

FY2023

ANNUAL REPORT

Iowa Prison Industries



LETTER FROM THE DOC DIRECTOR

Beth Skinner

Our mission as the Iowa Department of Corrections is to provide incarcerated individuals with opportunities to advance and successfully reenter society, and IPI continues to be a cornerstone in accomplishing this goal.

Perhaps the greatest testament to the Iowa DOC's success this year has been the reduction in Iowa's recidivism rate for the 3rd consecutive year. The current recidivism rate sits at 34.3%, nearly 3% down from 2022. IPI has contributed to lowering recidivism. A recent study demonstrated that those who completed apprenticeship programs demonstrated a reduction of recidivism numbers versus those that did not complete it. IPI's job training program for years has allowed Iowa's incarcerated individuals to learn valuable hard and soft skills to help them find and maintain employment upon release. Paired with the continued introduction of new skill training and apprenticeship programs, we expect the recidivism rate to remain on the decline for years to come.

Another benefit we see from IPI is the reduction of the cost of incarceration. While working in IPI's job training program, incarcerated individuals require less supervision and must maintain good behavior to keep their jobs. In addition to this, not only does IPI not receive any state funding, but returns proceeds from Canteen sales and private sector job wages directly to the DOC. Whether you're looking at the financial benefits or job training program, the importance and purpose of IPI cannot be overstated.

Thank you to the IPI leadership and staff across the state for your dedication and the valuable work you do every day to achieve our goals and create positive impacts for the State of Iowa.

Sincerely,

Dr. Beth Skinner, Director



LETTER FROM THE IPI DIRECTOR

Bob Fairfax

Our program for the State of Iowa and the Department of Corrections continues to re-invent itself and adapt to the opportunities and roadblocks that it faces daily. It is easy to see that IPI is not the same organization that it was 10 years or even 3 years ago. The changes that were necessary from the FY20 pandemic and the FY21 tragic event shaped a new path forward for our operations.

I am extremely proud of and amazed by the efforts put forth daily by our staff and incarcerated associates working in the program. While sales for IPI had a decrease of \$4,811,082 over the previous fiscal year, our sustainable income remained positive at \$2,794,728. We felt the pain of some downsizing and organizational realignment to help us remain self-funding without any appropriations from the Legislature.

We averaged over 600 incarcerated individuals working in the program daily, gaining valuable training, skills and experience to enter the workforce upon their release from incarceration. Incarcerated individual training hours increased in FY23 by 114,451 hours in our traditional operations and decreased in Private Sector partnerships by 305,139 hours.

As always, it is extremely important to share the benefit of the wages earned by our private industries associates. In FY 2023, incarcerated associates paid \$1,182,848 in taxes, FICA and Medicare, plus \$266,020 was paid in court ordered child and family support, \$2,461,993 in victim compensation and restitution payments, and

\$2,823,649 returned to the State to help support the cost of incarceration. Additionally, \$1,744,564 was deposited in Inmate accounts and savings.

