

Giving Back

2014 annual report



we build **OPPORTUNITY**



A Division of the Colorado Department of Corrections

Giving Back

About the cover: Since 2002, the Colorado Correctional Industries (CCI) Prison Trained K-9 Companion Program has trained over 8,000 dogs. The program rescues pure and mixed breed dogs from the region's shelters, training them to become well behaved companions. After living with their inmate handlers for 4-8 weeks, the dogs move on to live with their forever families and handlers begin the task anew... training someone's soon-to-be best friend.



03	Director's Welcome
05	Our Division
06	2014 Progress Notes
08	Staff Training & Continuing Education
10	Giving Back — Recycling
13	Giving Back — Partners in Success
15	Giving Back — On a Global Scale
16	Progress Check — Recidivism
18	The Organization at a Glance
20	Leadership
23	Facility Locations
24	Products and Services
26	CCi Financials
28	Canteen Services
30	Canteen Financials
32	Giving Back — The Future
35	Our Team

Our Mission

The mission of Colorado Correctional Industries is three-fold.

- To reduce inmate idleness and the demand for general-funded programs by working as many inmates as possible in self-supporting and productive industries.
- To train inmates in meaningful skills, work ethics, and quality standards which better enable them to secure long-term employment after release from prison.
- To operate in a business-like manner so that enough revenues are realized each year to meet the ongoing capital equipment, working inventories and operating cash needs of the division.

“During a hike along the Continental Divide near Morgan’s Gulch, we came upon a crew of inmates building the new hiking trail. The trail work was exceptionally well done. It was gratifying to have the chance to talk with trail crew bosses and the inmates, to thank them for their hard work at very high elevations. We very much appreciate the work completed and were honored to be the first group to achieve the pass on the new trail.”

– Linden Lane Partners,
LLC/private citizen



Giving Back



from the director

Giving back. This year's annual report theme is one that is near and dear to my heart because it truly speaks to the nature of CCI's mission. Throughout the pages of this annual report, you'll discover the many ways we've worked over the past year to "give back" to the communities, the citizens, the victims ...and, yes...the inmates. It's our guiding philosophy that by building opportunity for our inmates, everyone is better served. The abilities learned while working for CCI instill the knowledge and work ethic needed for post-incarceration success. And it's working. Recidivism rates continue to decline with every hour that prisoners work in our programs.

GIVING BACK TO OUR ECONOMY

CCI's efforts continued to recapture jobs lost to China and other countries, making "Made in America" an even bigger reality in 2014. In addition, we continued to be one of the largest purchasers of Colorado raw materials and goods, stimulating our economy with over \$8 million spent annually. And of course, one of our most direct financial benefits was saving taxpayers nearly \$5,000 per inmate involved with CCI. The cumulative numbers are a staggering \$9 million per year in savings.

GIVING BACK TO OUR PROGRAM

In 2014, CCI came a long way toward our goal of doubling our inmate employment by adding eight programs to our industries and expanding dozens of others. New partners, who share a mutual goal of production, performance and profitability, allowed us to add an additional 42 inmates to the CCI programs. These new collaborations addressed CCI's re-entry mission while inspiring our inmate population to learn new trades in ultra-high pasteurization, partridge hatchery maintenance, granite counter top production, LED lighting fabrication, stone paver casting, antique vehicle restoration, tablet service and electronic recycling.

GIVING BACK TO THE WORLD

In 2011, CCI began providing modern correctional training to officials from around the globe. A collaborative effort between the U. S. Department of State, the Bureau of International Narcotics and Law Enforcement Affairs (INL), CDOC and CCI, the International Corrections Management Training Center (ICMTC), located in Cañon City, Colorado, has trained 828 foreign officials to date. From Mexico and Central America to Africa, the Near East, South America, Asia and the Caribbean Basin, our efforts have helped to transform correctional facilities worldwide making them more safe, secure, humane and transparent.

The commitment of our staff and inmates to the philosophy of giving back is detailed throughout the following pages. As you will see, it's this dedication that makes us stronger and continues to help our success grow. Please enjoy our 2014 Annual Report, and thank you for your interest in and continued support of CCI.

