CALIFORNIA PRISON INDUSTRY AUTHORITY REPORT TO THE PRISON INDUSTRY BOARD



CAREER TECHNICAL EDUCATION (CTE) PROGRAMS FISCAL YEARS 2007-2008 TO 2010-2011



November 2012

CALIFORNIA PRISON INDUSTRY AUTHORITY
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Introduction

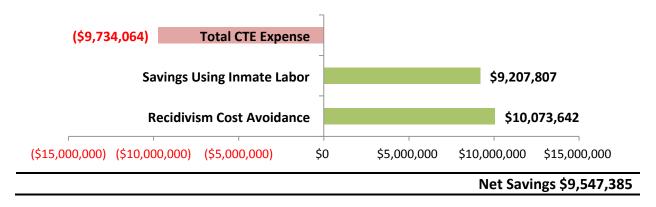
The California Prison Industry Authority (CALPIA) established the Career Technical Education (CTE) program in 2006 as a pilot. The CALPIA CTE program utilizes inmate labor to perform various construction activities such as the fabrication of modular buildings and renovations of state-owned assets, including parks and prisons. CALPIA CTE participants also renovated and re-opened a commercial diving facility within a state prison and now utilize that facility for vocational education training in commercial diving and welding.

The CALPIA CTE program was the first of its kind in the nation to partner an offender rehabilitation program with trade unions to meet the rehabilitative needs of offenders. To date, the CALPIA CTE program has been the most effective correctional rehabilitation program in California and also provides a well-trained labor force for maintenance and construction projects at reduced cost. This report documents how the CALPIA CTE program benefits offenders, enhances public safety and provides savings to government entities.

Savings

From Fiscal Years (FY) 2007-08 to 2010-11, the CALPIA CTE program has provided a net savings of \$9.5 Million (M) to state and local governments (see Figure 1).

Figure 1
Cost-Benefit Summary for FYs 2007-08 through 2010-11



The CALPIA CTE program was founded on two principles: Reducing offender recidivism and lowering construction costs for CALPIA, the California Department of Corrections and Rehabilitation (CDCR) and other state agencies.

Participants may enroll in one of four separate training tracks: Pre-apprenticeship carpentry, pre-apprenticeship labor, pre-apprenticeship ironworking, and commercial diving. Under the supervision of journeyman professionals, participants acquire trade skills and develop good work habits that increase the likelihood of finding future employment and staying out of prison.

Since its full implementation in 2007, the CALPIA CTE program has proven effective at reducing recidivism rates. Cumulatively, from FYs 2007-08 to 2010-11, released CALPIA CTE graduates have a recidivism rate¹ of 7.13% (see Table A).

Table A

Cumulative Recidivism Rate, FY 2007-08 through 2010-11, by Individual CTE Program

Program	Program Graduates	Graduates Released	Number of Recidivists	Recidivism Rate
Carpentry	405	329	25	7.60%
Labor	59	41	2	4.88%
Ironwork	51	35	2	5.71%
Commercial Diving and Welding MTTC*	48	44	3	6.82%
Total	563	449	32	7.13%

Source: IEP, CTE Recidivism Rates, July 2011

*Marine Technology Training Center (MTTC), located at the California Institution for Men (CIM) in Chino

¹ Recidivism Rate: The ratio of the number of recidivists to the total number released (during a defined period), converted to a percentage.

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Certification

To be eligible for inclusion in the CALPIA CTE program, participants must be within 12 to 18 months of release and have either obtained or are currently working towards a General Education Development (GED) certificate. Work skills are obtained through immersion in training exercises and real world projects that lead to a variety of industry certifications (see Appendix A). Written tests, skill demonstrations and time length determine whether acceptable skill levels have been achieved within designated vocational fields. Participants that meet all the requirements receive certifications as proof of their proficiencies.

Construction Services and Facilities Maintenance Model

In FY 2010-11 CALPIA established the Construction Services and Facilities Maintenance (CSFM) enterprise within the CALPIA CTE program. The CSFM model provides correctional institutions and other government entities with construction, deferred maintenance, janitorial and facilities maintenance services at reduced cost.

CSFM participants have performed construction and facility maintenance for the California Department of Corrections and Rehabilitation (CDCR), the California Exposition & State Fair, the California State Department of Parks and Recreation, Folsom Division, and the County of El Dorado. CSFM participants also provide construction and deferred maintenance services to CALPIA.

