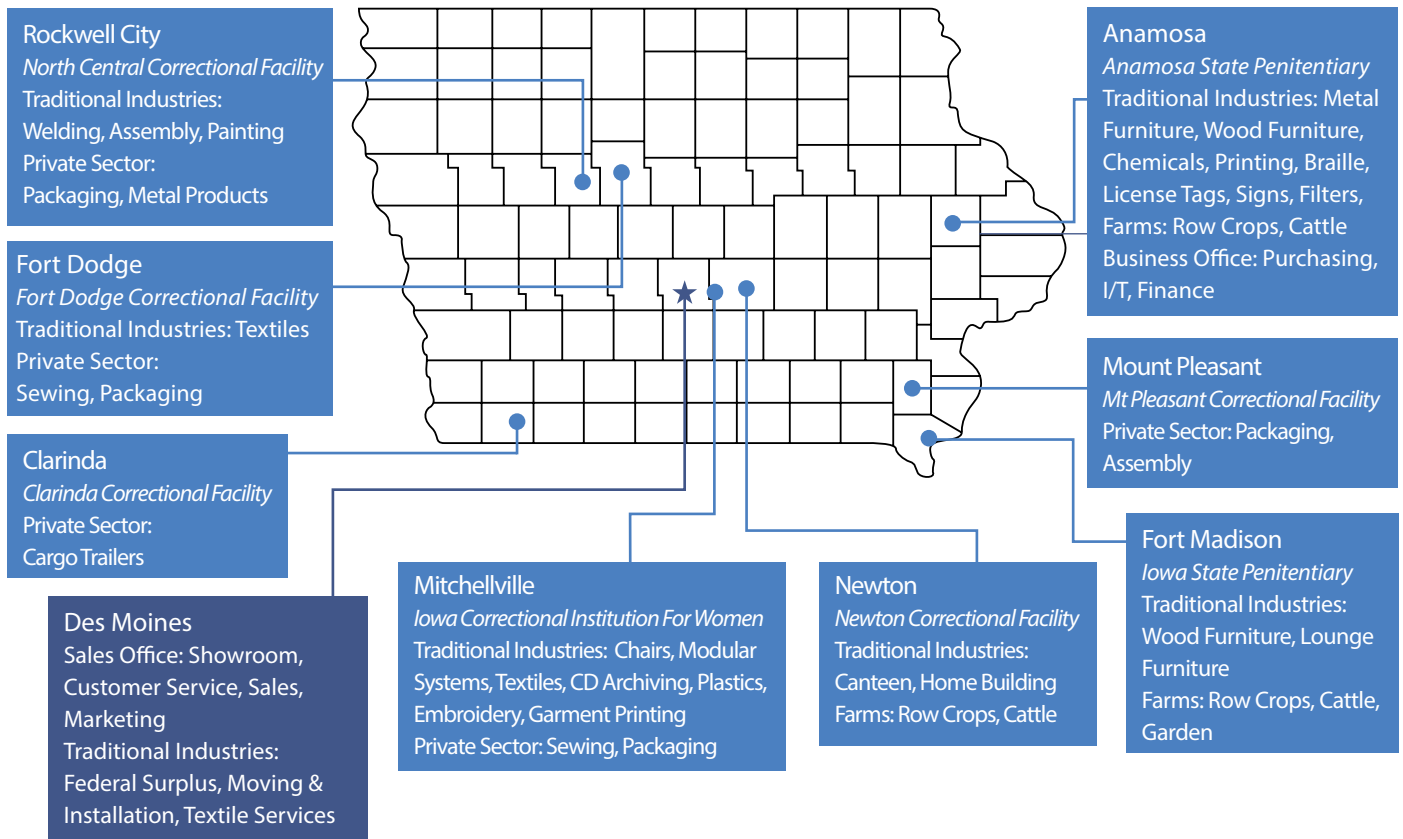


# FY2021 ANNUAL REPORT



# LOCATIONS



# CONTACT INFORMATION

**Sales Office/Showroom**  
 800-332-7922 | Fax: 800-741-0390  
 1445 E Grand Avenue  
 Des Moines, IA 50316

**Bob Fairfax** | 515-249-7588  
 Director of Sales & Marketing

**Jeff Peterson** | 515-249-0694  
 County, State, and Federal Government, Non-Profit Organizations

**Albert Carr IV** | 515-330-0095  
 K-12 Education

**Tammy Nielson** | 515-669-1954  
 Churches, City Government, Colleges & Universities, Health Care

**Kevin Peterson** | 319-350-8536  
 DOC/DHS Institutions, Regents Universities, Service Statewide

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

**Sara Schnotala** | 515-725-8706  
 County, State and Federal Government, Non-Profit Organizations

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

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

**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

**Federal Surplus Move & Install**  
 600 SE 18th Street  
 Des Moines, IA 50317  
 Phone: 515-266-6913

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

**IPI Plants**  
 Anamosa: 319-462-3439  
 Fort Madison: 319-316-7180  
 Mitchellville: 515-725-5310  
 Newton: 641-791-9242  
 Rockwell City: 712-297-7717  
 Fort Dodge: 515-705-7227

# LETTER FROM THE IPI DIRECTOR



Dear friends of IPI:

Fiscal year 2021 will forever be remembered for the horrific murders of Correctional Officer Robert McFarland and Registered Nurse Lorena Schulte on March 23rd at the Anamosa State Penitentiary. The killings took place as part of a failed escape attempt, and one of the convicted killers was an IPI program participant. The deaths of Officer McFarland and Nurse Schulte led to changes across all IDOC facilities, and meant many changes at IPI as well.

The most immediate effect was the suspension of all IPI programs in Anamosa and at the Iowa State Penitentiary in Fort Madison. Subsequently, it was decided to permanently end furniture production at these two locations. Plans for new programs in CNC Machining and Software Development were shelved. Across all institutions, movement and tool control procedures were revised, and a number of men and women were removed from IPI programs for security reasons.

