

**U. S. Department of Justice**

**FY 2015 Performance Budget  
Congressional Submission  
Federal Prison System  
Federal Prison Industries**

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# **I. Overview for Federal Prison Industries**

## **1. Introduction**

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

FPI assists inmates with developing vital skills necessary to become law abiding citizens. Through the production of market-priced quality goods and services, FPI provides job training and work opportunities to inmates, while minimizing impact on private industry and labor.

For FY 2015, a total of 1,950 positions and 1,147 work-years are requested for FPI. This request represents no change in positions from the FY 2014 Enacted level. Further, \$2,700,000 is included as the administration limitation for the FPI program. Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: <http://www.justice.gov/02organizations/bpp.htm>.

## **2. Background**

FPI was created by Congress in 1934, and is a wholly owned Government corporation that operates at no cost to the U.S. taxpayer. The Corporation is authorized to operate industries in Federal penal and correctional institutions and disciplinary barracks (18 U.S.C. 4121-4129). UNICOR is the trade name for FPI. The Director of the Federal Bureau of Prisons (BOP), who has jurisdiction over all federal penal and correctional institutions, is the Chief Executive Officer.

FPI reduces inmate idleness by providing a full-time work program and continually strives to attain the ideal goal of employing approximately 25 percent of the eligible inmate population, many of whom enter prison with no marketable job skills. FPI provides a program of constructive work and services wherein job skills can be developed and work habits acquired. Revenues from the Corporation's activities are used to defray all operating costs of the Corporation, including the purchase of raw materials and equipment, staff salaries and benefits, compensation to inmates employed with FPI performing in work details, and compensation to former inmates for injuries they received while employed with FPI.

A board of six Directors, appointed by the President, reviews and approves the policies of the Corporation, long-range Corporate plans, establishment of new industries, and bylaws and capital investments in excess of \$500,000. The Board also submits annual reports to Congress on the conduct of the business of the Corporation and the condition of its funds. General management of the Corporation is vested in an Assistant Director of the FPS, who serves as Chief Operating Officer, and is carried out by a staff of 13 Corporate Management employees located in Washington, DC. Expenses for this administrative function are subject to congressional limitation.

As of September 30, 2013, there were 13,001 inmates employed in 78 FPI factories with a projected employment of 12,303 inmates in Fiscal Year 2014. Inmates manufacture items such as furniture, clothing, electronics, vehicular and metal products, and provide such services as printing, data processing, call centers, and laundry. Products and services of the Corporation are

sold primarily to Federal agencies. The Department of Defense (DOD), Department of Homeland Security (DHS), Department of Justice (DOJ), and General Services Administration (GSA), are FPI's largest customers. The growth of the BOP inmate population and the corresponding need to increase inmate employment while minimizing FPI's effect on private labor and business continues to be FPI's major challenge.

### **3. Challenges**

The following is a brief summary of the role FPI plays in supporting DOJ's Strategic Goals and Objectives.

#### **Strategic Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels.**

- Strategic Objective 3.3: Provide safe, secure, humane, and cost-effective confinement and transportation of federal detainees and inmates.

FPI is one of the BOP's most important inmate re-entry programs, providing valuable job skills training and work experience to 13,001 Federal inmates in FY 2013. FPI directly supports the BOP's mission by keeping inmates productively occupied and by enhancing the likelihood of their successful reentry into society. Inmates who participate in the FPI program are less likely to engage in disruptive behavior, a benefit which contributes significantly to the safe and secure management of prisons, thereby reducing operating costs. Additionally, inmates participating in the FPI program are significantly less likely to return to a life of crime, a result which will reduce the future costs of enforcement and incarceration. FPI is a program with proven lasting benefits, including a reduction in government spending on fighting crime; a positive impact on the U.S. economy through the raw materials purchased from suppliers around the country and the staff salaries spent in the community, all without additional tax burden to society.

Increasing the number of inmate opportunities for employment is an ongoing challenge for FPI. This is evidenced by the continued decline in customer orders during FY 2013, which has led to a reduction in inmate employment from 13,369 at the beginning of the fiscal year to 13,001 as of September 30, 2013.