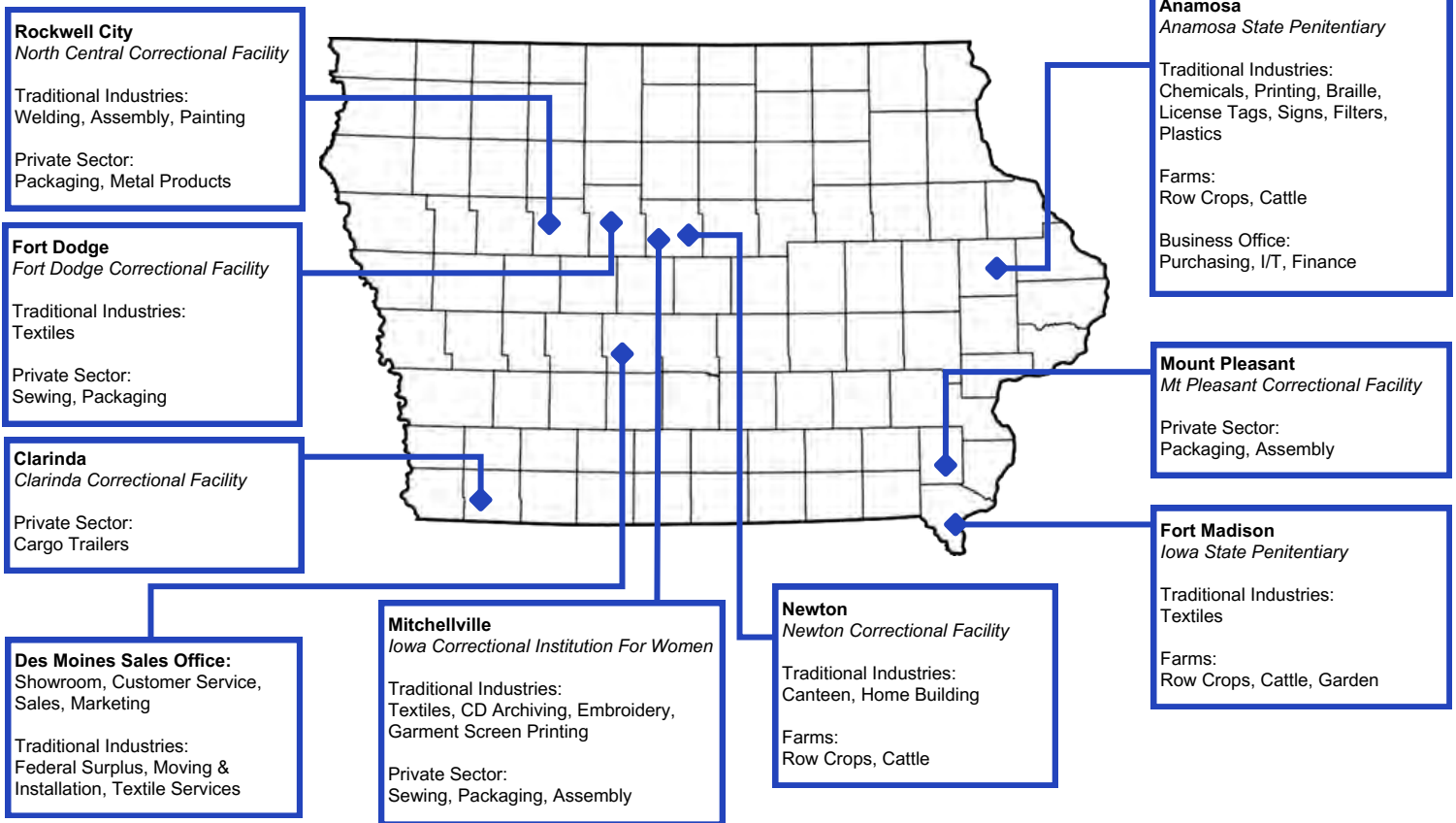
Our farms operation had another solid year with a sustainable year end performance of \$365,016 for CY2022. The Legislature has decided to sell the farmland across the state, and IPI is assisting with that effort. IPI will work to help staff with employment opportunities within the state or IPI.

The Homes For Iowa partnership continues to be a bright light for the future, providing incarcerated individuals with training and apprenticeships in construction trades and completing and delivering 34 homes in 2023. Soon they will be delivering a house a week to needed areas across the State of Iowa! Over 60 men report to work daily on the inside to gain the skills needed for future success on the outside.

I would like to give a shout out to Dan Clark, who retired from IPI in 2023 with 11 years of service to the DOC and IPI. Dan was instrumental in leading IPI through a very challenging time, and we thank him for his hard work and dedication to the program. Homes for Iowa, LEAN Manufacturing training and development, and Private sector employment expansion were all heralded during his tenure as Director.

Lastly, the credit really goes to the IPI staff who work daily with dedication and determination to succeed and continuously improve us and our operations. IPI has the best staff imaginable- they are the ones who make it happen and deserve the credit for IPI's valued program contribution for the State of Iowa.

