

 <p style="text-align: center;">DIVISION OF ADULT INSTITUTIONS</p> <p style="text-align: center;">POLICY AND PROCEDURES</p>	DAI Policy #: 300.00.08	Page 1 of 7
	Original Effective Date: 05/16/08	New Effective Date: 03/22/21
	Supersedes: 300.00.08	Dated: 08/01/15
	Administrator's Approval: Sarah Cooper, Administrator	
Required Posting or Restricted:		
<input type="checkbox"/> Inmate <input checked="" type="checkbox"/> All Staff <input type="checkbox"/> Restricted		
Chapter: 300 Administrative		
Subject: Sale of Products Produced or Services Provided by Inmates in Vocational and Non-Vocational Programs		

POLICY

Division of Adult Institution facilities may offer products produced or services provided by inmates as projects in vocational and non-vocational programs for sale to staff, the open market (with Prison Industries Board approval), tax supported facilities, non-profit agencies and other governmental agencies.

REFERENCES

Wisconsin Statutes s. 20.410(1)(kc) – Correctional institution enterprises; inmate activities and employment

Wisconsin Statutes s. 303.015 – Prison Industries Board

Wisconsin Statutes s. 303.06 – Prison products; sale

Wisconsin Statutes s. 303.069 – Correctional institution enterprises; activities of inmates

DOC ASM 202 – Receipts and Direct Deposits to the State Controller's Office

DOC ASM 305 – Request for Correctional Institution Enterprises; Inmate Activities Budget Authority

Ashurst Sumners Act 18 U.S.C. 1761

Attachment – PIB Approved Product Types – Open Market

DEFINITIONS, ACRONYMS AND FORMS

ASM – Administrative Services Manual

BCE – Bureau of Correctional Enterprises

Community Service – Products or services donated to state or local governments, public or non-profit agencies, or schools by inmates or staff.

DAI – Division of Adult Institutions

DOC – Department of Corrections

DOC-500 – Receipt

DOC-2750 – Division of Adult Institutions Vocational/Non-Vocational Products Establishment of Fair Market Value

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Fair Market Value – The sale price of a product or service sold to DOC staff and the public as determined by the process established in this policy.

Non-Vocational Products – Products produced or services provided by inmates in non-vocational programs.

Prison Industries Board (PIB) – A nine member Board appointed by the Governor to oversee operations of the DOC prison industry program. Board responsibilities include review and approval of the sale of products made by the inmates in vocational and non-vocational programs.

Product – A tangible item produced by inmate labor.

Service – Duties or work for another; supplying maintenance and repair (service electrical appliances); to make fit for use, repair or restore (service an automobile).

Vocational Products – Products produced or services provided by inmates in facility vocational school programs.

Vocational School Programs – DOC or WTCS certified programs that provide education/training toward a certificate or diploma.

WTCS – Wisconsin Technical College System

PROCEDURE

I. General

- A. DAI vocational and non-vocational projects that include the sale of products produced or services provided by inmates shall comply with State and Federal Regulations.
- B. All products produced by inmates in vocational and non-vocational programs offered for sale in the open market shall be approved by the PIB prior to sale.
- C. Facilities shall keep records on all vocational and non-vocational products and services sold.
- D. Vocational and non-vocational products and services may be sold to DOC staff, in the open market (with PIB approval), tax supported facilities, non-profit agencies, and other governmental agencies.
- E. If offered to the public, vocational and non-vocational products and services shall be at the same price as offered to DOC staff.
- F. DOC staff may not obtain items or services for free or for less than fair market value as defined by this policy.

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G. All sales are final. The DOC does not provide a warranty of workmanship or materials and assumes no liability for any damage to personal property.

H. Items and services not covered by this policy include:

1. The sale of hobby craft items.
2. Donations of items produced by vocational and non-vocational programs.
3. Donations of items through community service programs.
4. The sale of BCE industry/farm products.
5. The products and services provided to community organizations by minimum security project crews.

I. Interstate sales of inmate-produced products are prohibited.

II. PIB Approval

A. All products produced by inmates in vocational and non-vocational programs offered for sale in the open market shall be approved by the PIB prior to sale.

B. Services do not require PIB approval.

C. The PIB has previously approved a broad range of products for sale. The approvals are not specific to individual products or facilities, but instead are for broad categories of products.

D. When a facility anticipates the sale of a new product, the Warden shall contact the Director of BCE to review whether that product is or is not included in the categories of products previously approved by the PIB.

E. If the product has not previously been approved, the facility shall apply for PIB approval prior to the sale of any such products.

III. Establishment of Fair Market Value

A. If the inmate-produced product or service is also produced in the local market by private sector vendors, the facility shall survey three of these vendors to determine the price of the product in the private sector. The price charged shall then be set at no lower than the lowest price of this survey.