### **4. Full Program Costs**

FPI operates as a revolving fund and does not receive an annual appropriation. FPI maintains a proprietary, full accrual accounting system. Cash control measures implemented during FY 2009 through FY 2013 have resulted in a reduction of non-cash assets in order to preserve cash. Based on anticipated orders (Revenues), this budget reflects the associated costs to produce the products and services and maintain the facilities for manufacturing, adjusted for anticipated replenishments. FPI monitors the following program's activities: Sales Volume, Number of Factories and Inmate Employment. These activities directly relate to FPI's goals of inmate reentry success and a safe, secure and less costly population management.

FPI sales have been negatively impacted by the passage of Sections 811 and 819 of the National Defense Authorization Acts of 2002 and 2003, and Section 637 of the FY 2004 and FY 2005 Omnibus Appropriations Bills, which changed the nature of FPI's mandatory source status. More recently, Section 827 of the National Defense Authorization Act of 2008 further eroded FPI's procurement preference.

Sales, Factory Earning and Net Income for Federal Prison Industries  
*FY 2009 – FY 2013*

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Sales	885,265,000	776,984,000	745,423,000	606,114,000	533,337,000
Factory Earnings	37,614,000	5,634,000	62,009,000	31,713,000	46,215,000
Net Income/(Loss)	(\$35,869,000)	(\$56,328,000)	(\$1,810,000)	(\$28,251,000)	(\$4,252,000)

In FY 2013, Sales decreased by \$72.7 million when compared to FY 2012. Factory Earnings increased by \$14.5 million while the net loss was reduced by \$24 million. The decrease in Net Loss is the result of FPI's efforts to reduce inventories and expenditures through capacity reductions.

## 5. Performance Challenges

### External Challenges

FPI does not receive appropriated funding for operations and sustains itself through its operations. Historically, FPI operates on a very low margin. The margins are much lower than that of a non-government corporation of similar size and longevity. FPI has been able to sustain itself despite the continued large numbers of incarcerated inmates.

The delicate balancing act between self sufficiency and growth create a sizable challenge for FPI. Additionally, FPI is faced with challenges that may impact this balance, including changes to FPI's position as a supplier to the Federal Government (preference provided to FPI) and increases in costs not directly controlled by FPI.

### Internal Challenges

FPI faces challenges similar to that of a non-government corporation. These challenges include: control of costs, collection of accounts receivable, control of raw materials inventory levels, and stability of sales.

During FY 2013, FPI incurred an operating loss of \$4.3 million; FPI's accounts receivable increased by \$12.9 million; FPI reduced inventories by \$33.8 million while operating cash decreased by \$10.6 million.

To guard against future losses, FPI began reorganizing operations in FY 2009, which continued into FY 2013. FPI implemented cost containment measures by delaying inmate employment and factory activations at new Federal prison facilities while consolidating operations, downsizing and/or closing some existing factories. Despite these efforts to create additional savings and efficiencies, additional adjustments were needed to ensure FPI's ability to sustain itself in the future. Cost containment measures continue in FY 2014.

## 6. Environmental Accountability

The BOP has implemented an Environmental Management System (EMS) policy, which covers FPI. FPI integrates environmental accountability in its day-to-day decisions locally through membership and representation from each FPI factory on BOP's institution EMS Committees,

which consist of staff responsible for environmental concerns for that institution. Each institution has now self certified that an EMS has been implemented -- this includes FPI factories within those facilities. An FPI factory representative also participates on the Environmental Management and Occupational Health and Safety Committee (EMOHSC), which oversees EMS policy and institution-wide environmental concerns.

The BOP developed a three-year audit cycle schedule to second-party certify each BOP institution's EMS.

In addition, FPI continues to be proactive in its environmental accountability by taking measures such as efforts to manufacture and sell solar panels to the Federal government in furtherance of its greening initiatives.

### **III. Appropriations Language and Analysis of Appropriations Language**

#### **Federal Prison Industries, Incorporated**

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation.