LOCATIONS & PROGRAMS



Rockwell City



Fort Dodge



Farms



IPI Showroom



Newton Canteen



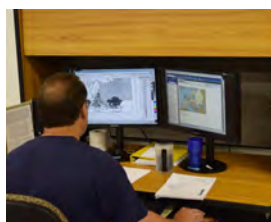
Home Building



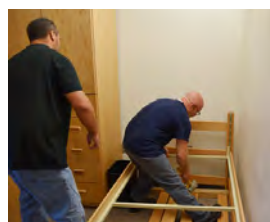
Fort Madison



Mount Pleasant



Braille



Moving & Installation



Anamosa



Mitchellville

MISSION STATEMENT

A self-sufficient program that positively impacts participant lives, reduces recidivism, and provides valued products and services to our communities.

VISION

A meaningful work training opportunity to develop utilizable skills for every person.



CONTACT INFORMATION

Sales Office/Showroom

800-332-7922 | Fax: 800-741-0390
1445 E Grand Avenue
Des Moines, IA 50316

Ann Baughman | 515-725-8711
Sales & Marketing Manager

Tammy Nielson | 515-669-1954
Private Industries Program Manager

Kevin Peterson | 319-350-8536
Eastern Iowa Sales, Service Statewide

Customer Service

800-332-7922 | Fax: 800-741-0390
1445 E Grand Avenue
Des Moines, IA 50316

Chris Hoisington | 515-725-8706
County, State and Federal Government,
Churches, Non Profits

Karen Donahue | 515-725-8708
City Government, Health Care, Colleges &
Universities

Michele Anderson | 515-725-8709
K-12 Education, DOC/DHS Institutions, DOT,
DNR

Business Office

406 N High Street
Anamosa, IA 52205
Phone: 319-462-3706

Purchasing Office

406 N High Street
Anamosa, IA 52205
Phone: 319-462-3706

IPI Farms

406 N High Street
Anamosa, IA 52205
Phone: 319-462-3504 x7708

IPI Plants

Anamosa: 319-462-3439
Des Moines Operations: 515-266-6913
Fort Dodge: 515-705-7227
Fort Madison: 319-316-7180
Mitchellville: 515-725-5310
Mount Pleasant: 515-385-6693
Newton: 641-791-9242
Rockwell City: 712-297-7717



IOWA CODE §904.801

STATEMENT OF INTENT

It is the intent of this division that there be made available to inmates of the state correctional institutions opportunities for work in meaningful jobs with the following objectives:

1 To develop within those inmates willing to accept and persevere in such work:

- a) Positive attitudes which will enable them to eventually function as law-abiding, self-supporting members of the community;
- b) Good work habits that will assist them in eventually securing and holding gainful employment outside the correctional system;
- c) To the extent feasible, marketable skills that can lead directly to gainful employment upon release from a correctional institution.



2 To enable those inmates willing to accept and persevere in such work to:

- a) Provide or assist in providing for their dependents, thus tending to strengthen the inmates' family ties while reducing the likelihood that inmates' families will have to rely upon public assistance for subsistence;
- b) Make restitution, as the opportunity to do so becomes available, to the victims of the offenses for which the inmates were incarcerated, so as to assist the inmates in accepting responsibility for the consequences of their acts;
- c) Make it feasible to require that such inmates pay some portion of the cost of board and maintenance in a correctional institution, in a manner similar to what would be necessary if they were employed in the community;
- d) Accumulate savings so that such inmates will have funds for necessities upon their eventual return to the community.

IPI ADVISORY BOARD

The Iowa Prison Industries Advisory Board plays a key role in the success of IPI. The board approves new business ventures and the overall operating plans of IPI for all three segments: Traditional Industries, IPI Farms, and Private Sector. In addition, the Board provides expert advice to the Director and staff of IPI.