Sincerely,

A handwritten signature in black ink that reads "Steve Smith". The signature is written in a cursive, flowing style.

Steve Smith
Director, Colorado Correctional Industries

by the numbers

CCI's industry breakdown




CCI's success inside and out!

Over 80% of former inmate workers with at least six months of CCI experience remain unincarcerated a year after release, a significantly better success rate than the national average of 61.6%.¹



*\$9 million a year in savings
for Colorado taxpayers*



Collaborative Success our division

As we near our fortieth anniversary, it's exciting to look at CCI's past accomplishments, but even more so to contemplate our plans for the future. As part of the Colorado Department of Corrections (CDOC), we've collaborated to achieve great success in our programs, for our inmates and for Colorado citizens.

Our Program — Self Funded. Self Reliant.

CCI receives no tax-payer support. Mandated to operate like any other traditional business, our success is completely dependent on the business savvy of our staff and the dedication of our inmate workforce. With over 1,800 inmates working in more than 80 programs in agriculture, services and manufacturing, CCI not only generates the revenues that allow us to fully fund the costs of operating our division, but saves Colorado taxpayers \$5,000 per inmate employed or nearly \$9 million a year in savings.

Safe. Secure. Smart.

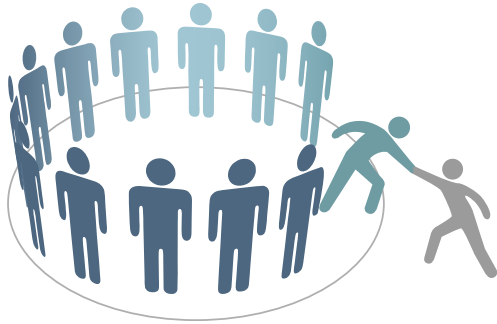
Dozens of inmates compete for each position, with a GED requirement as well as interviews, recommendations, and more. That means that the inmate worked hard to get the job and he or she will work even harder to keep it. Motivation is high, and productivity encouraged. Discipline issues mean loss of employment and therefore occur far less with CCI workers than in the general population. By partnering with CDOC on every facet of our mission, we ensure a safe and secure environment is provided to inmates, staff and citizens of Colorado.

Working on the Inside—Succeeding on the Outside

The motto of our National Correctional Industries Association rings true throughout all correctional and industry facilities. By offering inmates the opportunity to learn meaningful skills, work ethic and responsibility prior to their release enhances their success post-incarceration. In fact, Colorado recidivism rates are improved by nearly 20% compared to inmates who were not involved in a CCI program. Our goal is to continue to increase the number of participants as well as continue to reduce the likelihood of recidivism.

top ten

2014 progress notes



1. PROGRAM GROWTH

1800+ inmates employed during 2014 with a goal of doubling the program within the next decade. In addition, **8 new industries were added** for a total of 87 businesses now in CCI.

2. TAXPAYER SAVINGS

\$5,000 saved per CCI-employed inmate equates to over **\$9,000,000** in annual taxpayer savings!



3. CCI DIRECTOR AWARDED TOP HONOR AT NCIA

CCI Director, Steve Smith, was named the recipient the National Correctional Industries Association (NCIA) most prestigious award, the Rodli. Recognized for his sustained and outstanding contributions to the correctional industries field, Smith accepted the award during the 2014 NCIA Awards Banquet in New Orleans.

"I was very humbled by this nomination; recognition from my peers is the ultimate compliment and receiving this is like awarding Colorado's entire division... I share this award with them!"



4. GETTING SMART!

144 inmates participated in college courses, collectively earning 556 credits from Pueblo Community College. Skills learned will prepare them for post-incarceration success.

5. GOING GREEN

From water reclamation to fertilizer, CCI conserved more in 2014 than ever before. Our environmental efforts, however, go far beyond reducing waste. We met or exceeded all state standards regarding toxins, waste and pollution, right down to the recycled stock used for this annual report.