*(Department of Justice Appropriations Act, 2014.)*

#### **Limitation on Administrative Expenses, Federal Prison Industries, Incorporated**

Not to exceed \$2,700,000 of the funds of the Federal Prison Industries, Incorporated shall be available for its administrative expenses, and for services as authorized by section 3109 of title 5, United States Code, to be computed on an accrual basis to be determined in accordance with the corporation's current prescribed accounting system, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which such accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

*(Department of Justice Appropriations Act, 2014.)*

#### **Analysis of Appropriation Language**

No substantive language changes.

## IV. Program Activity Justification

### A. Federal Prison Industries

<b>Federal Prison Industries</b>	<b>Direct Pos.</b>	<b>Estimate FTE</b>	<b>Amount</b>
2013 Enacted with Rescissions and Sequestration	1,950	1,147	\$614,742
2014 Enacted	1,950	1,147	631,677
Adjustments to Base and Technical Adjustments			26,131
2015 Current Services	1,950	1,147	657,808
2015 Request	1,950	1,147	\$657,808
<b>Total Change 2014-2015</b>	<b>0</b>	<b>0</b>	<b>\$26,131</b>

#### 1. Program Description

Federal Prison Industries (FPI) employs many inmates who do not have marketable skills when they enter prison. FPI provides a program of constructive work wherein job skills can be developed and work habits acquired, thereby reducing the likelihood that inmates will recidivate upon release. FPI employment reduces inmate idleness by providing full-time work programs that improve prison safety and security. FPI continually strives to attain the goal of employing approximately 25 percent of the eligible inmate population

FPI's operations are self-sustaining. Revenues are derived from the sale of products and services to other Federal departments, agencies, and government institutions which purchase products listed on FPI's Schedule of Products. FPI provides services on a non-mandatory, preferred source basis. Operating expenses such as the costs of raw materials and supplies, inmate wages, staff salaries, and capital expenditures are applied against these revenues, resulting in operating income or loss, which is reapplied toward operating costs for future production.

Institution factories are operated by civilian supervisors and managers responsible for training and overseeing the work of inmates. The factories utilize raw materials and component parts purchased from the private sector to produce finished goods. FPI's major Government customers include the Departments of Defense (DOD), Department of Homeland Security (DHS), Department of Justice (DOJ), and General Services Administration (GSA). Institution factories manufacture such items as furniture, clothing, electronics, vehicle retrofit and metal products, and provide such services as printing, data processing, call centers, laundry, and recycling activities. Orders for goods and services are obtained through marketing and sales efforts by civilian staff. A portion of the earnings realized by these operations is reinvested to improve and build new facilities, purchase equipment, maintain the existing equipment base, and provide working capital.

Extensive testing and product development procedures are required to operate modern factories that produce products which meet Government specifications. Inmate training is also extensive because most of the inmates have no previous training, experience or skills. Most training is on-the-job, with the civilian supervisors and experienced inmates explaining and demonstrating the work to newly assigned inmates. Where skills require more formal training, such as soldering, classroom instruction is provided by FPI staff.



FPI makes capital investments in buildings and improvements, machinery, and equipment as necessary in the conduct of its operations. Other expenses charged to the manufacturing program include inmate accident compensation.

In 1988, Congress amended FPI's statute regarding the production of new products and significant product expansion (18 U.S.C. 4122). Before any significant product expansion or new products are manufactured, a review process is conducted, which includes full notice to and input from the public and interested parties. Implementing guidelines were first promulgated in 1990 and updated in 1997, with input from the private sector.

As required under the Federal rules, commonly referred to as the Guidelines process, when FPI proposes to produce a new product or expand its market share of an existing product, it first must conduct a market impact study. This study must identify and consider the number of vendors currently meeting the requirements of the Federal government; the proportion of the Federal market for the product currently served by small businesses, small disadvantaged businesses, or businesses operating in labor surplus areas; the size of the Federal/non-Federal markets for the product; the projected growth in the Federal government's demand for the product; and the projected ability of the Federal market to sustain both FPI and private vendors. FPI then must announce in the Federal Business Opportunities (Fed Biz Opps) its proposal and invite comments from private industry. FPI must also directly notify those trade associations affected and allow them to provide comment.

FPI's Board of Directors is appointed by the President, and by statute is composed of six members representing Industry, Labor, Retailers and Consumers, Agriculture, the Secretary of Defense, and the Attorney General. The Board is provided copies of the market impact study, the comments received, and FPI's recommendations. The Board also holds hearings that the public can attend and provide testimony.