Dr. A Douglas Hillman
Financial Representative & Board Chair
Drake University (Retired)
West Des Moines



Greg Steggerda
Manufacturing Representative
Diamond Vogel
Orange City



Tim Diesburg
DOC Representative
Former IPI-DOC Employee
Anamosa



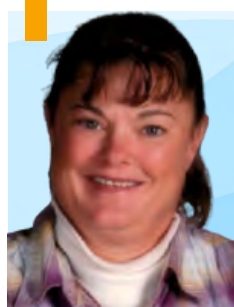
Ralph Haskins
Parole Board Representative
Iowa Board of Parole
West Des Moines



Jennie Doke-Kerns, Ph.D.
Vocational Education Representative
DMACC
Des Moines



Yvette Clausen
Labor Representative
Iowa Vocational Rehabilitation
Des Moines



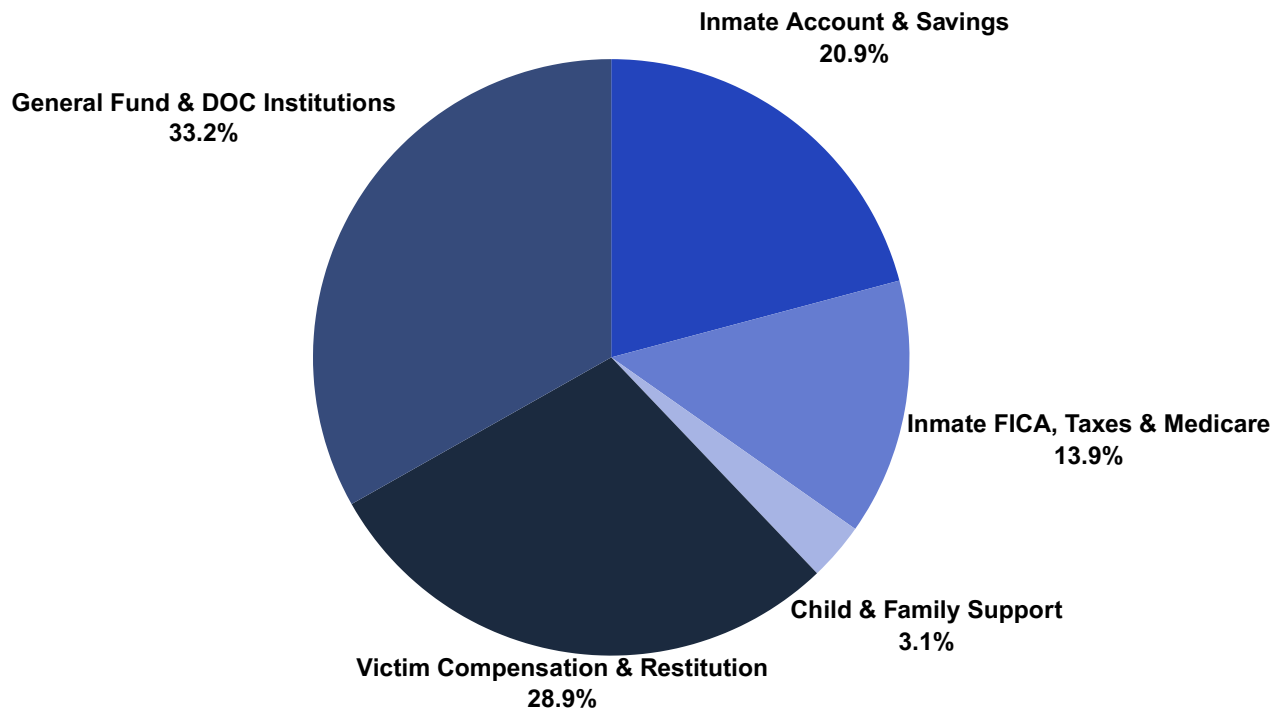
Jennifer Gardner
Agricultural Representative
Farmer & Teacher
Douds