Program Status

In June, 2008, CALPIA entered into a three-year contract with CDCR for \$9,258,000 (\$3,086,000 per year) to implement and manage a CALPIA CTE program from FYs 2007-08 through 2009-10. After the second year, the funding level from CDCR was halved to \$1.5 million. After the third year, CDCR reimbursements dropped to \$800,000, and then ceased.

Today, because CALPIA is entirely responsible for funding the CTE program, CALPIA has reluctantly reduced enrollment in order to meet its statutory obligation to maintain self-sufficiency. As of October, 2012, enrollment in the CALPIA CTE program is down to 100 participants, from a high of 258 participants in FY 2009-10.

Faced with a reduction in sales to state customers, the ending of CALPIA CTE program support funds, along with increasing obligations for Other Post-Employment Benefits (OPEB) for its civil service employees, it is unlikely CALPIA can continue to fund the CALPIA CTE program.

Table BDifferentials of CALPIA CTE Participants Regardless of Time in Program

Fiscal Year	Total Number of Enrollees Regardless of Time in Program	Difference From Previous Year (+/-%)
FY 07/08	177	
FY 08/09	242	37% (+)
FY 09/10	258	6% (+)
FY 10/11	246	5% (-)
FY 11/12*	115	47% (-)

Source: IEP, CTE Recidivism Rates, July 2011 *Source: Lost Hours Reports, December 2011

As of October, 2012, CALPIA CTE programs include Commercial Diving at California Institution for Men (CIM), the carpentry program at California Institution for Women (CIW), and the Modular Building enterprise at Folsom State Prison (FSP). The Green Valley Training Center (GVTC) program was closed in 2012, and remains closed pending funding availability. Due to lack of funding, other carpentry programs once operated at Valley State Prison for Women (VSPW) in Chowchilla, FSP Level III, and CIM, also closed in 2012.

Recidivism Rates

Data for released CALPIA CTE program participants shows that low CTE recidivism levels are reflected for one, two, and three-year rates (see Table C). Although CTE participation is a common concrete variable among the CTE participant group, it is possible that other factors may have contributed to the low recidivism rates.

Table CThree-Year Recidivism Rates for CALPIA CTE Program Participants with at least Six Months of Participation

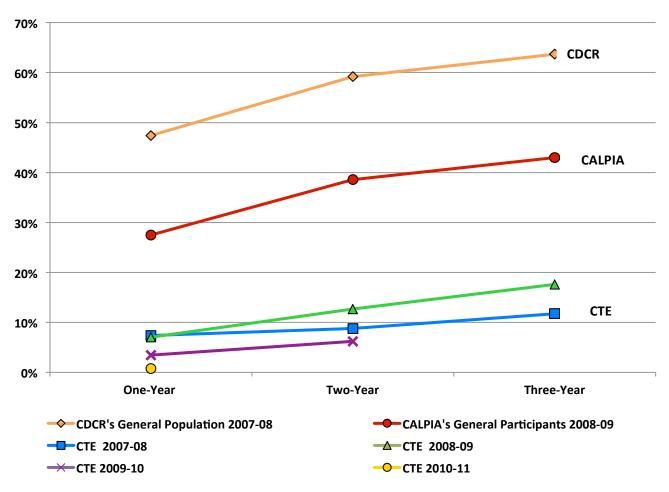
		One-Year		Two-	-Year	Three-Year	
Fiscal Year	Released CTE Program Participants	Number of Recidivist s	Recidivism Rate	Number of Recidivists	Recidivism Rate	Number of Recidivists	Recidivism Rate
FY 2007-08	68	5	7.35%	6	8.82%	8	11.76%
FY 2008-09	142	10	7.04%	18	12.68%	25	17.61%
FY 2009-10	145	5	3.45%	9	6.21%		
FY 2010-11	130	1	0.77%				

Source: IETS, CTE Recidivism Rates, September 2011

Recidivism: "An individual convicted of a felony and incarcerated in a CDCR adult institution who was released to parole, discharged after being paroled, or directly discharged from CDCR during a defined time period and subsequently returned to prison during a specified follow-up period." (Source: CDCR 2011 Adult Institutions Outcomes Evaluation Report)

The CALPIA CTE program's impact to public safety and taxpayer cost is illustrated by a comparison of three-year rates between CALPIA CTE program participants, CDCR's general recidivism rate, and CALPIA's general participant recidivism rate (see Figure 2, next page).