At the conclusion of this process, the Board renders its decision, which is also published in the Federal Business Opportunities (Fed Biz Opps). Parties can appeal to the Board if and when market conditions change or new facts could impact the decision.

2. Performance and Resource Tables

PERFORMANCE AND RESOURCES TABLE												
Decision Unit: Federal Prison Industries												
RESOURCES			Target		Actual		Projected		Changes		Requested (Total)	
			FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
			1,147	614,742	1,147	614,742	1,147	631,677	0	26,131	1,147	657,808
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Program Activity	3.3	Sales Volume	1,147	614,742	1,147	614,742	1,147	631,677	0	26,131	1,147	657,808
Performance Measure: Output	3.3	Number of Inmates Employed	13,001		13,001		12,303				12,303	
Performance Measure: Outcome	3.3	Number of eligible inmates employed as a percentage of inmates housed in low, medium, and high security institutions.	25%		7%		25%*				25%*	

\*25% of inmates released by the BOP who have spent 2 years or more in FPI appropriate facilities will have at least 180 days of FPI experience. This resulted from a Board proposal that was approved on January 23, 2014.

**PERFORMANCE MEASURE TABLE**

**Decision Unit: Federal Prison Industries**

Strategic Objective	Performance Report and Performance Plan Targets		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013		FY 2014	FY 2015
			Actual	Actual	Actual	Actual	Target	Actual	Target	Target
	3.3	Performance Measure	Recidivism for FPI inmates vs non-FPI inmates (3yrs.)	22%	18%	12%	N/A	N/A	N/A	N/A
3.3	Performance Measure	Recidivism for FPI inmates vs non-FPI inmates (6yrs.)	12%	19%	N/A <sup>1</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>
3.3	Efficiency Measure	Number of Inmates Employed	16,972	15,907	14,200	13,369	12,819	13,001	12,303	12,303

**N/A = Data unavailable**

<sup>1</sup> In FY 2010 reporting was redefined to only include 3 year measurement. Therefore, BOP will only report on the 3 year measure beginning FY 2011.

### 3. Performance, Resources, and Strategies

Federal Prison Industries (FPI) contributes to the Department's Strategic Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels. Specifically, FPI implements one of the Department's Strategic Objectives: 3.3 – Provide safe, secure, humane, and cost-effective confinement and transportation of federal detainees and inmates.

#### A. Performance Plan and Report for Outcomes

As illustrated in the preceding Performance and Resources Table, the efficiency measure for FPI is the number of inmates employed as a percentage of inmates housed in low, medium and high security facilities. FPI's actual inmate employment as of September 30, 2013 was 13,001. FPI's projected inmate employment will decrease to approximately 12,303 in FY 2014 and FY 2015. Due to several factors external to the work environment, FPI has encountered a decline in customer orders during FY 2008 through FY 2013. During the same time frame, FPI experienced the impact of rising costs, legislation restricting its mandatory source and imposing limits on its output in certain product classes, and the impact of the decline in the economy. In order to maintain itself as a going concern, FPI implemented considerable cost reduction measures, which included the closing of factories, and therefore unavoidably reduced the number of inmates it employs. FPI continues to seek business opportunities through marketing efforts. In its FY 2012 submission, FPI proposed legislation to open new markets and was successful in obtaining additional authorities through the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112-55), which authorized FPI to participate in the Prison Industries Enhancement Certification Program (PIECP) and repatriate the foreign manufacture of products in certain circumstances as approved by FPI's Board of Directors. Additionally, during FY 2013, FPI placed renewed emphasis on the use of job-share and half-time inmate workers. This should increase the number of inmates participating in the FPI program while reducing the per-inmate cost of employment.

