

**Federal Prison System  
Federal Prison Industries, Incorporated  
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# **I. Overview for Federal Prison Industries, Incorporated**

## **A. General Overview**

### **1. Introduction**

Federal Prison Industries' (FPI) mission is to employ and provide work skills training to the greatest practical number of inmates in Federal correctional facilities necessary to ensure the safe and secure operation of such institutions, and in doing so, to produce market priced, quality goods and services in a self-sustaining manner that minimizes the potential impact on private business and labor. 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.usdoj.gov/jmd/2009justification/>.

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 Prison System (FPS), 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 goal of employing approximately 25 percent of the eligible inmate population. Many of the inmates do not have marketable skills. FPI provides a program of constructive industrial work and services wherein job skills can be developed and work habits acquired. Earnings from the Corporation's industrial activities are used for all operating costs of the Corporation, including purchase of raw materials and equipment, staff salaries and benefits, compensation to inmates performing in industrial work details, and compensation to former inmates for injuries they received while in Federal prisons.

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 makes 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 carried out by a staff of 32 Corporate Management employees located in Washington, DC. Expenses of this function are subject to Congressional limitation.

As of September 30, 2007, there were 23,152 inmates employed in 114 factories. Inmates manufacture items such as furniture, clothing, electronics, and metal products, and provide such services as printing, data processing and laundry. Products and services of the Corporation are sold primarily to Federal Agencies. The Departments of Defense and Justice, the Postal Service, the Department of Homeland Security, and the General Services Administration are FPI's largest customers. The growth of the BOP and the corresponding need to increase inmate employment while minimizing FPI's effect on private labor and business continue to be FPI's major challenge.

For FY 2009, a total of 2,075 positions and 1,931 workyears are requested for FPI. Further, \$2,328,000 is included as the Administrative Expenses limitation.

## **2. Issues, Outcomes, and Strategies**

Strategic Goal 3: Ensure the fair and efficient administration of justice.

Strategic Objective 3.4: Provide services and programs to facilitate inmates' successful reintegration into society consistent with community expectations and standards.

FPI's performance goals are part of the Department of Justice (DOJ). The primary FPI goal, inmate population management, is to proactively manage the offender population through meaningful work programs.

FPI meets this objective by reducing undesirable inmate idleness through a full time work program that provides constructive industrial work wherein job skills can be developed and work habits acquired. Inmate idleness is the number one cause of inmate unrest and violence in prison, and FPI employs over 20,000 inmates and provides skills training to help ensure the safe and secure operation of the institutions. FPI plays a vital role in the management of inmates, and also improves the likelihood that inmates will remain crime-free upon their release from BOP custody. A 2005 study, to establish a baseline was conducted of 15,406 FPI participants and an equal number of comparison subjects released between 1994 through 1998. Results indicate that inmates who participate in FPI are significantly less likely to recidivate.

For FY 2009, a total of 2,075 positions and 1,931 workyears are requested for FPI. Further, \$2,328,000 is included as the Administrative Expenses.

## **3. Full Program Costs**

FPI operates as a revolving fund and does not receive an annual appropriation. This budget reflects the full value of anticipated orders received (Revenue) less the associated costs to produce the products ordered and maintain the facilities for manufacturing. FPI maintains a proprietary, full accrual accounting system. The revenue and costs presented in the budget are based upon historical data, market trends of FPI's sales of products and services, and projected expansion (growth) of the BOP. FPI monitors the following program's activities, Sales Volume, Number of Factories and Inmate Employment. These activities directly relate to FPI's goal of population management.

FPI sales have been significantly 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 2005 Omnibus Appropriations Bill which changed the nature of FPI's mandatory source status, as well as several administrative initiatives by the FPI program's Board of Directors.

The impact has primarily been seen in the FPI Office Furniture Business Group, which has historically comprised a major portion of FPI's total sales. FPI's Office Furniture sales in FY 2007 were \$116 million, down from \$140 million in FY 2005, \$141 million in FY 2004, \$152 million in FY 2003, and \$218 million in FY 2002. The \$102 million less in sales during FY 2007 as compared to the peak sales year of FY 2002 represents a 47 percent decrease.

In response, the FPI program has closed some factories and realigned several others as part of an effort to reduce its operating costs. The FPI program continues to improve customer service relationships, target new markets, and develop other innovative strategies. These initiatives have resulted in FPI's inmate employment increasing by 592 inmates from the FY 2001 total of 22,560 to 23,152 in FY 2007. This represents a increase of 3 percent.