Figure 2
Three-Year Recidivism Rates for CDCR, CALPIA, and CALPIA CTE Participants



Source: CDCR, 2012 Adult Institutions Outcome Evaluation Report, IETS, CTE Recidivism Rates, September 2011

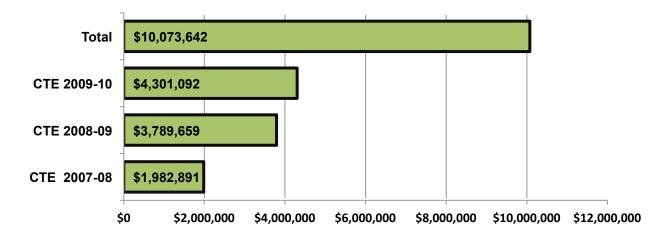
Three-year recidivism rates of CDCR's General Population and CALPIA General Participants are based on the latest published figures

Recidivism Cost Avoidance

Recidivism places a high-priced burden on society by consuming resources in all parts of the criminal justice system. The CALPIA CTE program's low recidivism rate provides savings from avoided arrest, judicial, and incarceration costs (see Appendix B). From FYs 2007-08 through 2009-10, the CTE program's recidivism cost avoidance totals \$10 M (see Figure 3, next page).

Figure 3Recidivism Cost Avoidance Based on Released CALPIA CTE Participants FYs 2007-08, 2008-09, and 2009-10* Totaling \$10,073,642





^{*}Released CTE Participants 2009-10 is limited to current data as of September 2011

Offenders that do not participate in the CALPIA CTE program are likely to return to prison at CDCR's general population recidivism rate. Due to limitations of current CDCR recidivism data for the corresponding release years, the most recently published CDCR rate is used for the comparison in the calculation.

Labor Cost Avoidance

CTE and CSFM participants have performed work on a variety of projects that resulted in direct savings to state and local governments. Since 2007, the CALPIA CTE program has completed 17 designated projects; totaling 21,889 project hours (see Appendix C). CTE participants occupied 308 full time slots equating to 388,965 CTE participant hours. CTE participants earned, on average, \$0.61 per hour and CTE direct inmate total labor cost equaled \$0.2 M. If the completed projects had used the same number of hours from private contractor labor, the

stimated labor cost of the 17 designated CTE projects would have been approximately \$ 9.2 M. Instead, the projects were completed at a total CTE expense of \$6.7 M². Although a direct comparison of completion time is difficult to establish, the difference between estimated private contractor cost and CTE costs, resulted in a total estimated cost avoidance of \$2.5 M.

Program Expenditures

The total cost of the CALPIA CTE program for FYs 2007-08 to 2010-11 was \$9.7 M (see Table D). The program's cost includes project materials, CTE participant wages, instructor wages, union fees, tools, and all costs associated with the CTE projects.

Table D

Annual CALPIA CTE Operating Expense

Fiscal Year	CTE Expense	CDCR Reimbursement	CALPIA Expense
FY 2007-08	\$3,086,000	\$3,086,000	\$0
FY 2008-09	\$3,280,461	\$3,086,000	\$194,461
FY 2009-10	\$2,019,957	\$1,543,000	\$476,957
FY 2010-11	\$1,347,646	\$800,000	\$547,646
TOTAL	\$9,734,064	\$8,515,000	\$1,219,064

Source: CALPIA June Final Audited; 2008, 2009, 2010, and 2011

CALPIA CTE training offers released graduates an opportunity to join a labor union post-release. For those that do, CALPIA pays the first year of union fees. Union fees are approximately \$643 per released participant; CALPIA spent approximately \$75,231 on union costs for 117 released CTE participants³. Complete tool sets are also supplied by CALPIA for those released participants who join a union or find employment within the construction field.

² Includes participant pay, instructor pay, and project facilitation expense

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³ Inmate Employability Program: CTE Union Costs: September 2011

Each tool set costs approximately \$340⁴; CALPIA provided it's released CTE participants a total of 129 tool sets⁵, which is equal to approximately \$43,860.

