



Meeting Minutes
Iowa Prison Industries Advisory Board
Friday, September 29, 2017
Anamosa State Penitentiary, Anamosa, IA

Present: Dr. Doug Hillman, Robert Carr, Sheila Wilson, Jennifer Gardner, Bonnie Winther, Dan Clark.

Absent: Terry Goodman, Dr. Jenny Foster.

Staff: Al Reiter, Ann Pollock, Julie Schaefer, Mike Lynch.

Guests: Warden Bill Sperfslage.

I. Call to Order.

Dr. Doug Hillman called the meeting to order at precisely 9:00am on September 29, 2017.

II. Approval of Minutes.

Dr. Hillman called for approval of the minutes from the Board's meeting held June 16, 2017. Ms. Gardner made a motion to accept the minutes as submitted, and the motion was seconded by Ms. Wilson. All were in favor and the June minutes were approved.

III. Proposed process for ratification of contractor sales.

As requested by the Board, Mr. Clark had prepared, for the Board's consideration, a revision to the process for the approval of IPI sales to private contractors (attached to these minutes). Mr. Carr made a motion to approve the revised process, which was seconded by Ms. Gardner. During discussion of the motion, Mr. Clark affirmed that these sales must ultimately benefit a governmental agency, school district or other eligible customer, and that the end customer must have contacted IPI in writing about the proposed sale. Mr. Clark also stated that all sales to private contractors are posted to the IPI website for transparency purposes. The motion was adopted unanimously, and Mr. Carr stated that it should be put in effect immediately.

IV. Warden's Discussion.

Warden Bill Sperfslage thanked the Board and IPI for its support of institutional programs, and related how the safety and security of the prison is enhanced when 180 men have an 8-hour job every day at IPI. The warden pointed to recent replacement concrete work and new shipping docks as an example of the good cooperation between IPI and ASP, and told the Board that Mr. Reiter, IPI Plant Manager, is a valued member of the institution's management staff. There was discussion about the suspension of operations at the Luster Heights Unit, which is roughly 90 miles from Anamosa. The Warden stated that all 13 LUH staff had been offered positions at ASP, and was pleased that 11 had joined the institution. Warden Sperfslage discussed recent changes to "Chapter 20", and stated that the safe and effective operation of the prison depends upon a trained and motivated staff. By his observation, the "dust had settled" for the most part, and he confirmed that all jobs were still being posted via the state system. The warden stated there are currently about 230 offenders serving a life sentence at ASP, about 25% of the overall population.

V. IPI Farms Review.

Ms. Schaefer and Mr. Lynch reviewed calendar 2016 results for IPI Farms. Farms posted a loss of \$163,749 for the year, which was attributed to a lower cattle market (calf sales were down \$138,000) and lower rental income (down \$164,000). In addition, commodity prices for corn and beans remained low. More recently, cattle markets had improved, and calf weights at the auction were higher for all three farm locations (Anamosa, Newton and Ft. Madison). Ms. Schaefer reviewed the land rental auction process, and explained that the leases are staggered so that they don't all come due simultaneously.

Dr. Hillman noted the general downward trend for offender hours at Newton and Anamosa, but Ms. Schaefer mentioned that the number of available "outs workers" at Anamosa was up following the closure of LUH, so she expected some rebound there. Mr. Lynch mentioned that following the closure of the John Bennett minimum unit at Ft. Madison, offenders for Farm 3 in Montrose were coming from Mt. Pleasant, and that this process was working well.

Mr. Lynch described the continued work on nutrient management practices, and that 2017 marked the first year that the Anamosa farms were 100% no-till. Data from the upcoming harvest would help us understand any impact on yields.

VI. Traditional Industries FY17 Review.

Ms. Pollock reviewed the financial figures for FY17, including the Balance Sheet, Income Statement, and Cash Flow Statement. IPI posted a positive Net Sustainable Income of \$79,069 for the year, but most importantly, offender training hours had increased by 49,881 to a total of 912,474.

Mr. Carr inquired whether the new DOT design for license plates would provide additional work training opportunities, and Mr. Reiter explained that no, it would not. The new plate would simply be a "rolling change" and that motorists would not be reissued new plates except for the normal reasons.

Ms. Wilson inquired as to the performance of the Showroom call center training program, which is overseen by Mr. Bob Fairfax, sales and marketing manager. The Board requested that Mr. Fairfax review the program metrics at the December meeting.