Overall sales in FY 2007 of \$852,724,000 increased 19 percent from FY 2006 sales of \$717,544,000. FPI earnings increased to \$96,787,000 in FY 2007 compared to \$71,256,000 in FY 2006, a increase of 36 percent. This was due mainly to the Electronics Business Group's earnings increasing to \$77,826,000 in FY 2007 from \$62,743,000 in FY 2006 in continued support of the Department of Defense's war effort. Sales by the Electronics Business Group represent 38 percent of FPI's total sales and 80 percent of FPI total earnings. Electronics sales increased to \$326,329,000 in FY 2007 from \$233,182,000 in FY 2006, a 40 percent increase.

#### **4. Performance Challenges**

##### **External Challenges**

FPI does not receive appropriated funding for operations and must maintain itself through the results of operations. Historically, FPI operates on a very low margin. The margins are much below that which would be seen by a non-government corporation of similar size and longevity. FPI has been able to sustain itself despite unprecedented growth in the number of inmates. The growth demands of the BOP are expected to continue for the foreseeable future.

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. These challenges include 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 (Federal staff pay schedule and benefits costs).

##### **Internal Challenges**

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

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

#### **Appropriation 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, including purchase (not to exceed five for replacement only) and hire of passenger motor vehicles. (Department of Justice Appropriation Act, 2008)

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

Not to exceed \$2,328,000 of the funds of the corporation shall be available for its administrative expenses, and for services as authorized by 5 U.S.C. 3109, 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 Appropriation Act, 2008)

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

No substantive changes proposed.

## IV. Decision Unit Justification

### A. Federal Prison Industries

FPI	Perm. Pos.	FTE	Amount
2007 Enacted with Rescissions	2,058	1,914	\$900,445
2007 Supplementals	0	0	0
2007 Enacted w/Rescissions and Supp.	2,058	1,914	900,445
2008 Enacted	2,075	1,930	929,510
Adjustments to Base and Technical Adj.	0	1	11,529
2009 Current Services	2,075	1,931	941,039
2009 Program Increases	0	0	0
2009 Request	2,075	1,931	941,039
Total Change 2008-2009	0	1	\$11,529

**1. Program Description:** Federal Prison Industries, Inc. (FPI) reduces inmate idleness by providing a full-time work program and continually strives to attain the goal of employing approximately 25 percent of the eligible inmate population. Health, security level and other factors determine eligibility for work in FPI. Many of the inmates do not have marketable skills. FPI provides a program of constructive industrial work wherein job skills can be developed and work habits acquired.

FPI's operations are self-supporting. 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 and shops are operated by civilian supervisors and managers, 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 Department of Defense, the Department of Justice, the Department of Homeland Security, the Postal Service, and the General Services Administration. Institution factories manufacture such items as furniture, clothing, electronics, and metal products, and provide such services as printing, data processing, 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 and 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. Much of the needed training occurs 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 UNICOR staff.

FPI makes capital investments in building and improvements, machinery and equipment as necessary in the conduct of its industrial operations. Other expenses charged to the industrial 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, they 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 business, 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 Attorney General. The Board is provided copies of the market impact study, the comments received, and FPI's recommendations. The Board also holds hearings which the public can attend and provide testimony.

At the conclusion of the above 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 RESOURCES TABLE**