Estimated Impact of AB 109

AB 109 requires non-violent, non-serious, and non-sex offenders to serve their sentence in county jails instead of state prisons. Looking at CTE participants for FYs 2007-08 to 2009-10, commitment offense data indicates that 192 CALPIA CTE participants (39%) were incarcerated for crimes that would merit a state prison sentence under AB 109, and 304 (61%) were incarcerated for crimes that would likely be served in local custody. With the implementation of AB 109, the CTE program will increasingly factor towards the reduction of recidivism rates for those with more serious offenses. Regardless of AB 109's impact on the level of returns to state custody, CALPIA CTE's low recidivism rates and construction projects will still provide a positive fiscal impact at both the state and county level.

Conclusion

Participants in the CALPIA CTE program recidivate at a much lower rate than CDCR's general population offenders. This low recidivism rate provides substantial and ongoing savings to both state and local government. CALPIA CTE's under-utilized low cost construction services also provide savings to government entities. The CALPIA CTE program is a savings vehicle for taxpayers at every level. Unfortunately, the lack of financial support may require the program to be closed. The CALPIA CTE program's closure would result in lower savings and higher risks to public safety. CALPIA's CTE program has proven that changing criminal behavior requires strategic investment in effective programs that promote crime-free lifestyles. Reducing

⁴ Industrial Services Branch: CTE Tool Set Purchase Orders: March 2010 to June 2011

⁵ Industrial Services Branch: CTE Inmates Tool Boxes Spent: Updated October 2011

recidivism is essential for improving the safety of California, reducing criminal justice resource costs, and improving the well-being of individual offenders.

APPENDIX A: CTE Program Certifications

Career Tech Ironworker Core-Classroom Curriculum

Career Tech Ironworker

Career Tech Carpentry Core-Classroom Curriculum
Career Tech Carpentry Lead Worker/Mentor Training

Career Tech Carpentry Panduit Copper and Fiber Cabling Systems
Career Tech Carpentry North American Technician Excellence (HVAC)

Marine Technology Training Center (MTTC):

Bridge Repair and Maintenance, (R&M)
Wharf and Pier Construction, (R&M)
Underwater Non-destructive Testing, R&M of Steel Structures
Commercial Diving/Inland and Offshore
Underwater Salvage & Recovery
Underwater Remote Control Vehicles
Hyperbaric Chamber Operations
Boom and Environmental Pollution Control in U.S. Ports
Underwater Welding & Burning

MTTC certifications, listed below, are milestone certificates earned by MTTC graduates that meet the standards required by U.S. Coast Guard, Department of Labor (OSHA), and the Association of Diving Contractors International.

Rigger Course Program
Top Side Welder Course Program
Dive Tender Course Program
Mixed Gas Rack Operator Course Program
Commercial Diver/Commercial Dive Inspector

APPENDIX B: Recidivism Cost Avoidance Based on CALPIA CTE Participants Released FYs 2007-08, 2008-09, and 2009-10

The CALPIA benefit analysis focuses on recidivism costs associated with police protection, judicial, and incarceration. It is difficult to determine the criminal justice system's response to actual changes in recidivism, because police are not paid per arrest, and the courts are not paid per case. From the taxpayer's perspective, the analysis assumes 100% of the operating budget is tied to the reported measurable functions, and a weighted average cost by offense type is calculated.

CDCR's most recently available published data was used in the recidivism rate comparison for the corresponding release years.

CALPIA I Budget Bureau

68 CTE Participants Released FY 2007-08

	CTE Recidivism Rate: 11.76%	% CDCR Recidivisn	n Rate: 63.7%	
Criminal Justice Resource Category	Offense Type	Number of Avoided Offenses	Cost Per Avoided Offense	Cost Avoidanc
Recidivism Cos	st Avoidance			
ecidivism				
Coldivioni	New Criminal Offense	11		
	Parole Violation	24		
	Recidivism Total	35		
Arrest				
	New Violent Offense Arrest	3	\$59,296	\$177,888
	New Property/Drug Offense Arrest	7	\$11,118	\$77,826
	New Lesser Offense Arrest	1	\$3,706	\$3,706
	Parole Violation Arrest	24	\$3,706	\$90,316
	Arrest Total	35		\$349,736
udicial				
	New Violent Offense Case	3	\$43,120	\$129,360
	New Property/Drug Offense Case	7	\$3,920	\$27,440
	New Lesser Offense Case	1	\$784	\$784
	Parole Revocation Case	24	\$855	\$20,832
	Judicial Total	35		\$178,416
ncarceration*				
	New Term Violent Offense	3	\$140,664	\$400,433
	New Term Property/Drug Offense	7	\$56,799	\$379,352
	New Term Lesser Offense	1	\$52,903	\$75,300
	Parole Violation Return to Custody	24	\$24,606	\$599,654
	Incarceration Total	35		\$1,454,739
Recidivism Cos	st Avoidance- Total			\$1,982,89°

