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JEFFERSON S. DUNN
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April 4, 2016

TO: WARDENS
DIVISION DIRECTORS
HEADS OF STATE AGENCIES
ADMINISTRATIVE REGULATION MONITORS

CHANGE #1
ADMINISTRATIVE REGULATION 480

PRISON INDUSTRIES ENHANCEMENT CERTIFICATION PROGRAM

PURPOSE: To clarify deductions from gross wages, payment of spousal or child support, and to update Forms 480-B and 480-C.

CHANGES TO BE MADE:

Reference:

AR 480, *Prison Industries Enhancement Certification Program*, dated May 4, 2015.

III. *Definitions and Acronyms, S, 1, 2, 3,*

Action Required:

Delete the following definitions:

PIECP Cost Accounting Center (CAC) Management Models:

1. **Customer Model:** The private sector partner is engaged in a CAC enterprise only to the extent that it purchases all or a significant portion of the output of a prison-based business owned and operated by a governmental entity, political subdivision or an instrumentality thereof. A customer model private sector partner assumes no major role in industry operations, does not direct production and has no control over inmate labor. These functions are performed by the department of corrections.
2. **Employer Model:** The private sector partner owns and operates the CAC by controlling the hiring, firing, training, supervision, and payment of the inmate work force. The department of corrections assumes no major role in industry operations, does not direct production, and exercises minimum

control over inmate labor performance. These functions are performed by the private sector partner.

3. **Manpower Model:** This model is essentially a labor-leasing model considered by the Bureau of Justice Assistance to be a sub-type of the customer model, a pre-determined fee covering labor, overhead, and profit is paid by the private sector partner to the prison industry. Inmates are employed by the correctional agency.

Replace with this definition:

PIECP Cost Accounting Center (CAC) Management -

Employer Model: The private sector partner owns and operates the CAC by controlling the hiring, firing, training, supervision, and payment of the inmate work force. The department of corrections assumes no major role in industry operations, does not direct production, and exercises minimum control over inmate labor performance. These functions are performed by the private sector partner. (Section 14-7-22.1(a), Code of Alabama 1975, as amended)

V. Procedures, D, 4.

Delete this paragraph:

An inmate participating in a PIECP program shall be assessed a deduction from their gross earnings of not less than five percent (5%) nor more than twenty percent (20%) to be paid to the Alabama Crime Victims Compensation Fund, codified as Section 15-23-16 Code of Alabama 1975, as amended. The amount to be deducted shall be established by the Commissioner or designee according to the wages paid and anticipated deductions.

Replace with this paragraph:

Victim's Compensation and Victim's Restitution deductions, assessed from an inmate participating in a PIECP program, may total between five percent (5%) and twenty percent (20%) of the inmate's gross wages. The percentage to be deducted for Victim's Compensation shall be established by the Commissioner or designee according to the wages paid and anticipated deductions.

V. Procedures, D, 5.

Delete this paragraph:

Payment of spousal support or child support when ordered by the Court may be deducted directly from an inmate's gross earnings or deducted from the inmate's ITF account depending on the PIECP management model and convenience to the ADOC. Process for deductions shall be in accordance with the ADOC Manual of Accounting Procedures.

Replace with this paragraph:

Payment of spousal support or child support when ordered by the Court may be deducted directly from an inmate's gross earnings and deducted from the inmate's ITF account.

VII *Forms, B*

Replace ADOC Form 480-B, *Prison Industries Enhancement Certification Program Inmate Participation Agreement*, dated May 4, 2015 with ADOC Form 480-B, *Prison Industries Enhancement Certification Program Inmate Participation Agreement*, dated April 4, 2016.

VII *Forms, C*

Replace ADOC Form 480-C, *PIECP-CAC Quarterly Statistical Report*, dated May 4, 2015 with ADOC Form 480-C, *PIECP-CAC Quarterly Statistical Report*, dated April 4, 2016.

IX *Performance, D*

Delete this entry:

ADOC Accounting Manual.

File this numbered change at the back of the regulation after annotating both the index and the regulation to indicate changes have been completed.

Advise all personnel in your organization of the change to this regulation.



Jefferson S. Dunn
Commissioner

**PRISON INDUSTRIES ENHANCEMENT
CERTIFICATION PROGRAM
INMATE PARTICIPATON AGREEMENT**

I _____, AIS # _____, hereby agree to the terms and conditions regarding the disposition of wages I may receive in the Prison Industries Enhancement Certification Program (PIECP), and I understand that my participation in this program is completely voluntary. I recognize the privileges of working while continuing to serve my sentence and agree to abide by the terms and conditions set forth in this agreement.