**Decision Unit: Federal Prison Industries**

**DOJ Strategic Goal/Objective: 3.4**

Workload/Resources		Final Target		Actual		Projected		Changes		Requested (Total)	
		FY 2007		FY 2007		FY 2008 Enacted		Current Services Adjustments and FY 2009 Program Changes		FY 2009 Request	
<b>Workload</b>											
Base number of factories		114		114		115		0		115	
Number of Inmate Jobs added		0		1,652		0		0		0	
Inmates employed at year-end		21,500		23,152		21,788		0		21,788	
<b>Total Costs and FTE</b> (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		<b>FTE</b>	<b>\$000</b>	<b>FTE</b>	<b>\$000</b>	<b>FTE</b>	<b>\$000</b>	<b>FTE</b>	<b>\$000</b>	<b>FTE</b>	<b>\$000</b>
		1,914	900,445	1,914	987,811	1,930	929,510	1	11,529	1,931	941,039
<b>TYPE/ STRATEGIC OBJECTIVE</b>	<b>Performance</b>	<b>FY 2007</b>		<b>FY 2007</b>		<b>FY 2008 Requirements</b>		<b>FY 2009 Current Services Adjustments and Program Change</b>		<b>FY 2009 Request</b>	
<b>Program Activity</b>		<b>FTE</b>	<b>\$000</b>	<b>FTE</b>	<b>\$000</b>	<b>FTE</b>	<b>\$000</b>	<b>FTE</b>	<b>\$000</b>	<b>FTE</b>	<b>\$000</b>
	Sales Volume	1,914	900,445	1,914	987,811	1,930	929,510	1	11,529	1,931	941,039
<b>Performance Measure</b>	Comparative Recidivism for FPI inmates vs. non-FPI inmates (3 yrs.)	15%		39%		15%		0		15%	
	Comparative Recidivism for FPI inmates vs. non-FPI inmates (6 yrs.)	10%		23%		10%		0		10%	
<b>Efficiency Measure</b>	Number of Inmates Employed	21,500		23,152		21,788		0		21,788	
<b>OUTCOME</b>	Number of inmates employed as a percentage of inmates housed in low, medium, and high security institutions.	25%		16%		25%		0		25%	

\* The FY 2007 Final Target has not been revised from the FY 2008 President's Budget.

Data Definition, Validation, Verification, and Limitations:

1. Base number of factories equal the number of factories at the beginning of the year and previous year's base number of factories adjusted to agree with previous year-end results.
2. Sales volume is equal to gross revenues for the fiscal year.
3. Decrease is the result of reduction of cost and delayed activations.
4. In FY2005, a Baseline was established for comparative recidivism rates for FPI inmates vs. non-FPI inmates who are less likely to recidivate 3 years after release and less likely to recidivate 6 years after release. In addition, FY 2008 – FY 2009 targets have been developed.



**2. PERFORMANCE MEASURE TABLE (cont'd)**

**Decision Unit: Federal Prison Industries**  
**Department of Justice Strategic Goal/Objective: 3.4**

Performance Report and Performance Plan Targets		FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007		FY 2008	FY 2009
		Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
<b>Performance Measure</b>	Comparative Recidivism for FPI inmates vs. non-FPI inmates (3 yrs.)	N/A	N/A	N/A	N/A	Baseline Established	23%	15%	39%	15%	15%
	Comparative Recidivism for FPI inmates vs. non-FPI inmates (6 yrs.)	N/A	N/A	N/A	N/A	Baseline Established	10%	10%	23%	10%	10%
<b>Efficiency Measure</b>	Number of Inmates Employed	22,560	21,778	20,274	19,337	19,720	21,205	21,500	23,152	21,788	21,788

## **2. Performance, Resources and Strategies**

### **a. Performance Plan and Report for Outcomes**

Inmate Employment: The Federal Prison Industries (FPI) actual inmate employment of 23,152 at the end of FY 2007 exceeded the projected target level of 21,500. The projected number of inmates employed increases consistently, correlating with projected sales and the activation of new institutions.

The recidivism measure was new in FY 2005. Baseline data for this measure was established in FY 2005. A study, to establish a baseline was conducted of 15,406 FPI participants and an equal number of comparison subjects released between 1994 through 1998. Results indicate that inmates who participate in FPI training and employment are significantly less likely to recidivate. Now that baseline information is available, FPI will begin targeting and collecting data to report in outyears against a long-term and annual PART measure. The FY 2009 target is 15 percent less likely to recidivate 3 years after release and 10 percent less likely to recidivate 6 years after release.

### **b. Strategies to Accomplish Outcomes**

FPI's performance goals are part of the Department of Justice (DOJ). The primary FPI goal; population management, is to proactively manage the offender population through meaningful work programs.

FPI meets this objective by reducing undesirable inmate idleness through a full time work program that provides constructive industrial work wherein job skills can be developed and work habits acquired. Inmate idleness is the number one cause of inmate unrest and violence in prison; FPI employs over 20,000 inmates and provides skills training to help ensure the safe and secure operation of the institutions. FPI plays a vital role in the management of inmates, and also improves the likelihood that inmates will remain crime-free upon their release from BOP custody.