The calculation is based on a three year rate comparison between CTE Participants Released FY 2007-08 and CDCR general population FY 2007-08.

142 CALPIA CTE Participants Released FY 2008-09

CALPIA | Budget Bureau Recidivism Cost Avoidance Calculation Tool

Release Fiscal Year 2008-09 | 142 CALPIA Participants Paroled

CTE Recidivism Rate: 17.61% | CDCR Recidivism Rate: 63.7%

Criminal Justice Resource Category	, Offense Type	Number of Avoided Offenses	Cost Per Avoided Offense	Cost Avoidance
Recidivism Co	st Avoidance			
Recidivism				
	New Criminal Offense	20		
	Parole Violation	45		
	Recidivism Total	65		
Arrest				
	New Violent Offense Arrest	5	\$59,034	\$295,168
	New Property/Drug Offense Arrest	12	\$11,069	\$132,826
	New Lesser Offense Arrest	3	\$3,690	\$11,069
	Parole Violation Arrest	45	\$3,690	\$166,619
	Arrest Total	65		\$605,681
Judicial				
	New Violent Offense Case	5	\$42,295	\$211,475
	New Property/Drug Offense Case	12	\$3,845	\$46,140
	New Lesser Offense Case	3	\$769	\$2,307
	Parole Revocation Case	45	\$985	\$44,475
	Judicial Total	65		\$304,397
ncarceration*				
	New Term Violent Offense	5	\$156,768	\$826,966
	New Term Property/Drug Offense	12	\$60,705	\$751,296
	New Term Lesser Offense	3	\$55,806	\$147,191
	Parole Violation Return to Custody	45	\$25,557	\$1,154,128
	Incarceration Total	65		\$2,879,581
Recidivism Co	st Avoidance- Total			\$3,789,659

The calculation is based on a three year rate comparison between CTE Participants Released FY 2008-09 and CDCR general population FY 2007-08.

145 CALPIA CTE Participants Released FY 2009-10

CALPIA | Budget Bureau Recidivism Cost Avoidance Calculation Tool Release Fiscal Year 2008-09 | 145 CALPIA Participants Paroled

CTE Recidivism Rate: 6.21% | CDCR Recidivism Rate: 56.9%

Criminal Justice Resource Category	Offense Type	Number of Avoided Offenses	Cost Per Avoided Offense	Cost Avoidance
Recidivism Co	st Avoidance			
Recidivism				
	New Criminal Offense	23		
	Parole Violation	51		
	Recidivism Total	74		
Arrest				
	New Violent Offense Arrest	6	\$59,034	\$354,202
	New Property/Drug Offense Arrest	14	\$11,069	\$154,963
	New Lesser Offense Arrest	3	\$3,690	\$11,069
	Parole Violation Arrest	51	\$3,690	\$187,119
	Arrest Total	74		\$707,353
Judicial				
	New Violent Offense Case	6	\$42,295	\$253,770
	New Property/Drug Offense Case	14	\$3,845	\$53,830
	New Lesser Offense Case	3	\$769	\$2,307
	Parole Revocation Case	51	\$985	\$49,948
	Judicial Total	74		\$359,855
ncarceration*				
	New Term Violent Offense	6	\$156,768	\$928,716
	New Term Property/Drug Offense	14	\$60,705	\$843,735
	New Term Lesser Offense	3	\$55,806	\$165,301
	Parole Violation Return to Custody	51	\$25,557	\$1,296,132
	Incarceration Total	74		\$3,233,884
Pooldiviem Co	st Avoidance- Total			\$4,301,092

The calculation is based on a two year rate comparison between CTE Participants Released 2009-10 and CDCR general population 2008-09.

