

Innovative Solutions ↔ Productive Lives



ARIZONA
CORRECTIONAL
INDUSTRIES

Can ACI ...

...provide a reliable workforce?

...create custom steel components?

...print our multi-page forms?

...design our new offices?

...help our company grow?

Yes, we can.

Arizona Correctional Industries™

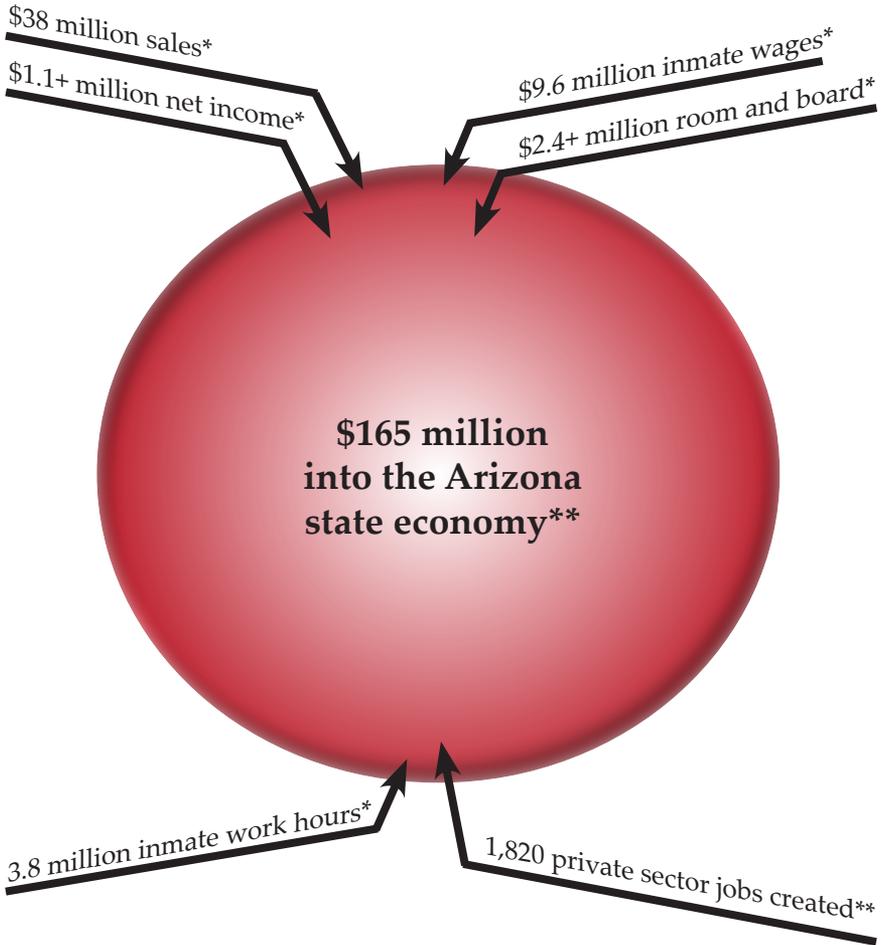
A Driving Force in the State's Economy



Saving Money for Arizona Taxpayers

ACI is completely self-funded.

In fact, each year ACI returns millions to the state coffers as its shops and labor contracts generate:



* Arizona Correctional Industries™ FY2014 Annual Report.

** Arizona State University, WP Carey School of Business, Seidman Research Institute 2014 fiscal year study.

It is estimated that each inmate costs the state \$25,000 a year in room, board and medical expenses. However, the 2,000 inmates employed with ACI end up paying their own way. Earnings deductions go toward their room and board, as well as Court Ordered Restitution and Victim's Compensation Funds.

The fruits of their labors generate millions in sales to fully cover all staffing and operational costs for ACI, making it completely self-funded. Instead of depending on money from the state budget, ACI actually returns money to the general fund each year.

But its contribution to the state economy goes well beyond this. The savings local businesses enjoy by using ACI products and labor allowed them to expand, increasing their revenue (and tax contributions) and adding nearly 2 thousand new jobs – with all the benefits to the state that come with an expanded labor force, like:

- reduced unemployment roles
- new income tax sources
- more spending throughout the local economy
- generating sales tax revenue, and on and on

The experts at ASU figure that ACI helped pump over **\$165 million** into the state economy last year.**

Though it makes an important economic impact in the state, since it was originally created by the state legislature more than 40 years ago, ACI has provided on-the-job training to inmates in facilities throughout the state.

Mission

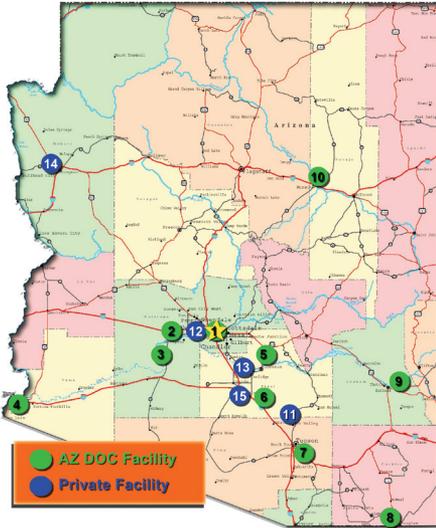
Support ADC mission and create opportunities for offenders to develop marketable skills and good work habits through enterprises that produce quality products and services for our customers while achieving our revenue, profit, and inmate work increase objectives.