#### B. Strategies to Accomplish Outcomes

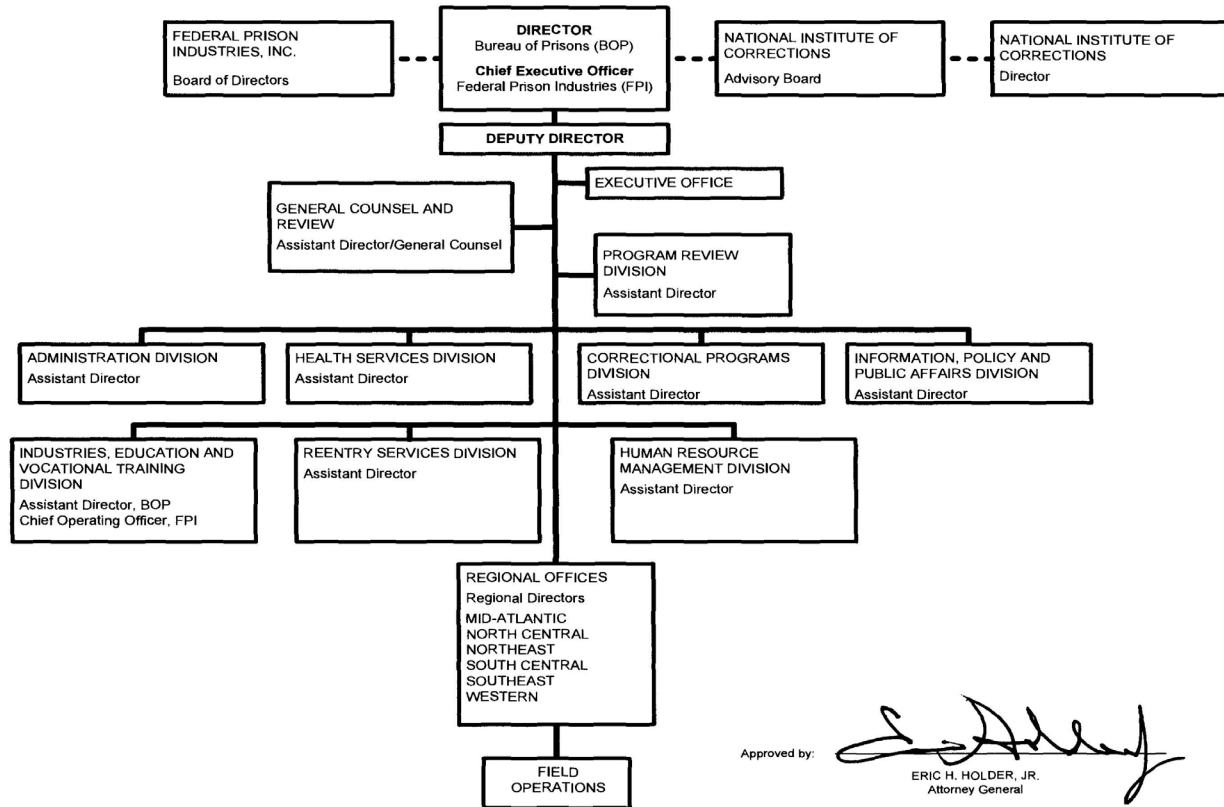
FPI's performance goals support the DOJ's strategic goals and objectives. For FY 2015, a total of 1,950 positions and 1,147 workyears are requested. Further, \$2,700,000 is established as the Administrative Expenses limitation for the FPI program.

FPI's primary goal for population management is to proactively manage the offender population through meaningful work programs. FPI meets this objective by reducing undesirable inmate idleness, the number one cause of inmate unrest and violence in prison, through full-time work programs that provide constructive work wherein job skills can be developed and work habits acquired. At the end of FY 2013, FPI employed 13,001 inmates and provided work skills training to help ensure the safe and secure operation of BOP institutions. In this way, FPI plays a vital role in the management of inmates, and also improves the likelihood that inmates will remain law abiding after their release from BOP custody.