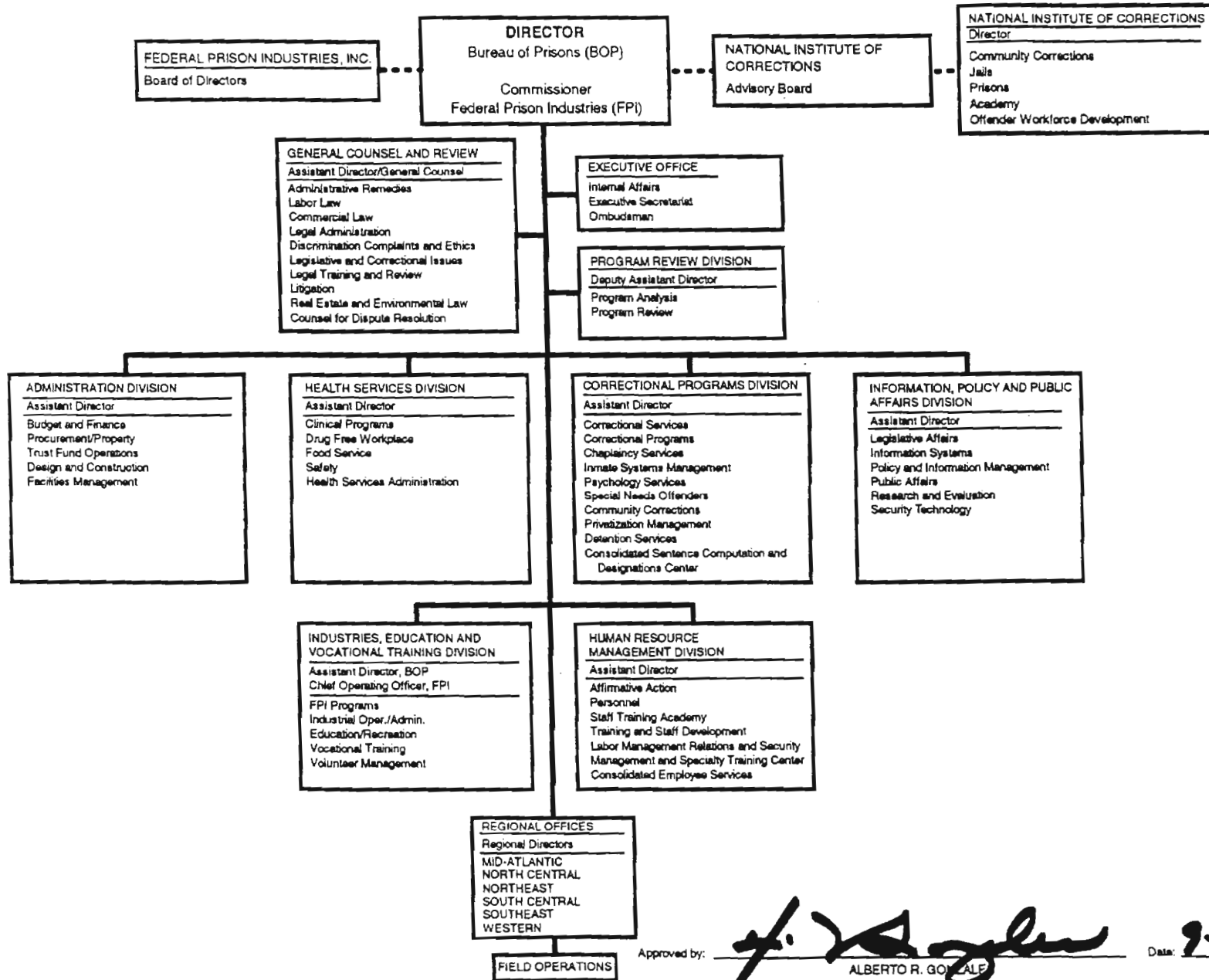
For FY 2009, a total of 2,075 positions and 1,931 workyears are requested for FPI. Further, \$2,328,000 is included as the Administrative Expenses limitation.

### **c. Results of Program Assessment Rating Tool (PART) Reviews**

N/A

FPI internal results reflect FY 2007 targets of 15 percent less likely to recidivate 3 years after release and 10 percent less likely to recidivate 6 years after release were exceeded with actual results of 39% and 23% respectively.