Learning, Working and Growing

We've created fully-equipped shops and facilities where real-world training provides inmates with valuable job skills that they can take with them and apply when they are released.

Expert craftsmen share their expertise in a broad spectrum of skills from state-of-the-art 3-D graphic design to assembling coil spring mattresses.



- 1. **Central Admin. Office, Phoenix**
 - ➔ Installation ➔ Sublimation
 - ➔ Support Services
- 2. **ASPC – Perryville, Goodyear**
 - ➔ Data Fulfillment Center
 - ➔ Graphic Arts and Printing
 - ➔ Sewing ➔ LC
- 3. **ASPC – Lewis, Buckeye ➔ LC**
- 4. **ASPC – Yuma, San Luis ➔ LC**
- 5. **ASPC – Florence**
 - ➔ Central Warehousing
 - ➔ Farm ➔ Fish Farm ➔ LC
 - ➔ Mattress ➔ Metal Fab
 - ➔ Recycling ➔ Retail Store
 - ➔ Transportation Services
 - ➔ Sewing ➔ Upholstery
 - ➔ Wild Horse & Burro Program
 - ➔ Wood/Metal Refurbishing
- 6. **ASPC – Eyman, Florence**
 - ➔ Bakery ➔ Commodities
 - ➔ License Plates
- 7. **ASPC – Tucson**
 - ➔ Engraving ➔ Sign Shop
- 8. **ASPC – Douglas ➔ Sewing**
- 9. **ASPC – Safford ➔ LC**
- 10. **ASPC – Winslow ➔ LC**

Private Facilities ➔ LC

- 11. **Community Correctional Treatment Facility (MTC) – Marana**
- 12. **Arizona State Prison – Phoenix West, Phoenix**
- 13. **Central Arizona Correctional Facility (CACF), & Arizona State Prison – Florence West**
- 14. **ASP – Kingman, Golden Valley ➔ EF Block™**
- 15. **Red Rock Correctional Ctr, Eloy**

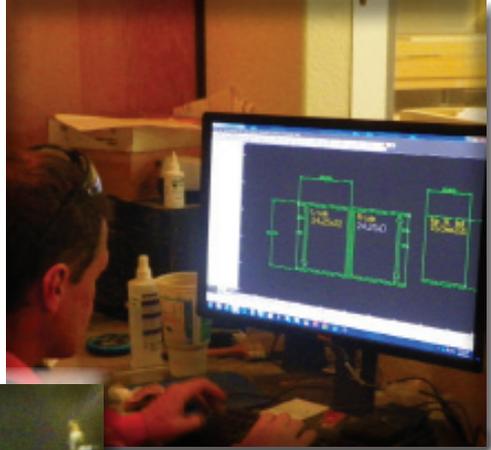
LC: Labor Contracts

ASPC: Arizona State Prison Complex

ACI Shops

Metal Fabrication

- 3-D Graphic Design
- Welding
- Plasma cutting
- Sand blasting
- Powder coating
- Refurbishing



Sewing

- Designing
- Embroidery
- Seaming
- Clothing
- Linens
- Mattresses





ACI Shops



Wood Fabrication

- ➔ Laminating
- ➔ Engraving
- ➔ Staining
- ➔ Finishing
- ➔ Refinishing
- ➔ Upholstering

Commodities

- ➔ Corrugated boxes
- ➔ Trash can liners



Signs & Engraving

- ➔ Plaques
- ➔ Nameplates
- ➔ Awards
- ➔ Vehicle Graphics



ACI Shops

Bakery

- Breads
- Cakes & cookies
- Tortillas



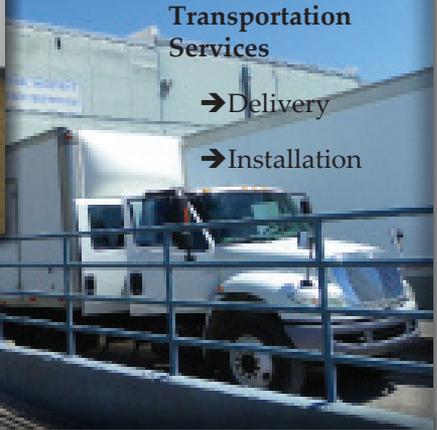
Printing

- Graphic design
- 4-Color printing
- Die-cutting
- Binding



Transportation Services

- Delivery
- Installation



Business Services

- Data processing
- Fulfillment



ACI Shops

Agriculture

- Tilling
- Fertilizing
- AquaBioPonics
- Harvesting
- Raising Catfish & Tilapia
- Training Horses & Burros



For many inmates, who never held meaningful employment, ACI provides an opportunity to learn marketable job skills.