In addition, COVID continued its grip on the Department and IPI, as staff and associates continued to wear both cloth masks and plastic face shields, and restricted movement (“lockdowns”) took place at various institutions with regularity. Off-grounds programs were halted for the entirety of the year. Virtual meetings and remote work became the norm for those positions that allowed it, including the IPI Training Conference during October, which became a four day online event.

Despite these challenges, the men and women of IPI continued to carry out our Mission – reducing recidivism and positively impacting the lives of those that participate in the IPI program. This certainly wasn’t easy, and as Iowa citizens we all owe the IPI staff a big note of gratitude!

Halting operations in Anamosa and Fort Madison led to a 31% decline in training hours for traditional industries. However, training hours in the Canteen, Home Building

and Private Industries programs increased by an incredible 80%, leading to an overall growth at IPI of 5%, to a new all-time record of 1,239,412 hours.

Overall Net Sales increased by 4.4% to \$32.0 million. However, significant write-downs were taken on materials and equipment with the closure of the furniture shops, leading to a reported loss of (\$540,489).

Private Industries grew significantly as employers struggled to find enough employees to meet their needs. Iowa’s unemployment rate fell to 4.0% by the end of FY21, and has continued to trend even lower. Men and women in this program earn civilian wages, and paid \$4.8 million in income taxes, restitution and victim compensation, and room and board. We expect these numbers to increase further in FY22 as off-grounds programs resume.

For IPI Farms, continued low commodity prices led to a loss of (\$253,993) on revenues of \$1,861,524. However the situation for 2021 looks considerably brighter.

More doors are open to people leaving prison than ever before, and our IPI staff remains dedicated to preparing incarcerated individuals for their release. We know through research that work training and vocational education are among the most important factors in ensuring success for the thousands of men and women that return to Iowa communities every year from state prison.

Heading into FY2022, we remain confident that programs will resume in Anamosa and Fort Madison, along with continued growth in home building, canteen and private industries.