#### C. Priority Goals N/A

A: Organization Chart

**FEDERAL BUREAU OF PRISONS**



Approved by:   
ERIC H. HOLDER, JR.  
Attorney General

Date: 5/16/13

B. Summary of Requirements

**Summary of Requirements**

Federal Prison System  
 Federal Prison Industries  
 (Dollars in Thousands)

	FY 2015 Request		
	Direct Positions	FTE	Amount
<b>2013 Enacted</b>	<b>1,950</b>	<b>1,147</b>	<b>701,276</b>
2013 Rescissions (1.877% & 0.2%)			-56
2013 Sequester			
2013 Balance Rescission			0
2013 Reduction in Programs			-86,478
<b>Total 2013 Enacted (with Rescissions and Sequester)</b>	<b>1,950</b>	<b>1,147</b>	<b>614,742</b>
<b>2014 Enacted</b>	<b>0</b>	<b>0</b>	<b>0</b>
2014 Balance Rescission	0	0	0
2014 Increase in Programs	0	0	16,935
<b>Total 2014 Enacted (with Balance Rescission)</b>	<b>1,950</b>	<b>1,147</b>	<b>631,677</b>
<b>Technical Adjustments</b>			
N/A	0	0	0
<b>Total Technical Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Base Adjustments</b>			
Other Adjustments - Adjustment in Investment Activity			26,131
<b>Total Base Adjustments</b>	<b>0</b>	<b>0</b>	<b>26,131</b>
<b>Total Technical and Base Adjustments</b>	<b>0</b>	<b>0</b>	<b>26,131</b>
<b>2015 Current Services</b>	<b>1,950</b>	<b>1,147</b>	<b>657,808</b>
<b>Program Changes</b>			
Increases:			
N/A	0	0	0
Subtotal, Increases	0	0	0
Offsets:			
N/A	0	0	0
Subtotal, Offsets	0	0	0
<b>Total Program Changes</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2015 Total Request</b>	<b>1,950</b>	<b>1,147</b>	<b>657,808</b>
2015 Balance Rescission	0	0	0
<b>2015 Total Request (with Balance Rescission)</b>	<b>1,950</b>	<b>1,147</b>	<b>657,808</b>
2014 - 2015 Total Change	0	0	26,131

Note: The FTE for FY 2013 is actual and for FY 2014 and FY 2015 is estimated.

**B. Summary of Requirements**

**Summary of Requirements**

Federal Prison System  
 Federal Prison Industries  
 (Dollars in Thousands)

Program Activity	2013 Enacted with Rescissions and Sequester			2014 Enacted			2015 Technical and Base Adjustments			2015 Current Services		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Federal Prison Industries	1,950	1,147	614,742	1,950	1,147	631,677	0	0	26,131	1,950	1,147	657,808
<b>Total Direct</b>	<b>1,950</b>	<b>1,147</b>	<b>614,742</b>	<b>1,950</b>	<b>1,147</b>	<b>631,677</b>	<b>0</b>	<b>0</b>	<b>26,131</b>	<b>1,950</b>	<b>1,147</b>	<b>657,808</b>
Balance Rescission			0			0			0			0
Total Direct with Rescission			614,742			631,677			26,131			657,808
Reimbursable FTE		0			0			0			0	
Total Direct and Reimb. FTE		1,147			1,147			0			1,147	
Other FTE:												
LEAP		0			0			0			0	
Overtime		0			0			0			0	
Grand Total, FTE		1,147			1,147			0			1,147	

Program Activity	2015 Increases			2015 Offsets			2015 Request		
	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Federal Prison Industries	0	0	0	0	0	0	1,950	1,147	657,808
<b>Total Direct</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,950</b>	<b>1,147</b>	<b>657,808</b>
Balance Rescission			0			0			0
Total Direct with Rescission			0			0			657,808
Reimbursable FTE		0			0			0	
Total Direct and Reimb. FTE		0			0			1,147	
Other FTE:								0	
LEAP		0			0			0	
Overtime		0			0			0	
Grand Total, FTE		0			0			1,147	

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective

Federal Prison System  
 Federal Prison Industries  
 (Dollars in Thousands)

Strategic Goal and Strategic Objective	2013 Enacted with Rescissions and Sequester		2014 Enacted		2015 Current Services		2015 Increases		2015 Offsets		2015 Total Request	
	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount
<b>Goal 3 Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels.</b>												
3.3 Provide safe, secure, humane, and cost effective confinement and transportation of federal detainees and inmates												
<b>Subtotal, Goal 3</b>	1,147	0	1,147	0	1,147	0	0	0	0	0	1,147	0
<b>TOTAL</b>	<b>1,147</b>	<b>0</b>	<b>1,147</b>	<b>0</b>	<b>1,147</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,147</b>	<b>0</b>