WAGE DISTRIBUTION

PRIVATE INDUSTRIES

	FY2023	FY2022	Increase/(Decrease)
Inmate Participants	379	489	(110)
Gross Wages	\$8,479,074	9,772,825	(1,293,751)
Withholdings for Taxes, FICA & Medicare	1,182,848	1,237,470	(54,622)
Court Ordered Child & Family Support	266,020	335,451	(69,431)
Victim Compensation & Restitution Payments	2,461,993	2,697,770	(235,777)
Returned to Iowa's General Fund & DOC Institutions	2,823,649	3,579,892	(756,243)
Amount Deposited in Inmate Account & Savings	1,744,564	1,922,242	(177,678)

Wage Disbursement for Private Sector Industries

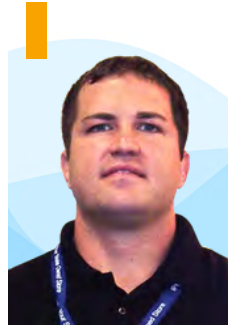


IPI LEADERSHIP TEAM

The IPI Leadership Team ensures that IPI provides meaningful work training for incarcerated men and women in a safe and secure environment, while remaining 100% self supporting. As with private corporations, IPI leaders must make sure IPI meets our customers' expectations for price, quality, and service. They are also responsible for financial management of IPI, including budgeting, sales analysis, and expense control.



Clint Schmidt
Plant Manager
Rockwell City, Mt.
Pleasant, Ft. Madison, Des
Moines Operations



Justin Opfer
Plant Manager
Ft. Dodge, Newton
Canteen, Mitchellville



Luke Fowler
Plant Manager
Anamosa



Chad Squires
Plant Manager
Newton Home Building



Ann Pollock
Chief Financial Officer
Anamosa



Ann Baughman
Sales & Marketing Manager
Des Moines



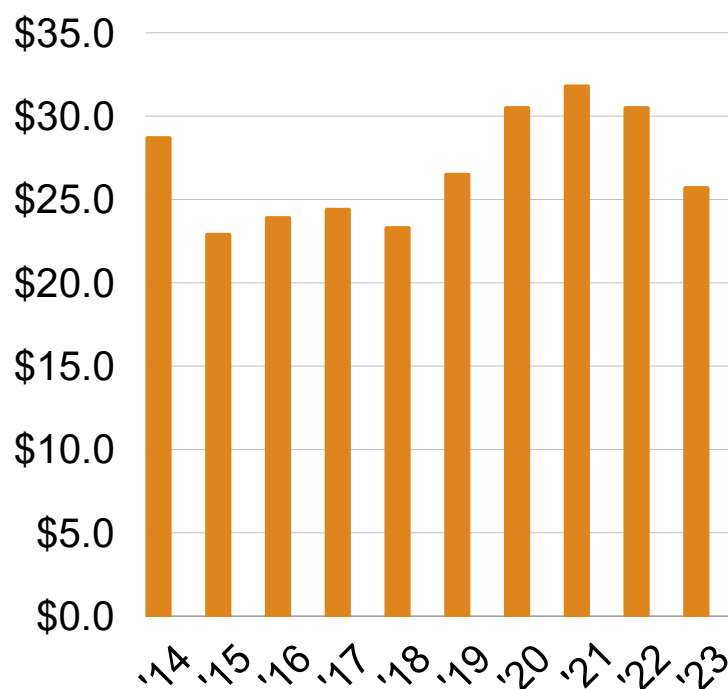
Mike Lynch
Farms Manager
Anamosa

FINANCIALS

TRADITIONAL & PRIVATE INDUSTRIES

Income Statement	FY2023	FY2022	Increase/(Decrease)
Sales	\$ 25,787,470	\$ 30,598,522	(\$4,811,082)
Cost of Goods Sold	23,871,350	25,960,667	(2,089,317)
Gross Profit	1,916,120	4,637,885	(2,721,765)
Operating Expenses	3,627,303	3,857,705	(230,402)
Net Income from Operations	(1,711,183)	780,150	(2,491,333)
Other Income (Expense)	4,896,722	1,131,820	3,764,902
Canteen Redistribution	390,811	891,395	(500,584)
Net Sustainable Income/(Loss)	\$ 2,794,728	\$ 1,020,575	\$ 1,774,153