1. If three vendors are not available, the survey shall include as many vendors as possible.
2. If the product or service is also provided by another vocational program in the area, setting the price at the same level as the other program would be appropriate.

B. If the inmate-produced product or service does not have local private sector competition, the price of the product shall be set at cost of the product or

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service plus 20 to 30 percent. The cost of the product shall be determined by the facility vocational teacher or program manager of the area producing the goods and approved by the facility Education Director/designee.

- C. For inmate-produced services, if the price set under III.A or B results in insufficient work for the inmates to demonstrate and practice their skills, the facility may adjust pricing downward in order to obtain a sufficient number of customers to maintain program skills.
- D. When establishing the fair market value for a vocational/non-vocational product or service, facilities shall complete DOC-2750.

IV. Facilities Shall:

- A. Ensure all products made by inmates in vocational and non-vocational programs that are or shall be offered for sale in the open market are approved by the PIB.
- B. Direct a memorandum to the BCE Director and the PIB providing the following information about the proposed product:
 - 1. Description of the new product.
 - 2. Anticipated market.
 - 3. Estimated sales (quantity).
 - 4. Fair market value of the product.
 - 5. A listing of the student competencies used during completion of the project.
- C. Establish procedures for review and approval of requests to purchase such products or services.
- D. Ensure that all vocational products and services sold satisfy approved curriculum competencies.
- E. Collect payment, including any applicable sales tax, for all products and services prior to the product or serviced item leaving the facility. Receipt all payments using DOC-500.
- F. Deposit all revenues from the sale of products or services provided by vocational school programs in Appropriation 166 in compliance with DOC ASM 202.
- G. Ensure the proceeds from vocational product sales are primarily used to purchase materials, supplies and equipment for vocational school programs.
- H. Monitor cash balances in Appropriation 166 and request budget authority in compliance with DOC ASM 305.

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- I. Inspect any owner provided items or parts brought into the facility for use in an inmate provided product or service.
 - J. Inspect products and serviced items leaving the facility.
- V. BCE Shall:**
- A. Maintain records of all products approved for sale by the PIB.
 - B. Compile periodic reports for the PIB on vocational and non-vocational inmate products sold.
 - C. Coordinate the presentation of applications for new products to the PIB.
 - D. Inform facilities of PIB decisions and/or requests for additional information.

Administrator's Approval: _____ **Date Signed:** _____
Sarah Cooper, Administrator

DIVISION OF ADULT INSTITUTIONS FACILITY IMPLEMENTATION PROCEDURES

Facility: Wisconsin Correctional Center System		
Original Effective Date: 05/16/08	DAI Policy Number: 300.00.08	Page 6 of 7
New Effective Date: 04/15/21	Supersedes Number: 300.00.08	Dated: 06/10/16
Chapter: 300 Administrative		
Subject: Sale of Products Produced and Services Provided by Inmates in Vocational and Non-Vocational Programs		
Will Implement <input type="checkbox"/> As written <input checked="" type="checkbox"/> With below procedures for facility implementation		
Warden's/Center Superintendent's Approval: /s/ Quala Champagne		

DEFINITIONS, ACRONYMS, AND FORMS

DOC-2458- WCCS Cost Proposal - Sale Products by Inmates

DOC-2460- WCCS Acknowledgement of Delivery

FACILITY PROCEDURE

- I. A list of woodshop products available for sale is listed on MyDOC. Use the e-mail distribution mailbox **DOC DL WCCS Woodshop** to place an order.
- II. Pricing
 - A. If the inmate-produced wood product does not have local private sector competition, then the price of the wood product shall be set at cost of the product plus 25 percent. The cost of the wood product shall be determined by the Superintendent/designee at the center producing the wood product and approved by the donation committee.
 - B. The price of the wood product will be fair market value. At least annually, the WCCS Donation Committee will review the prices of locally made wood products or prices obtained via internet searches to ensure that the price offered is comparable to similar items. Prices shall not be substantially lower thereby creating unfair competition with the local market.
- III. Stock Product Sales
 - A. The center will maintain a line of stock products, approved by the Warden/designee, for sale to governmental agencies, nonprofit organizations, profit organizations, staff and general public. Sales will be restricted to residents of the State of Wisconsin.
- IV. Shipping/Handling
 - A. Shipping and handling shall be added to the total price of the product sold. The shipping price shall be the actual cost of shipping. If delivered by staff the shipping cost shall be comparable to like items delivered by the private sector. The seller may waive this charge if the buyer picks the product up

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directly or if it is delivered in a manner that does not incur additional cost to the seller.

- V. Special Instructions: The buyer and seller shall agree upon delivery date, method of delivery. This shall be documented on the DOC-2458 in the Special Instructions section.
- VI. Delivery or pickup of all products sold will be documented on the DOC-2460.