# FEDERAL BUREAU OF PRISONS



Approved by:

*[Handwritten Signature]*  
ALBERTO R. GONZALEZ  
Attorney General

Date: 9-29-05

B. Summary of Requirements

Summary of Requirements  
Federal Prison System  
Federal Prison Industries, Incorporated  
(Dollars in Thousands)

	Perm. Pos.	FTE	Amount
2007 Enacted (with Rescissions, direct only)	2,058	1,914	900,445
2007 Supplementals	0	0	0
Total 2007 Revised Continuing Appropriations Resolution (with Rescissions)	2,058	1,914	900,445
2008 Enacted (with Rescissions, direct only)	2,075	1,930	929,510
2008 Supplementals	0	0	0
Total 2008 Enacted (with Rescissions and Supplementals)	2,075	1,930	929,510
Technical Adjustments			
Restoration of 2008 Prior Year Unobligated Balance Recission	0	0	0
Adjustments to Base			
Increases:			
2009 Pay Raise (2.9%)	0	0	3,804
2008 Pay Raise Annualization (3.5%)	0	0	1,479
Annualization of 2008 Positions (FCI Pollock, LA)	0	1	89
Increase in 2008 Investment Activity	0	0	6,157
Subtotal Increases	0	1	11,529
Decreases:			
	0	0	0
Total Adjustment to Base and Technical Adjustments	0	1	11,529
2009 Current Services	2,075	1,931	941,039
Program Changes	0	0	0
Total Program Changes	0	0	0
2009 Total Request	2,075	1,931	941,039
2008-2009 Total Change	0	1	11,529

Estimates by Budget Activity:	2007 Appropriation Enacted w/Rescissions and Supplementals			2008 Enacted			2009 Adjustments to Base and Technical Adjustments			2009 Current Services			2009 Increases			2009 Offsets			2009 Request		
	Perm. Pos.	FTE	Amount	Perm. Pos.	FTE	Amount	Perm. Pos.	FTE	Amount	Perm. Pos.	FTE	Amount	Perm. Pos.	FTE	Amount	Perm. Pos.	FTE	Amount	Perm. Pos.	FTE	Amount
1. Administrative Expense	32	32	\$2,477	32	32	\$2,328	0	0	\$0	32	32	\$2,328	0	0	\$0	0	0	\$0	32	32	\$2,328
Subtotal	32	32	2,477	32	32	2,328	0	0	0	32	32	2,328	0	0	0	0	0	0	32	32	2,328
2. Cost of Production	2,026	1,882	821,171	2,043	1,898	890,713	0	1	10,322	2,043	1,899	901,035	0	0	0	0	0	0	2,043	1,899	901,035
3. Other Expenses	0	0	40,000	0	0	15,363	0	0	154	0	0	15,517	0	0	0	0	0	0	0	0	15,517
4. Buildings and Improvements	0	0	15,501	0	0	9,358	0	0	935	0	0	10,293	0	0	0	0	0	0	0	0	10,293
5. Machinery and Equipment	0	0	21,296	0	0	11,748	0	0	118	0	0	11,866	0	0	0	0	0	0	0	0	11,866
Total:	2,058	1,914	900,445	2,075	1,930	929,510	0	1	11,529	2,075	1,931	941,039	0	0	0	0	0	0	2,075	1,931	941,039

\*FPI funds are non-appropriated.

D: Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/ Objective  
 Federal Prison System  
 Federal Prison Industries, Incorporated  
 (Dollars in thousands)

Strategic Goal 3 Objective	2007 Appropriation Enacted with Resc. & Sup.		2008 Enacted		2009 Current Services		2009				2009 Request		
	Direct, Reimb. Other	Direct Amount	Direct, Reimb. Other	Direct Amount	Direct, Reimb. Other	Direct Amount	Increases		Offsets		Direct, Reimb. Other	Direct Amount	
							FTE	\$000s	FTE	\$000s			FTE
Ensure the Fair and Efficient Administration of Justice													
(3.4) FPI	1,914	0	1,930	0	1,931	0	0	0	0	0	0	1,931	0
Grand Total	1,914	0	1,930	0	1,931	0	0	0	0	0	0	1,931	0

\* FPI funds are non-appropriated.

## E. Justification for Base Adjustments

Justification for Base Adjustments  
Federal Prison System  
Federal Prison Industries, Incorporated

### Increases:

#### 2009 pay raise

This request provides for the proposed 2.9 percent pay raise to be effective in January of 2009. This increase includes locality pay adjustments as well as the general pay raise. The amount requested, \$3,804,000 represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$2,549,000 for pay and \$1,255,000 for benefits).