Sales for IPI Industries (\$ millions)



Balance Sheet	FY2023	FY2022	Increase/(Decrease)
ASSETS			
Current Assets			
Cash	\$ 9,339,153	\$ 4,390,613	\$ 4,948,540
Accounts Receivable & Other	\$ 2,873,374	\$ 7,550,008	(\$ 4,676,634)
Inventory	\$ 5,184,795	\$ 5,065,496	\$ 119,299
Prepaid Expenses	\$ 50,604	\$ 39,977	\$ 10,627
Total Current Assets	\$17,447,925	\$ 17,046,094	\$ 401,831
Property, Plant & Equipment			
Land	\$ 222,666	\$ 222,666	0
Machinery & Equipment	\$ 2,868,769	\$ 2,684,334	\$ 184,435
Buildings	\$ 7,380,418	\$ 5,531,325	\$ 1,849,093
Vehicles	\$ 423,958	\$ 406,564	\$ 17,394
Total Property, Plant, & Equipment	\$ 10,895,812	\$ 8,884,889	\$ 2,010,923
TOTAL ASSETS	\$ 28,343,737	\$ 25,890,983	\$ 2,452,754

LIABILITIES & EQUITY

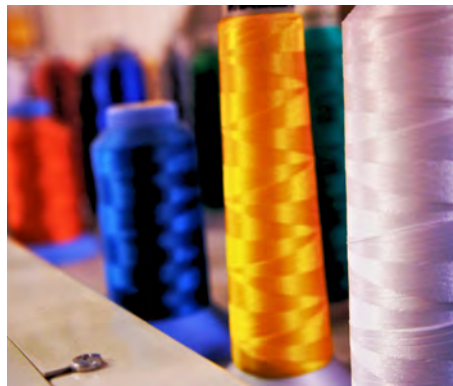
Liabilities

Accounts Payable	\$ 539,741	\$ 872,977	(\$ 333,236)
Deferred Revenue	0	\$ 10,378	(\$ 10,378)
Total Current Liabilities	\$ 539,741	\$883,355	(\$ 343,614)

Long Term Liabilities

Accrued Vacations Payable	\$ 564,963	\$ 592,856	(\$ 27,893)
Accrued Sick Leave/Ret Pay	\$ 278,059	\$ 248,475	\$ 29,584
Total Long Term Liabilities	\$ 843,022	\$ 841,331	\$ 1,691

Total Equity	\$ 26,960,975	\$ 24,166,297	\$ 2,794,678
TOTAL LIABILITIES & EQUITY	\$ 28,343,737	\$ 25,890,983	\$ 2,452,754



FINANCIALS

FARMS

Income Statement	CY2022	CY2021	Increase/(Decrease)
Revenues & Gain/Loss on Inventory	\$ 2,472,755	\$ 2,240,946	\$ 231,809
Total Operating Expenses	2,127,148	\$ 1,948,171	\$ 178,977
Operating Income	345,608	\$ 292,775	\$ 52,833
Other Income/(Expense)	19,409	\$ 31,035	\$ (11,626)
Net Sustainable Income/(Loss)	\$ 365,016	\$ 323,810	\$ 41,207

Balance Sheet	CY2022	CY2021	Increase/(Decrease)
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ASSETS

Current Assets

Cash	\$ 1,364,456	\$ 1,323,335	\$ 41,121
Accounts Receivable & Other	1,801,862	1,466,889	334,973
Total Current Assets	3,166,318	2,790,224	376,094

Fixed Assets

Vehicles & Buildings (net)	359,826	368,852	(9,026)
Total Mach/Equip/Purch Breeding Stock	318,783	331,833	(13,050)
Total Fixed Assets	678,609	700,685	(22,076)
Total Other Assets (Land, PPE, & Other)	660,330	652,024	8,306
TOTAL ASSETS	\$ 4,505,257	\$ 4,142,933	\$ 362,324