As a voluntary participant, I understand that the ADOC Commissioner shall specify the deductions from my wages received under PIECP in accordance with Section 14-7-22.1(c), Code of Alabama 1975 as amended, in the following priority :

1. Federal and State Income Taxes.
2. Social Security deductions.
3. Court ordered payments:
 - a. Restitution.
 - b. Victim's Compensation Fund.
 - c. Spousal or Child Support.
4. Percentage for reimbursement of incarceration costs.
5. Remainder to Inmate's ITF account.

In accordance with the PIECP guidance, total deductions shall not exceed eighty percent (80%) of gross wages. Additional court-ordered deductions may be taken from net wages.

- 1) I understand that the number of hours worked in the PIECP is not guaranteed and I will be paid only for those hours worked.
- 2) I understand that I may be required to work various shifts and a reasonable amount of overtime.
- 3) I understand and agree that my continued employment with the PIECP is at the will of the Director of the Correctional Industries Division of ADOC and that I may be terminated from the PIECP for any reason.
- 4) I understand that should I be transferred out of the PIECP and assigned to another work detail within the institution/facility/center, my pay will revert to the inmate wage scale for that assignment.
- 5) I understand that institution/ facility/center work assignments, not related to the PIECP, are not voluntary and I will be expected to work as assigned within the institution / facility / center.
- 6) I understand that I am not guaranteed the same institution/facility/center job held prior to entering the PIECP.
- 7) I understand and agree that I am not an employee of the Private Sector Partner engaged in the PIECP to which my labor is being provided as part of this program.

**PRISON INDUSTRIES ENHANCEMENT
CERTIFICATION PROGRAM
INMATE PARTICIPATION AGREEMENT (continued)**

8) I understand I am not considered an employee of the State of Alabama and I am not eligible for state benefits, currently or upon release from prison.

9) I understand and agree that I am not entitled to any benefits of the Private Sector company, currently or upon release from prison.

10) I agree that should I have any grievance or complaint relating to my participation with or termination from the PIECP; I will address my complaint to the Warden or the Correctional Industries Director and NOT with the Private Sector company.

11) I understand that I will not receive unemployment compensation in the event of my termination from participating in this program for any reason whether voluntary or involuntary.

12) I agree that in order to work in the PIECP, I must provide proof of obtaining a High School Diploma or GED, or I must be actively attending school working toward a GED. If for any reason I am dismissed from school, I will be terminated from my PIECP job assignment.

13) I agree that in order to work in the PIECP, I must be disciplinary free (of medium and high level offenses) for a period of six (6) months. If during my employment I am found guilty of a medium or higher offense, I will be terminated from the PIECP.

I understand and agree that if I should violate any of these conditions or rules of PIECP, or my continued placement in the PIECP is not in the best interest of the ADOC, or any investigation is warranted, I may be removed from the privileges of PIECP. Placement in the PIECP is a privilege, and not a right.

I certify that I have read, or had read to me, this agreement in its entirety, and that I fully understand and will abide by these terms and conditions. I understand that the ADOC Prison Industries Enhancement Certification Program (PIECP) is completely voluntary, and by participating I agree to the terms of this agreement. I further understand that ADOC rules and policies apply to me while I am assigned in the PIECP.

In witness thereof, I have voluntarily signed this agreement in the presence of an ADOC representative.

(Inmate's Signature)

(Date)

(Correctional Industries typed name)

(Correctional Industries Signature)

(Date)

PIECP-CAC QUARTERLY STATISTICAL REPORT

Reporting Quarter Dates: _____ through _____

Name of Cost Accounting Center: _____

PIECP Management Model: Employer

INSTITUTION Name and Address: _____

- (1) Total inmate labor hours worked during quarter: _____ Hours
- (2) Total number of inmates employed during quarter: _____ Total Inmates
- (3) Total quarterly gross wages paid: \$ _____
 Hourly wage range \$ _____
 (or) Piece work rate \$ _____
- (4) Total quarterly contributions to Federal taxes: \$ _____
- (5) Total quarterly contributions to State taxes: \$ _____
- (6) Total quarterly contributions to Social Security (FICA and Medicare) \$ _____
- (7) Total quarterly contributions to other taxes: \$ _____
- (8) SUB-TOTAL of taxes paid this quarter (#4 thru #7) \$ _____**
- (9) Total quarterly contributions to victims' programs: \$ _____
- (10) Total quarterly contributions to room and board: \$ _____
- (11) Total quarterly contributions to family support: \$ _____
- (12) SUB-TOTAL of PIECP deductions (#9 thru #11) \$ _____**
- (13) Total quarterly contributions to mandatory savings: \$ _____
- (14) Since the last quarterly report, have you materially changed the scope, processes or products associated with this Cost Accounting Center? Y/N If Yes, please explain:

Certified correct by: Name (print) _____ Title: _____

Signature: _____ Date: _____

Telephone No: _____ Email Address: _____