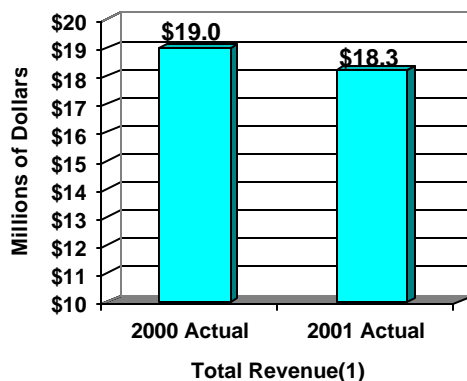


Program Fact Sheet

Arizona Department of Corrections Arizona Correctional Industries

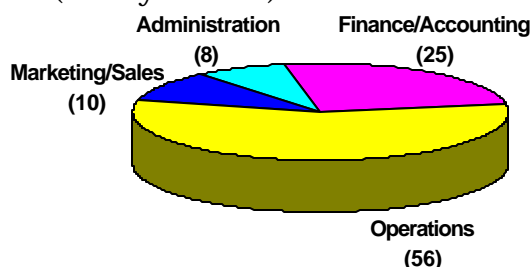
Services: Arizona Correctional Industries is one of six subprograms under the Prison Operations program in the Department of Corrections. ACI's mission is to develop and manage revenue-generating inmate work activities in state correctional institutions to combat idleness and develop good working habits. Major work programs include: **17 ACI owned-and-operated enterprises**—which manufacture articles and products and provide services as needed by state agencies or their political subdivisions; and **22 Labor contracts with public/private sector enterprises** that use inmate labor to produce goods and services. ACI receives no State General Fund appropriations, and is mandated to operate as a self-sufficient agency. The majority of ACI's revenue is derived from the sales of goods and services produced by its owned-and-operated industries, and revenues from labor contracts.

Revenue: \$18.3 million
(fiscal year 2001)

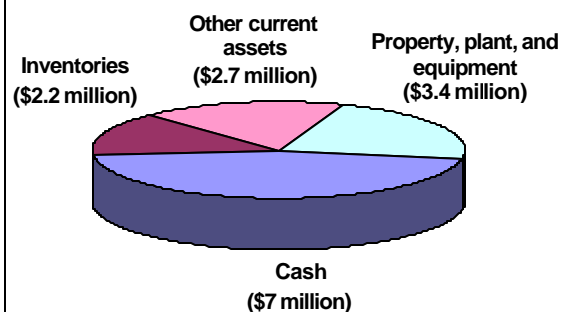


(1) Includes approximately \$340,000 and \$412,000 of non-operating income in 2000 and 2001, respectively, which is primarily interest.

Personnel: 99 full-time staff
(fiscal year 2001)



Assets: ACI owns assets valued at more than \$15.3 million, as of June 30, 2001. Cash and other current assets, including inventories, account for nearly \$12 million of these assets. ACI's property, plant, and equipment assets had a net value of approximately \$3.4 million. These assets are associated with owned-and-operated enterprises and used to produce goods and services.



Program Goals (fiscal years 2001-2003):

1. To employ inmates.
2. To increase the number of new industries operated by ACI.
3. To increase revenues generated by ACI.

Adequacy of Goals and Performance Measures:

ACI's goals appear reasonably aligned with its mission, and it has established six performance measures in line with its goals. However, the Department could improve ACI's goals and performance measures. For example:

- The Department could add a customer service goal, as recommended by the Department's Office of Strategic Planning and Budgeting. Performance measures under this goal could include quality measures, such as the percent of customers who report they are satisfied with ACI products or the percent of orders that result in complaints.
- The Department does not have all five types of measures to report on ACI's performance. Currently, ACI's six performance measures include one input, three outcome, one quality, and one efficiency measure. However, ACI does not report any output measures. Output measures indicate the amount of products or services provided, such as the number of inmate jobs created.

ACI should consider adding such an output measure under its first goal. Currently, ACI reports only the average monthly number of workable inmates employed, which includes monthly turnover. An output measure that reports the average monthly number of filled positions as of the end of the month would provide a clearer picture of the number of inmate jobs ACI is creating.