LIABILITIES & EQUITY

Total Current Liabilities	\$ 131,538	\$ 127,544	\$ 3,995
Total Long Term Liabilities	\$ 48,245	\$ 54,933	\$ (6,688)
Total Liabilities	\$ 179,784	\$ 182,476	\$ 2,693
Total Equity	\$ 4,325,473	\$ 3,960,457	\$ 365,016
TOTAL LIABILITIES & EQUITY	\$ 4,505,257	\$ 4,142,933	\$ 362,324



WORK TRAINING HOURS

TRADITIONAL

	FY2023	FY2022	Increase/(Decrease)
Total Hours Worked	611,965	497,514	114,451
Inmates Employed (FTE)	294.2	239.2	55

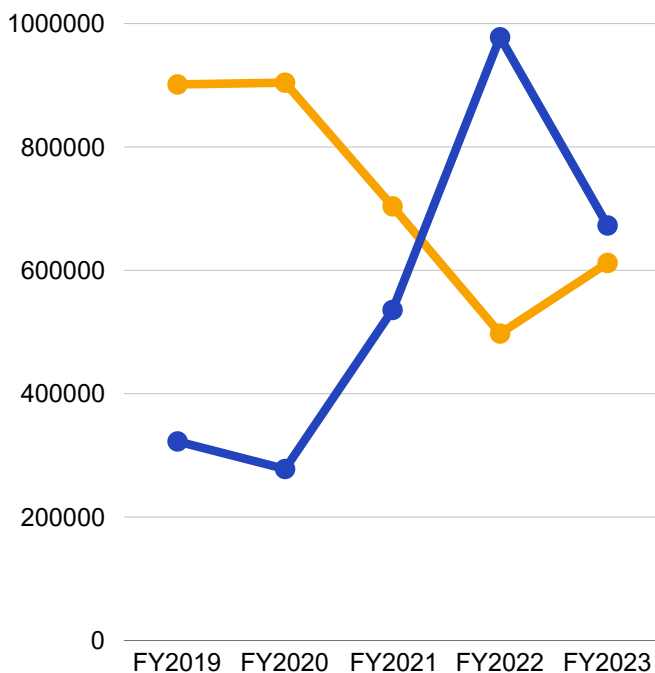
PRIVATE

	FY2023	FY2022	Increase/(Decrease)
Total Hours Worked	672,688	977,827	305,139
Inmates Employed (FTE)	323.4	470.1	146.7

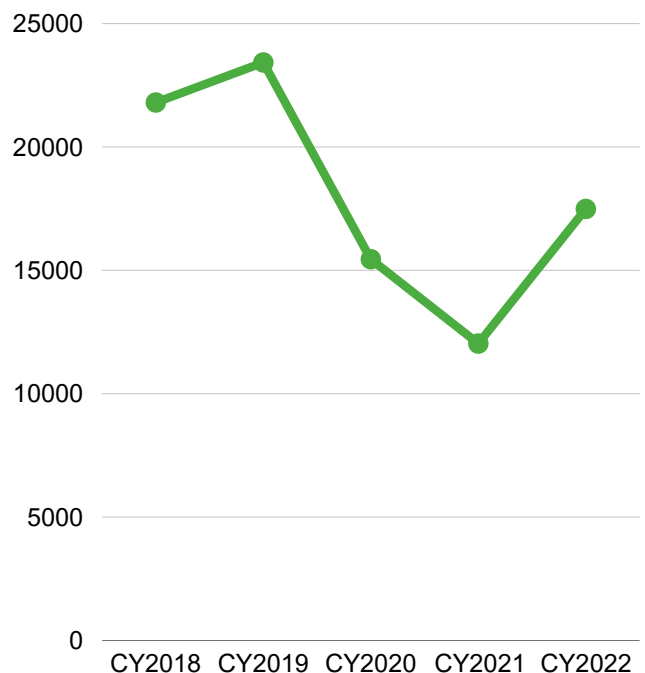
FARMS

	CY2022	CY2021	Increase/(Decrease)
Total Hours Worked	17,488	12,032	5456
Inmates Employed (FTE)	8.66	6.07	2.59