**Note:** Excludes Balance Rescission and/or Supplemental Appropriations.



**E. Justification for Technical and Base Adjustments**

**Justifications for Technical and Base Adjustments**

Federal Prison System

Federal Prison Industries

(Dollars in Thousands)

	Direct Pos.	Estimate FTE	Amount
<b>Other Adjustments</b>			
1 <u>Adjustment in Investment Activities:</u>			
An increase of \$26,131,000 is estimated in FY 2015 as an adjustment in investment activity.	0	0	26,131
<b>Subtotal, Other Adjustments</b>	<b>0</b>	<b>0</b>	<b>26,131</b>
<b>TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS</b>	<b>0</b>	<b>0</b>	<b>26,131</b>

F. Crosswalk of 2013 Availability

**Crosswalk of 2013 Availability**

Federal Prison System  
 Federal Prison Industries  
 (Dollars in Thousands)

Program Activity	2013 Appropriation Enacted w/o Balance Rescission <sup>1</sup>			Sequester			Reprogramming/Transfers			Carryover	Recoveries/ Refunds	2013 Actual		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Actual FTE	Amount	Direct Pos.	Actual FTE	Amount	Amount	Amount	Direct Pos.	Actual FTE	Amount
Federal Prison Industries	1,950	1,147	614,742	0	0	0	0	0	0	0	0	1,950	1,147	614,742
<b>Total Direct</b>	<b>1,950</b>	<b>1,147</b>	<b>614,742</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,950</b>	<b>1,147</b>	<b>614,742</b>
Reimbursable FTE		0			0			0					0	
Total Direct and Reimb. FTE		1,147			0			0					1,147	
Other FTE:														
LEAP		0			0			0					0	
Overtime		0			0			0					0	
Grand Total, FTE		1,147			0			0					1,147	

**Footnotes:**

1) The 2013 Enacted appropriation includes the 2 across-the-board rescissions of 1.877% and 0.2%

G. Crosswalk of 2014 Availability

**Crosswalk of 2014 Availability**

Federal Prison System  
 Federal Prison Industries  
 (Dollars in Thousands)

Program Activity	FY 2014 Enacted			Reprogramming/Transfers			Carryover	Recoveries/ Refunds	2014 Availability		
	Direct Pos.	Estim. FTE	Amount	Direct Pos.	Estim. FTE	Amount	Amount	Amount	Direct Pos.	Estim. FTE	Amount
Federal Prison Industries	1,950	1,147	631,677	0	0	0	0	0	1,950	1,147	631,677
<b>Total Direct</b>	<b>1,950</b>	<b>1,147</b>	<b>631,677</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,950</b>	<b>1,147</b>	<b>631,677</b>
Balance Rescission			0								0
Total Direct with Rescission			631,677								631,677
Reimbursable FTE		0			0		0			0	
Total Direct and Reimb. FTE		1,147			0		0			1,147	
Other FTE:											
LEAP		0			0		0			0	
Overtime		0			0		0			0	
Grand Total, FTE		1,147			0		0			1,147	

I. Detail of Permanent Positions by Category

**Detail of Permanent Positions by Category**

Federal Prison System

Federal Prison Industries

(Dollars in Thousands)