I know you share my tremendous pride in the men and women that make up the IPI program, so please stay safe and enjoy our FY2021 Annual Report!

# IPI ADVISORY BOARD



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



**Tim Diesburg**  
DOC Representative  
Former IPI-DOC Employee  
Anamosa

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.



**Yvonne (Bonnie) Winther**  
Labor Representative  
Communications Workers of America  
Waterloo



**Andrew Bright**  
Manufacturing Representative  
Pella Corporation  
Carroll



**Megan Ellsworth**  
Vocational Education Representative  
Des Moines Area Community College  
Reasnor



**Jennifer Gardner**  
Agricultural Representative  
Farmer & Teacher  
Douds



**Sheila Wilson**  
Parole Board Representative  
Iowa Board of Parole  
West Des Moines

# IPI MANAGEMENT TEAM



**Ann Pollock**  
Chief Financial Officer



**Robert (Bob) Fairfax**  
Sales & Marketing Manager

The Management Team ensures that IPI provides meaningful work training for inmates in a safe and secure environment, while remaining self supporting. As with private corporations, IPI managers must deliver the price, quality and service that customers demand. They are also responsible for financial management, including budgeting, sales analysis, and expense control.



**Jeff Bailey**  
Interim Fort Madison Plant  
Manager



**Justin Opfer**  
Mitchellville Plant Manager  
Newton Plant Manager  
Fort Dodge Plant Manager



**Al Reiter**  
Anamosa Plant Manager  
Rockwell City Plant Manager



**Clint Schmidt**  
Des Moines Operations Manager



**Mike Lynch**  
Farms Director

# 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:

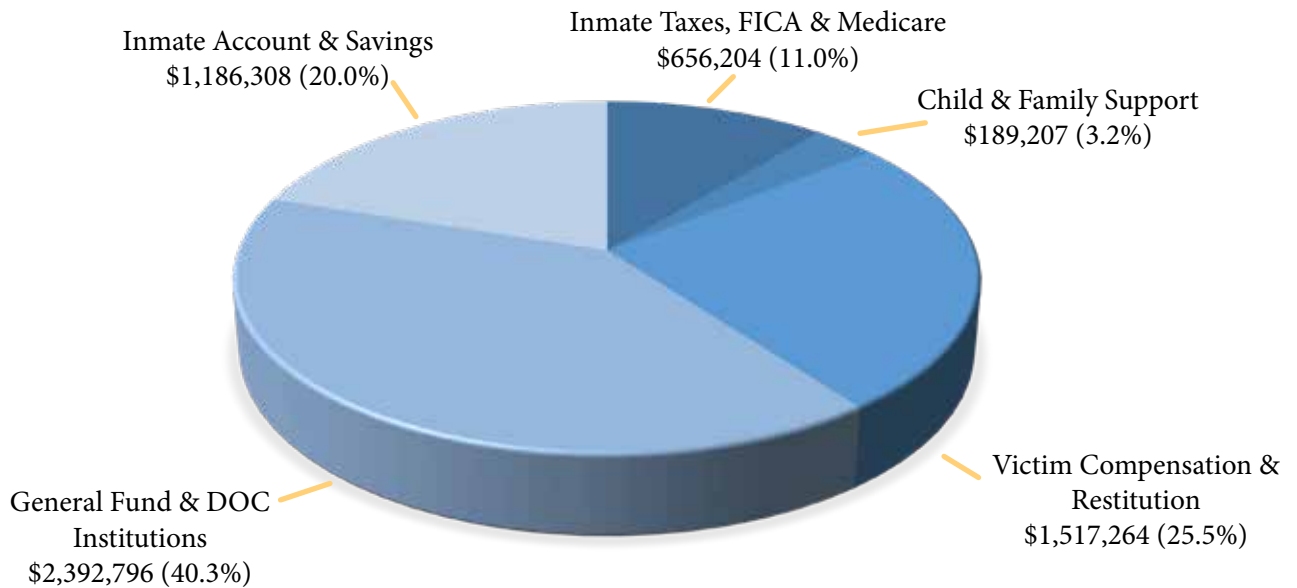
- 1** To develop within those inmates willing to accept and persevere in such work:
  - a)** Positive attitudes which will enable them to eventually function as law-abiding, self-supporting members of the community;
  - b)** Good work habits that will assist them in eventually securing and holding gainful 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.