Total Hours Worked (Private & Traditional)



Total Hours Worked (Farms)



PRODUCTS & SERVICES



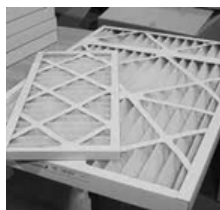
CHEMICALS & CLEANING SUPPLIES

Green Seal Certified, General, Floor Care, Warewash, Laundry, Health Care, Germicidal, Shank-Free Tools



APPAREL

Embroidery, Screen Printing, Office Apparel, TacPlus Public Safety Apparel, Public Works Apparel, Briefcases & Bags



AIR FILTERS

Standard & High Capacity Pleated, Polyester Pad, Synthetic Pocket, Special Requests, Custom Sizes



INMATE CLOTHING & TEXTILES

Jeans, Scrubs, Jackets, Shirts, Undergarments, Mattresses, Bed & Bath Linens, Pillows



PLASTIC BAGS

Biodegradable, Recycled Content, Printed, Biohazard, Food Storage



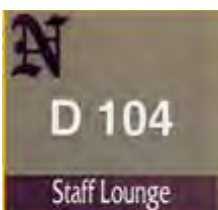
SIGNS & DECALS

No Smoking, MUTCD, Street Markers, Destination, School, Recreation, Custom, Decals, Vehicle Markings, Banners, Wayfinding, Window Perfs



PRINTING / GRAPHIC ARTS

Newsletters, Calendars, Annual Reports, Brochures, Business Cards, Letterhead, Envelopes, Forms, Specialty Items, Mail Services



ADA & INTERIOR SIGNS

ADA Pictograms, Door Signs, Floor Decals, Wayfinding, Custom



BRILLE TRANSCRIPTION

On Demand Transcription, Book & Music Transcription, Duplication, Large Print Textbooks, Business Cards



RETIREMENT GIFTS / ENGRAVING SERVICES

Nameplates, Plaques, Recognition Boards, Acrylic Awards, Clocks, Drinkware, Pen & Pencil Sets, Custom Engraving



MOVING & INSTALL

Moving & Installation of Offices, Furniture, Miscellaneous Items



FEDERAL SURPLUS

Acquires & Makes Available to Iowa Organizations Excess Federal Vehicles & Equipment

OUR MISSION & VALUES



Building a brighter future for incarcerated individuals in Iowa.

WHO WE ARE

IPI is a work-training program designed to provide incarcerated individuals with the skills and knowledge they need to succeed once they are released from prison.

We offer a variety of programs, including signage, braille transcription, sewing, and printing, among others. Our goal is to equip our participants with the skills and work ethic they need to secure gainful employment and make a positive contribution to their communities upon release.

IPI's products and services may be purchased only by governmental agencies, school districts, non-profit organizations and government employees. IPI is 100% self-funding and relies on the sales of our products and services to fund our valuable work training programs. By supporting IPI through the purchase of our products and services, you are helping to make a positive difference in the lives of many individuals who are working hard to turn their lives around.

REDUCING RECIDIVISM


IPI's work training programs are one of the most successful programs in reducing recidivism – the likelihood that a released individual will return to prison.

Since more than 90% of Iowa's prison population will eventually be released (almost 5,000 every year), the work programs of IPI are vital to the safety and security of Iowa. Statistics show that 34.2% of released inmates return to prison within 3 years, but work training reduces this number by 8%.


By giving inmates the opportunity to learn valuable skills and gain work experience, IPI is also contributing to the economic growth of Iowa. In fact, many businesses have reported success in hiring IPI graduates, who are often highly motivated and skilled employees.

GET IN TOUCH

Des Moines Sales
Office & Showroom:

 800-332-7922

 ipicustomerservice@iowa.gov

 www.iaprisonind.com