would be designed to easily accommodate

revisions and insertions. Such a document would be useful as a promotional tool and for information and public relations purposes.

2. Application Enhancements: Develop a handbook that explains how to prepare an application for certification. This will include simplification of the application kit and the development of supporting materials to facilitate the application process and the implementation of certified projects.
 - a. The draft products shall be submitted to BJA for review by September 30, 1987.
 - b. The final products shall be submitted to BJA for approval by October 30, 1987.

If you have any questions concerning this GAN, please call me.

Sincerely,



Louise S. Lucas, Manager
Correctional-Related Programs
Special Programs Division

Enclosure

cc: Cindie Unger



U. S. Department of Justice

OJARS LEAA

BJS BJA NIJ

CHECK APPROPRIATE BOX

GRANT ADJUSTMENT NOTICE

PAGE 1 OF 1

1. GRANTEE NAME AND ADDRESS (Including Zip Code)

American Correctional Association
4321 Hartwick Road, Suite L-208
College Park, Maryland 20740

3. GRANT NUMBER

86-SA-CX-0004

4. ADJUSTMENT NUMBER

2

1a. GRANTEE IRS VENDOR NUMBER

131977456

2. PROJECT TITLE

Private Sector/Prison Industry
Enhancement Certification Technical
Assistance and Training Project

5. DATE

JUL 24 1987

6. GRANT MANAGER

Louise S. Lucas

SECTION I. DEOBLIGATIONS & REOBLIGATIONS

7. ACCOUNTING CLASSIFICATION CODE

FISCAL YEAR	FUND CODE	BUD. ACT.	OFC.	DIV. REG.	SUB.	MBO

9. PREVIOUS GRANT AWARD AMOUNT

\$ 174,205

10. DEOBLIGATION OR REOBLIGATION AMT.

\$ -

8. DOCUMENT CONTROL NUMBER

11. ADJUSTED AWARD AMOUNT

\$ 174,205

SECTION II. CHANGES

12. CHANGE GRANT MANAGER FROM _____ TO _____

13. CHANGE GRANT PERIOD: FROM _____ TO _____

SECTION III. OTHER ADJUSTMENTS & INFORMATION

14.

Under Task C, Preparation of Original Documentation, the subtask no. 1 "Decision Support System" has been deleted.

The following additional subtasks have been included under Task C, Preparation of Original Documentation, for completion prior to the expiration of this project.

- a) Development of PIE Project Descriptions
- b) Application Enhancement

15. TYPED NAME AND TITLE OF AUTHORIZED OFFICIAL

William F. Powers, Director
Special Programs Division, BJA

16. SIGNATURE OF AUTHORIZED OFFICIAL