# FINANCIALS

## PRIVATE INDUSTRIES

	FY2021	FY2020	Increase/(Decrease)
<b>Inmate Participants</b>	<b>348</b>	<b>328</b>	<b>(20)</b>
Gross Wages	\$5,941,779	\$5,636,446	\$305,333
Withholdings for Taxes, FICA & Medicare	656,204	856,548	(200,344)
Court Ordered Child & Family Support	189,207	208,423	(19,216)
Victim Compensation & Restitution Payments	1,517,264	1,523,446	(6,182)
Returned to Iowa's General Fund & DOC Institutions	2,392,796	1,924,332	468,464
Amount Deposited in Inmate Account & Savings	1,186,308	1,123,697	62,611

Wage Disbursement for Private Sector Inmates

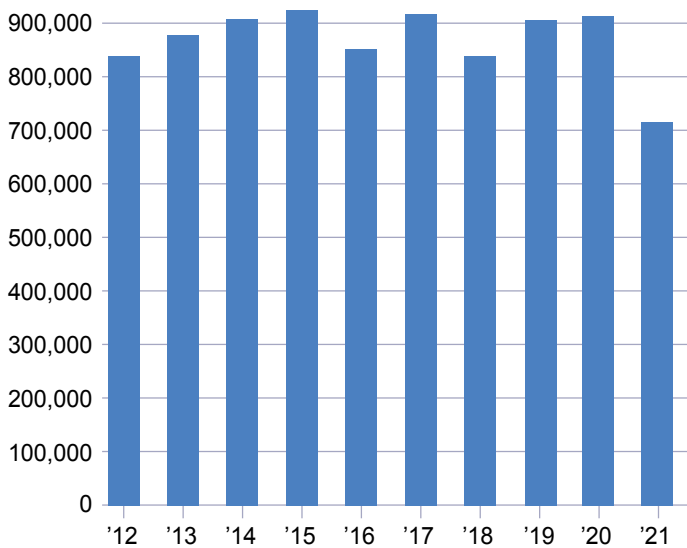


# FINANCIALS

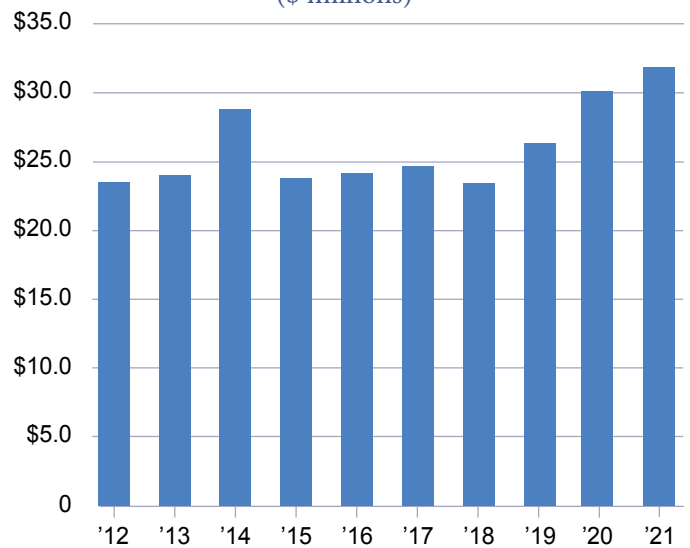
## TRADITIONAL INDUSTRIES

	FY2021	FY2020	Increase/(Decrease)
<b>Total Hours Worked</b>	<b>703,679</b>	<b>904,204</b>	<b>(200,525)</b>
Inmates Employed (FTE)	338.3	434.7	(96.4)
<b>Income Statement</b>	<b>FY2021</b>	<b>FY2020</b>	<b>Increase/(Decrease)</b>
Sales	31,950,628	30,612,630	1,337,998
Costs of Goods Sold	27,893,207	25,008,343	2,884,864
Gross Profit	4,057,422	5,604,287	(1,546,866)
Operating Expenses	4,046,095	4,791,434	(745,339)
Canteen Redistribution	551,816	800,635	(248,819)
<b>Net Sustainable Income/(Loss)</b>	<b>(\$540,489)</b>	<b>\$12,218</b>	<b>(\$552,760)</b>

Training Hours for IPI Traditional Industries



Net Sales for IPI Traditional Industries (\$ millions)





Balance Sheet	FY2021	FY2020	Increase/(Decrease)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	8,928,451	7,677,463	1,250,988
Accounts Receivable	4,174,551	3,437,498	737,053
Inventory	3,949,724	6,335,729	(2,386,005)
Prepaid Expenses	154,455	69,505	84,950
<b>Total Current Assets</b>	<b>17,520,195</b>	<b>18,628,080</b>	<b>(1,107,885)</b>
<b>Property, Plant &amp; Equipment</b>			
Land	222,666	222,666	0
Machinery & Equipment	2,534,074	2,227,810	306,264
Buildings	5,212,229	5,645,487	(433,258)
Vehicles	67,440	108,875	(41,435)