The landscape of poverty, limited education and job opportunities that landed them in prison will be altered positively upon their release when they emerge with a greater sense of self worth, marketable skills and legitimate work experience.

ACI Labor Contract Partners

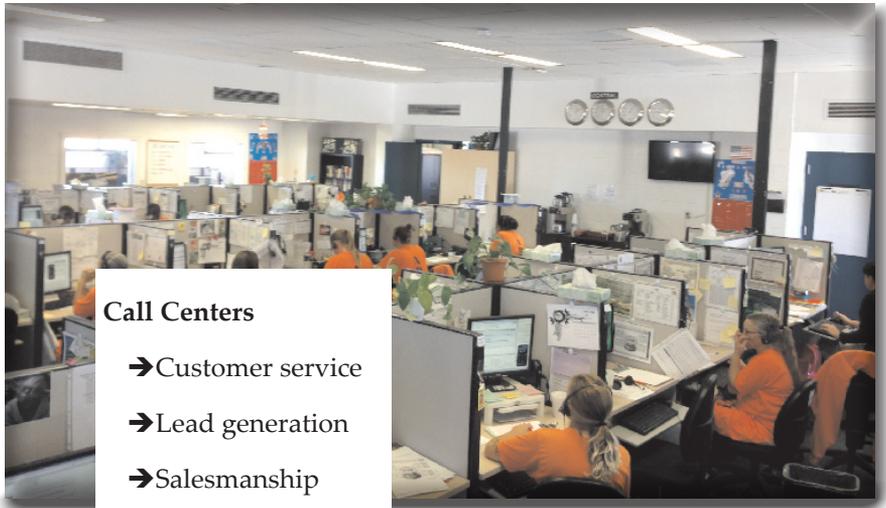
ACI partners with several organizations to provide reliable, trainable labor forces in a variety of settings.

With Televerde, Safety Services, the Motor Vehicle Department, AquaChill and others, inmate labor provides telemarketing services: answering customer service calls, generating leads, setting appointments and closing sales.

Within the Lewis prison, a complete semi truck and trailer repair facility keeps Swift's nationwide truck fleet moving. Inmates learn how to completely rebuild engines and drivetrains, restore damaged bodywork and – when vehicles are damaged beyond repair – how to salvage valuable parts that can be used in other repair jobs.

At farms throughout the state, ACI inmates provide supplemental and seasonal labor to perform all sorts of necessary tasks. At Hickman's Eggs hundreds of female inmates tend chickens and work in the processing and packaging of the eggs. They run the machinery that removes waste and recycles it into fertilizer used at area golf courses. Male inmates help in the construction and repair of the chicken housing and plant itself.

All of these long term labor contract partners have gone on to hire inmates, upon their release, to apply the specialized skills they learned working with ACI. Many of them have risen to high level management positions in these organizations and continue to play an important part in the success of the company.



Call Centers

- Customer service
- Lead generation
- Salesmanship



ACI Labor Contract Partners



Swift Trucking

- Truck repair
- Vehicle maintenance
- Welding & refurbishing

Agriculture

NatureSweet

- Sustainable farming

Hickman's Eggs

- Housing & raising chickens
- Egg processing & packaging
- Waste disposal & repurposing



EF™ Block: Manufacturing versatile building blocks from recycled polystyrene and the steel molds used in the process



Closed Loop Recycling

Safely extracting dangerous lead from cathode ray tubes

Inmates with a Future

Studies have shown that inmates who participate in ACI programs are less likely to commit new offences upon their release. For some, their work experience with ACI was their first real opportunity to:

- Learn marketable skills
- Develop good work habits
- Understand the power of teamwork
- Experience a sense of accomplishment

31.6% lower recidivism rate*

**Prisoner in Arizona, A Profile of Inmate Population*
March 2010, author Dr. Daryl Fischer

Vision

Support ADC Vision, serve as a resource for the public sector and private businesses throughout the state and operate successful business enterprises that help inmates acquire occupational skills and work experience.

Core Values

Professionalism: Modeling the idea

Responsibility: Owning your actions

Integrity: Doing the right thing

Courage: Taking action despite fear

Efficiency: Making every action count

PRICE: reflects values that are of worth and significance to our agency and the state of Arizona



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Arizona Correctional Industries™
A Driving Force in the State's Economy

ACI Central Offices
3279 East Harbour Drive
Phoenix, AZ 85034
602 272-7600

Retail Outlet Store
Hwy 79 and Butte Avenue
Florence, AZ 85132
520 868-3014
Open Tuesday thru Saturday from 7:30 am to 3 pm



Arizona Correctional Industries™ goes well beyond its unique structure as a completely self-funded government agency, as it:

- Helps customers and partners maintain and grow their businesses
- Provides inmates with the tools they need to make better choices when they're released