Category	2013 Enacted with Rescissions & Sequestration		2014 Enacted		2015 Request				
	Direct Pos.	Reimb. Pos.	Direct Pos.	Reimb. Pos.	ATBs	Program Increases	Program Offsets	Total Direct Pos.	Total Reimb. Pos.
Correctional Institution Administration (006)	59	0	43	0	0	0	0	43	0
Clerical and Office Services (300-399)	212	0	78	0	0	0	0	78	0
Accounting and Budget (500-599)	174	0	119	0	0	0	0	119	0
Industrial Hygiene (690)	2	0	1	0	0	0	0	1	0
Engineering and Architecture Group (800-899)	8	0	10	0	0	0	0	10	0
Attorneys (905)	3	0	3	0	0	0	0	3	0
Business & Industry (1100-1199)	473	0	247	0	0	0	0	247	0
Equipment/Facilities Services (1600-1699)	6	0	3	0	0	0	0	3	0
Training/Education (1700-1799)	1	0	1	0	0	0	0	1	0
Manufacturing Quality Control Group (1900-1999)	92	0	47	0	0	0	0	47	0
Supply Services (2000-2099)	17	0	3	0	0	0	0	3	0
Transportation (2100-2199)	3	0	2	0	0	0	0	2	0
Information Technology Mgmt (2210)	93	0	67	0	0	0	0	67	0
Ungraded (culinary, farm, mechanical, and construct	807	0	1,326	0	0	0	0	1,326	0
<b>Total</b>	<b>1,950</b>	<b>0</b>	<b>1,950</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,950</b>	<b>0</b>
Headquarters (Washington, D.C.)	463	0	233	0	0	0	0	233	0
U.S. Field	1,487	0	1,717	0	0	0	0	1,717	0
Foreign Field	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1,950</b>	<b>0</b>	<b>1,950</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,950</b>	<b>0</b>

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class

Federal Prison System  
 Federal Prison Industries  
 (Dollars in Thousands)

Object Class	2013 Actual		2014 Availability		2015 Request		Increase/Decrease	
	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount
11.1 Full-Time Permanent	1,103	85,833	1,147	83,291	1,147	83,291	0	0
11.5 Other Personnel Compensation	0	2,622	0	817	0	817	0	0
<i>Other Compensation</i>	0	2,622	0	817	0	817	0	0
11.8 Special Personal Services Payments	0	30,260	0	32,420	0	32,420	0	0
<b>Total</b>	<b>1,103</b>	<b>118,715</b>	<b>1,147</b>	<b>116,528</b>	<b>1,147</b>	<b>116,528</b>	<b>0</b>	<b>0</b>
<b>Other Object Classes</b>								
12.0 Personnel Benefits		44,013		41,813		41,813		0
21.0 Travel and Transportation of Persons		2,324		3,797		3,797		0
22.0 Transportation of Things		2,710		2,570		2,570		0
23.2 Rental Payments to Others		749		668		668		0
23.3 Communications, Utilities, and Miscellaneous Charges		12,193		13,128		13,128		0
24.0 Printing and Reproduction		597		661		661		0
25.2 Other Services from Non-Federal Sources		12,565		9,533		9,533		0
26.0 Supplies and Materials		377,127		458,410		458,410		0
31.0 Equipment		2,058		8,000		8,000		0
93.0 Other - Administrative Expenses		1,170		2,700		2,700		0
<b>Total Obligations</b>		<b>574,221</b>		<b>657,808</b>		<b>657,808</b>		<b>0</b>
Subtract - Unobligated Balance, Start-of-Year		-158,419		-198,940		-172,809		26,131
Add - Unobligated End-of-Year, Available		198,940		172,809		172,809		0
<b>Total Direct Requirements</b>	<b>0</b>	<b>614,742</b>	<b>0</b>	<b>631,677</b>	<b>0</b>	<b>657,808</b>	<b>0</b>	<b>26,131</b>
Reimbursable FTE								
Full-Time Permanent	0		0		0		0	
23.1 Rental Payments to GSA (Reimbursable)		0		0		0		0
25.3 Other Goods and Services from Federal Sources - DHS Security (Reimbursable)		0		0		0		0

**M: Summary of Change**

**FY 2015 Summary of Change  
Federal Prison System  
Federal Prison Industries  
(Dollars in thousands)**

	<b>Pos.</b>	<b>FTE</b>	<b>Amount</b>
<b>2014 Enacted</b>	<b>1,950</b>	<b>1,147</b>	<b>631,677</b>
<b><u>Base Adjustments</u></b>			
Other Adjustments - Adjustment in Investment Activity	0	0	26,131
Total, Base Adjustments	0	0	26,131
<b>FY 2015 Current Services</b>	<b>1,950</b>	<b>1,147</b>	<b>657,808</b>
<b><u>Program Changes</u></b>			
N/A	0	0	0
Total Program Changes	0	0	0
<b>FY 2015 Congressional Budget</b>	<b>1,950</b>	<b>1,147</b>	<b>\$657,808</b>

FPI funds are non-appropriated