#### Annualization of 2008 pay raise

This pay annualization represents first quarter amounts (October through December) of the 2008 pay increase of 3.5 percent included in the 2008 President's Budget. The amount requested, \$1,479,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$991,000 for pay and \$488,000 for benefits).

#### Annualization of additional positions approved in 2008

This provides for the annualization of 0 additional positions appropriated in 2007 and 17 additional positions requested in the 2008 President's budget. Annualization of new positions extends to 2 years to provide for funding lapse in the first year activation. For 2009 increases, this request includes a decrease of \$0 for one-time items associated with the increased positions, and an increase of \$89,000 for full-year costs associated with one additional FTE, for a net increase of \$89,000. This annualization of one FTE and \$89,000 is associated with the factory activation of FCI Pollock, LA, requested in the FY 2008 budget.

#### Investments

An increase of \$6,157,000 is estimated in FY 2008 for investment activity.

F. Crosswalk of 2007 Availability

Crosswalk of 2007 Availability  
 Federal Prison System  
 Federal Prison Industries, Incorporated  
 (Dollars in Thousands)

Decision Unit	FY 2007 Enacted Without Recissions			Rescissions			Supplementals			Reprogrammings/ Transfers			Carryover/Recoveries			2007 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Federal Prison Industries	2,058	1,914	\$900,445	0	0	\$0	0	0	\$0	0	0	\$0.00	0	0	\$0	2,058	1,914	\$900,445
TOTAL	2,058	1,914	\$900,445	0	0	\$0	0	0	\$0	0	0	\$0.00	0	0	\$0	2,058	1,914	\$900,445

\* FPI funds are non-appropriated.

G. Crosswalk of 2008 Availability

Crosswalk of 2008 Availability  
 Federal Prison System  
 Federal Prison Industries, Incorporated  
 (Dollars in Thousands)

Decision Unit	FY 2008 Enacted Without Recissions			Rescissions			Supplementals			Reprogrammings/ Transfers			Carryover/Recoveries			2008 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Federal Prison Industries	2,075	1,930	\$929,510	0	0	\$0	0	0	\$0	0	0	\$0.00	0	0	\$0	2,075	1,930	\$929,510
TOTAL	2,075	1,930	\$929,510	0	0	\$0	0	0	\$0	0	0	\$0.00	0	0	\$0	2,075	1,930	\$929,510

\* FPI funds are non-appropriated.



L. Summary of Requirements by Object Class

Summary of Requirements by Object Class  
 Federal Prison System  
 Federal Prison Industries, Incorporated  
 (Dollar in Thousands)

Object Classes	2007 Actuals		2008 Enacted		2009 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11.1 Full-time Permanent	1,899	\$110,916	1,915	\$113,642	1,916	\$116,429	1	\$2,787
11.3 Other than Permanent	15	0	15	0	15	0	0	0
11.5 Other Personnel Compensation	63	5,358	63	5,479	63	5,602	0	123
11.8 Special Service Pay	0	50,826	0	51,970	0	53,139	0	1,169
Total Workyears and Personnel Comp	1,977	167,100	1,993	171,090	1,994	175,169	1	4,080
Other Objects								
12 Personnel Benefits		48,796		49,971		51,198		1,226
21 Travel and Transportation of Persons		5,058		5,109		5,160		51
22 Transportation of Things		3,570		3,606		3,642		36
23.2 Rental Payments to Others		1,098		1,109		1,120		11
23.3 Communications, Utilities and Miscellaneous Charge		19,600		20,188		20,794		606
24 Printing and Reproduction		1,021		1,062		1,104		42
25.1 Advisory and Assistance Services		0		0		0		0
25.2 Other Services		15,211		15,363		15,517		154
25.3 Purchases of Goods & Services from Gov't Acc		0		0		0		0
25.7 Operation and Maintenance of Equipment		0		0		0		0
26 Supplies and Materials		655,358		661,912		668,531		6,619
31 Equipment		11,632		11,748		11,866		117
32 Land and Structures		8,507		9,358		10,293		936
93 Administrative Expenses		2,241		2,477		2,477		0
Total Obligations		939,192		952,992		966,870		9,799
Unobligated Balance, Start-of-Year		(116,558)		(165,177)		(141,695)		
Unobligated Balance, End-of-Year		165,177		141,695		115,864		
Total Requirements		987,811		929,510		941,039		