VII. IPI Program Participants.

The Board reviewed participation in the IPI program by race as compared to the overall prison population, as well as citizenship status. Mr. Clark informed the Board that IPI managers strive to reflect the racial makeup of the host institution, and also to provide opportunities to offenders serving a life sentence at the level of the host prison (for example, Anamosa at roughly 25%). Mr. Clark said there is no requirement for U.S. citizenship (15 of the 598 IPI program participants are classified as Illegal Aliens), that IPI offers its program to all interested and motivated offenders. Board Members discussed the proper level of non-citizens and life sentences given the legislative intent for IPI to prepare offenders for re-entry. Recognition was given to the mentoring and stability role that lifers play, without which the IPI program might not be sustainable. Warden Sperfslage described an offender from the Anamosa Metal Furniture shop that had

died while working this past summer – this offender was a non-citizen serving a life sentence, but had aided and mentored many shorter term offenders over the years.

Ms. Wilson asked whether there was evidence that all offenders were given an equal opportunity to join the program in a position that was “more employable” than others. She gave the example of welder (highly employable) versus a call center agent. Mr. Clark stated that no, IPI and the DOC did not tabulate data on race versus position, only the totals for the program by location. Ms. Wilson asked to receive a list of all IPI position titles, which Mr. Clark will provide to all Board Members.

(Note: after the meeting had adjourned, Ms. Wilson and Dr. Hillman toured ASP, including the youthful offender unit and several IPI shops. While inside the braille shop, an offender serving a life sentence discussed his role within IPI, and stated that working at IPI gave him reason to hope. It bears mentioning that offenders with no reason to hope can be difficult, and even dangerous, individuals within a correctional setting. Allowing lifers and non-citizens to participate in IPI programs helps to lessen these kinds of situations, which enhances the safety of correctional employees and the public.)

VIII. Private Sector Update.

Mr. Clark reviewed potential new projects from across the state, and related that Iowa employers are having great difficulty finding a sufficient number of qualified employees. This is particularly true in rural areas of our state. Hence these companies are turning to IPI for offender labor. Mr. Clark described one such employer, who was forced to send work out of state, and even to Mexico, because it could not fulfill its customer requirements with its Iowa workforce.

Addressing a previous Board inquiry, Mr. Clark stated that under Iowa Code §85.59, offenders in any work assignment (private sector or any other) are covered under the state’s worker compensation program.

Mr. Clark provided a copy of an email from Mr. Ken Sagar (Iowa Federation of Labor) expressing opposition to the “use of prison labor in Iowa”. Ms. Winther stated that she had confirmed with Mr. Sagar that this opposition did not include traditional IPI work programs such as license plates and furniture, but rather was directed at Prison Industry Enhancement (PIE) programs that allow incarcerated men and women to work for private companies, when these companies can demonstrate that no civilian employees would be displaced. Mr. Clark said that two PIE applications were currently under review by the US Dept of Justice, and that Mr. Clark had provided a copy of Mr. Sagar’s email to the USDOJ.

Mr. Clark provided a copy of Iowa Code §904.809, highlighting the section allowing private companies to subcontract with IPI. This subcontracting would require the same review and approval process as any other PIE program, and Mr. Clark said he was merely informing the Board, should such a project come forward for approval. He reviewed for the Board the approval process for a PIE program, which includes state and federal review, plus approval by the IPI Advisory Board itself.

Mr. Clark provided data from Iowa Workforce Development showing the number of civilian employees at each PIE program partner. Mr. Clark explained that this information is used to monitor companies that employ offenders, to ensure that the companies do not lay off civilian employees in order to hire more offenders. During the review, Mr. Clark identified several companies that had stopped employing offenders altogether when their business needs slowed. He said that in his dealings with Iowa employers, the use of offender labor was a “last resort” when the companies simply could not find enough civilians. Although it might seem that offenders are less costly to employ (companies do not need to provide benefits such as health insurance), the high turnover rate of offender labor is costly and a business disruption that most companies would prefer to avoid. Mr. Clark also stated that employers must transport the offenders to and from the institution, which can be costly and difficult to arrange on a consistent basis.

IX. New Business.

Mr. Carr inquired as to whether IPI or any Board member saw a need for proposed changes in legislation. None was offered.

X. Adjourn

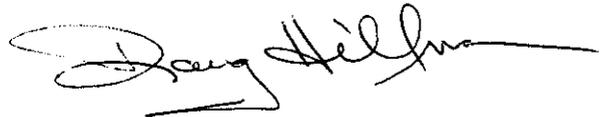
Dr. Hillman called for a motion to adjourn the meeting. Mr. Carr made the motion to adjourn the meeting, seconded by Ms. Wilson. All were in favor and the meeting was adjourned at 12:15pm.

Minutes submitted by:



Dan Clark, Director

Minutes approved by:



Dr. Doug Hillman, Chair