<b>Total Property, Plant &amp; Equipment</b>	<b>8,036,409</b>	<b>8,204,839</b>	<b>(168,430)</b>
<b>TOTAL ASSETS</b>	<b>\$25,243,589</b>	<b>\$25,725,034</b>	<b>(\$481,445)</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
Accounts Payable	1,163,838	1,192,689	(28,851)
Deferred Revenue	0	1,385	(1,385)
<b>Total Current Liabilities</b>	<b>1,163,838</b>	<b>1,194,074</b>	<b>(30,236)</b>
<b>Long Term Liabilities</b>			
Accrued Vacations Payable	597,387	596,933	454
Accrued Sick Leave/Ret Pay	335,892	247,066	88,826
<b>Total Long Term Liabilities</b>	<b>933,279</b>	<b>843,999</b>	<b>89,280</b>
<b>Total Equity</b>	<b>23,146,472</b>	<b>23,686,961</b>	<b>(540,489)</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$25,243,589</b>	<b>\$25,725,034</b>	<b>(\$481,445)</b>

# FINANCIALS

## FARMS

	CY2020	CY2019	Increase/(Decrease)
Total Hours Worked	15,450	23,424	(7,974)
Inmates Employed (FTE)	8.36	11.58	(3.22)

<b>Income Statement</b>	<b>CY2020</b>	<b>CY2019</b>	<b>Increase/(Decrease)</b>
Revenues & Gain/Loss on Inventory	1,861,524	1,976,231	(114,707)
Total Operating Expenses	2,129,443	2,222,243	(92,800)
Operating Income	(267,919)	(246,012)	(21,907)
Other Income/(Expense)	13,926	(20,581)	34,507
<b>Net Sustainable Income/(Loss)</b>	<b>(\$253,993)</b>	<b>(\$266,593)</b>	<b>12,600</b>

<b>Balance Sheet</b>	<b>CY2019</b>	<b>CY2019</b>	<b>Increase/(Decrease)</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	908,740	986,907	(81,166)
Accounts Receivable & Other	1,504,491	1,522,266	(17,776)
<b>Total Current Assets</b>	<b>2,410,231</b>	<b>2,509,173</b>	<b>(98,942)</b>
<b>Fixed Assets</b>			
Vehicles & Buildings (net)	417,010	490,834	(73,824)
Total Mach/Equip/Purch Breeding Stock	378,423	431,318	(52,895)
<b>Total Fixed Assets</b>	<b>795,433</b>	<b>922,152</b>	<b>(126,719)</b>
<b>Total Other Assets (Land, PPE, &amp; Other)</b>	<b>605,354</b>	<b>616,777</b>	<b>(11,423)</b>
<b>TOTAL ASSETS</b>	<b>\$3,811,018</b>	<b>\$4,048,103</b>	<b>(\$237,084)</b>