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category  
 Federal Prison System  
 Federal Prison Industries, Incorporated

Category	2007 Enacted w/Rescissions and Supps	2008 Enacted	2009 Request				
	Total Authorized	Total Authorized	ATB's	Program Increases	Program Decreases	Total Prg. Changes	Total Authorized
Attorneys (905)	3	3	0	0	0	0	3
Personnel Management (200-299)	0	0	0	0	0	0	0
Paralegal Specialist (950)	0	0	0	0	0	0	0
Other legal and Kindred (900-998)	3	3	0	0	0	0	3
Correctional Institution Administration (006)	65	66	0	0	0	0	66
Correctional Officers (007)	4	4	0	0	0	0	4
General Admin., Clerical and Office Svcs. (300-399)	207	208	0	0	0	0	208
Accounting and Budget (500-599)	200	202	0	0	0	0	202
Engineering and Architecture Group (800-899)	10	10	0	0	0	0	10
Information and Arts Group (1000-1099)	0	0	0	0	0	0	0
Business and Industry Group (1100-1199)	456	456	0	0	0	0	456
Equipment, Facilities and Service Group (1600-1699)	9	13	0	0	0	0	13
Training/Education (1700-1799)	8	8	0	0	0	0	8
Manufacturing Quality Control Group (1900-1999)	91	92	0	0	0	0	92
Supply Group (2000-2099)	18	18	0	0	0	0	18
Transportation (2100-2199)	4	4	0	0	0	0	4
Information Tech Specialist (2200-2299)	116	116	0	0	0	0	116
Ungraded (culinary, farm, mechanical and construction)	864	872	0	0	0	0	872
<b>Total</b>	<b>2,058</b>	<b>2,075</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,075</b>
Washington - Duty Station	433	433	0	0	0	0	433
U.S. Field	1,625	1,642	0	0	0	0	1,642
<b>Total</b>	<b>2,058</b>	<b>2,075</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,075</b>

K. Summary of Requirements by Grade

Summary of Requirements by Grade  
 Federal Prison System  
 Federal Prison Industries, Incorporated  
 (Dollars in Thousands)

Grades and Salary Ranges	2007 Enacted w/Rescissions and Supps		2008 Enacted		2009 Request		Increase/Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
SES, \$111,676 - \$168,000	1		1		1		0	
GS-15, \$110,363 - 143,471	16		16		16		0	
GS-14, \$93,822 - 121,967	81		82		83		0	
GS-13, \$79,397 - 103,220	212		212		212		0	
GS-12, \$66,767 - 86,801	299		302		305		0	
GS-11, \$55,706 - 72,421	243		244		245		0	
GS-10, 50,703 - 65,912	4		4		4		0	
GS-9, \$46,041 - 59,852	200		203		206		0	
GS-8, 41,686 - 54,194	38		38		38		0	
GS-7, \$37,640 - 48,933	27		27		27		0	
GS-6, \$33,872 - 44,032	5		5		5		0	
GS-5, \$30,386 - 39,501	7		7		7		0	
GS-4, \$27,159 - 35,303	4		4		4		0	
Ungraded positions	921		930		930		0	
Total, appropriated positions	2,058		2,075		2,075		0	
Average ES Salary		\$139,838		\$143,334		\$147,491		
Average GS Salary		64,064		66,938		68,879		
Average GS Grade		11.27		11.27		11.27		

N. FY 2009 Summary of Change

FY 2009 Summary of Change  
 Federal Prison System  
 Federal Prison Industries, Inc. (Non Appropriated)  
 (Dollars in thousands)

	Perm. <u>Pos.</u>	<u>FTE</u>	<u>Amount</u>
2008 Enacted	2,075	1,930	\$929,510
Adjustments to Base			
Increases:			
2009 Pay Raise (2.9%) .....	0	0	3,804
2008 Pay Raise Annualization (3.5%) .....	0	0	1,479
Annualization of 2008 Positions (FCI Pollock, LA) .....	0	1	89
Increase in 2008 Investment Activity.....	0	0	6,157
Total Adjustments to Base .....	<u>0</u>	<u>1</u>	<u>11,529</u>
2009 Current Services .....	2,075	1,931	941,039
Program Changes.....	0	0	0
Total Program Changes .....	0	0	0
2009 Request .....	2,075	1,931	941,039

\*FPI funds are non-appropriated.