APPENDIX C: CALPIA CTE Projects, FYs 2007-08 to 2010-11 CALPIA | Budget Bureau Analysis Career Technical Education (CTE) Projects FYs 2007-08 TO 2010-11

		•	13 2007-00	10 2010-11				
	Project Hours	Inmate Participants	Inmate Hours	Direct Inmate Labor Cost	Instructor and Material Cost	Total CTE Cost	Private Contractor Cost Estimate	Cost Difference
CTE Projects								
FSP (Folsom, California)							1	
Renovate training center office space in segments of; 3,147 sq feet, 1,148 sq feet, 1,356 sq feet. Demo site work, construction hardscape and landscape	1,050	40	42,000	\$25,620	\$164,380	\$190,000	\$303,000	(\$113,000)
Engineering building; demo and construction, 4,000 sq feet	683	40	27,300	\$16,653	\$306,347	\$323,000	\$520,000	(\$197,000)
Construct fire pump station; 850 sq feet	236	12	2,835	\$1,729	\$72,671	\$74,400	\$120,000	(\$45,600)
Renovate Folsom Transitional Treatment Facility; 1,200 sq feet	630	5	3,150	\$1,922	\$97,279	\$99,200	\$160,000	(\$60,800)
Renovate Correctional Resource Recovery; demo and remodel plant infrastructure	4,305	15	64,575	\$39,391	\$239,609	\$279,000	\$450,000	(\$171,000)
Additional Camp 12 building renovation; 5,298 sq feet, lead and asbestos removal	3,780	15	56,700	\$34,587	\$244,413	\$279,000	\$450,000	(\$171,000)
Camp 12 infrastructure; water, sewer, electrical, and communications	1,365	15	20,475	\$12,490	\$226,510	\$239,000	\$385,000	(\$146,000)
Camp 12; Kitchen flooring, epoxy flooring, 4,800 sq feet	473	5	2,363	\$1,441	\$21,659	\$23,100	\$64,800	(\$41,700)
Braille Project, flooring, office, programming space, and fire	1,785	21	37,485	\$22,866	\$356,134	\$379,000	\$450,000	(\$71,000)
CAL-EXPO; maintenance, and restoration of the Rodeo Arena's retaining wall	600	16	9,600	\$5,856	\$102,042	\$107,898	\$133,750	(\$25,852)
FSP Total	14,906	184	266,483	\$162,554	\$1,831,044	\$1,993,598	\$3,036,550	(\$1,042,952)
CIW (Chino, California)								
Substance Abuse Program; 2 buildings, site hardscape, and landscape	945	15	14,175	\$8,647	\$141,353	\$150,000	\$250,000	(\$100,000)
California Department of Forestry and Fire ProtectionTraining Facility; demo old structure, site work, 5,400 sq feet, hardscape, and landscape	1,365	22	30,030	\$18,318	\$581,682	\$600,000	\$828,000	(\$228,000)
Cosmetology Program; 9 wide modular	2,520	18	45,360	\$27,670	\$362,330	\$390,000	\$680,000	(\$290,000)
CIW Total	4,830	55	89,565	\$54,635	\$1,085,365	\$1,140,000	\$1,758,000	(\$618,000)
CIM (Chino, California)								
Division of Addiction and Recovery Services Building; site work and underground utilities	263	23	6,038	\$3,683	\$1,966,317	\$1,970,000	\$2,429,333	(\$459,333)
Renovate Marine Technology Training Center, new above ground deck, refurbish above	1,155	12	13,860	\$8,455	\$191,545	\$200,000	\$320,000	(\$120,000)
Shade Structure Project; main gate 40'x50'x20', and medical 24'x48'x15'	315	12	3,780	\$2,306	\$97,694	\$100,000	\$135,000	(\$35,000)
CIM Total	1,733	47	23,678	\$14,443	\$2,255,557	\$2,270,000	\$2,884,333	(\$614,333)
VSPW (Chowchilla, California)								
To: Tr (onowonina, ounionia)								
DARS Building; site work and underground utilities	420	22	9,240	\$5,636	\$1,313,623	\$1,319,259	\$1,528,924	(\$209,665)
VSPW Total	420	22	9,240	\$5,636	\$1,313,623	\$1,319,259	\$1,528,924	(\$209,665)
CTE Projects Total	21,889	308	388,965	\$237,269	\$6,485,588	\$6,722,857	\$9,207,807	(\$2,484,950)
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