<b>LIABILITIES &amp; EQUITY</b>			
Total Current Liabilities	112,771	105,221	7,551
Total Long Term Liabilities	61,600	52,242	9,358
<b>Total Liabilities</b>	<b>174,371</b>	<b>157,463</b>	<b>16,908</b>
<b>Total Equity</b>	<b>3,636,647</b>	<b>3,890,640</b>	<b>(253,993)</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$3,811,018</b>	<b>\$4,048,103</b>	<b>(\$237,084)</b>

# PRODUCTS & SERVICES

## TOTAL SATISFACTION GUARANTEE

*"We guarantee your Total Satisfaction on all purchases from Iowa Prison Industries! If you are unsatisfied with the quality of the materials or workmanship, we will adjust, repair or replace to YOUR satisfaction."*  
—Dan Clark, Director IPI



### Seating

Executive, Conference, Office & Task, Guest, Stackable, Stool, Education, Lounge, Restoration



### Filing & Storage

File Cabinets, Bookcases, Literature Display, Storage Cabinets, Specialty Storage, Custom Cabinets & Countertops



### Library Furnishings

Circulation Desks, Bookcases & Shelving, Display & Storage, Tables, Seating



### Church Furnishings

Pews & Seating, Pulpits & Lecterns, Tables, General Furnishings, Furniture Restoration



### Parks & Recreation

Wood, Metal & Aluminum Seating & Tables, Trash Receptacles, Smokers' Receptacles, Bike Racks, Parking Lot Products, Grills, Docks & Piers



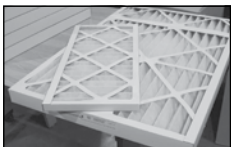
### Office & School Apparel

Embroidery & Garment Printing, School Uniforms, Public Safety Apparel, Public Works Apparel, Briefcases & Bags



### Plastic Bags

Biodegradable, Recycled Content, Printed, Biohazard, Food Storage



### Air Filters

Standard & High Capacity Pleated, Polyester Pad, Synthetic Pocket



### Printing / Graphic Arts

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



### Braille Transcription

Book & Music Transcription, Duplication



### Desks & Tables

Wood & Metal Office Systems, Modular Office Systems, Desks, Conference, Computer, General Use, Folding



### School Furnishings

Classroom, Computer Lab, Science Lab, Music Room, Library, Multi-Purpose, Audio/Visual, Office & Administration, Buildings & Grounds, Outdoor Equipment



### Residence Furnishings

Residential & Dormitory Beds & Accessories, Clothes Storage, Student Desks & Accessories, Lounge Furnishings



### Detention Furnishings

Beds & Accessories, Mattresses, Seating, Tables, Dining Clusters, Storage



### Furniture Restoration

Wood Refinishing, Metal Refurbishing, Reupholstery



### Inmate Clothing & Textiles

Jeans, Scrubs, Jackets, Shirts, Undergarments, Mattresses, Bedding, Bath, Dietary Apparel, Laundry Bags



### Chemicals & Cleaning Supplies

Green Seal Certified, General, Floor Care, Warewash, Laundry, Health Care, Germicidal



### Signs & Decals

No Smoking, MUTCD, Street Markers, Destination, Recreation, School Spirit, Custom, ADA Pictograms, Decals, Vehicle Markings



### 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

# In Memoriam

On March 23, 2021, two Anamosa State Penitentiary staff lost their lives during a failed escape attempt. The sacrifices of Correctional Officer Robert McFarland and Registered Nurse Lorena Schulte will never be forgotten. Pictured below is the memorial garden constructed in their memory.



## 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.