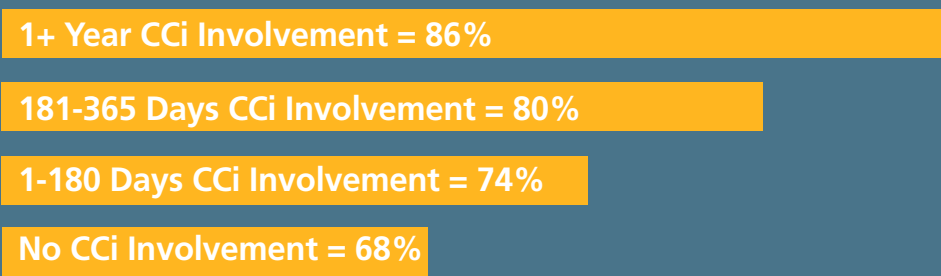


6. BUYING COLORADO
 CCI not only purveys goods, we procure them. Lots of them. In fact, we are one of Colorado's largest purchasers of local products, infusing our state's economy with over \$8 million a year. From wood to steel, fiberglass to feed, we buy Colorado.

7. VICTIM RESTITUTION TOPS \$1,000,000
 A landmark year, CCI inmates have spent the last two decades contributing a significant portion of their wages to the Victim Restitution Fund. This year's donations put the total over the \$1,000,000 mark... an average of nearly \$50,000 per year!



8. MORE CCI INVOLVEMENT = LESS RECIDIVISM
 % FORMER INMATES SUCCESSFUL IN SOCIETY WITHIN 1 YEAR OF RELEASE



9. NEARLY 12,000 CONTINUING EDUCATION HOURS

We always knew our staff was a group of dedicated over-achievers, but 2014 was a banner year with 11,967 hours spent improving skills and learning new job-related expertise.



10. MADE IN AMERICA
 In addition to buying local, our manufacturing divisions are responsible for returning work to the USA from other countries like China. Made in America is good news for all of us.



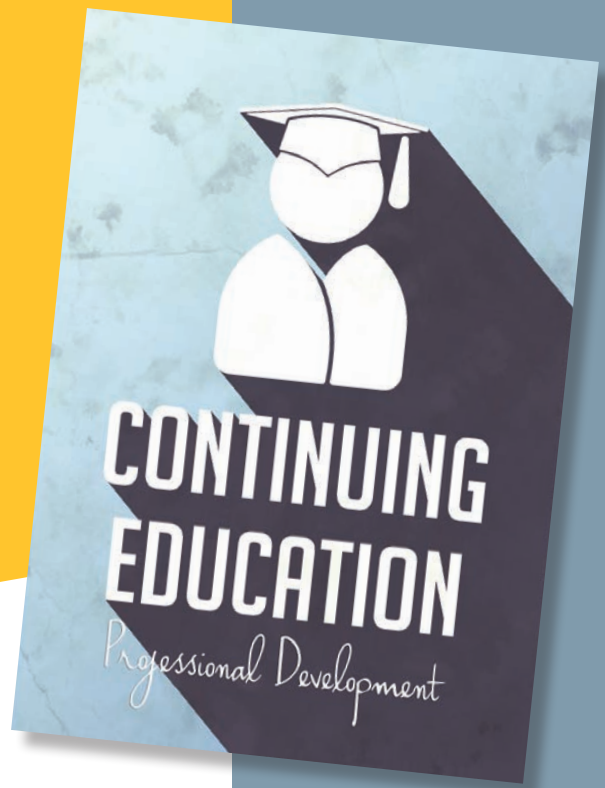
staff training

Every staff member employed within CCI is challenged each year, to further enhance their job-related expertise by attending a minimum of 40 hours of internal and external training. This training standard was surpassed, with a total of 11,967 training hours achieved for the year! Some of the specialized training attended include the following:

- Backflow Preventer Certification
- Colorado Cattlemen's Association (CCA) seminars
- Colorado Operations and Resource Engine (CORE)
- Energy Conservation
- Facility Management
- Financial Analysis
- Fire and Life Safety
- Leather Works
- Life Saving Response
- National Association of Institutional Agribusiness (NAIA) seminars
- National Correctional Industries Association (NCIA) seminars
- Plasma Cam Cutting Machine
- Powder Coating
- Prison Industries Enhancement Certification Program (PIECP)
- Specialized Upholstery Methods
- Vehicle Graphic Wraps
- Wild Land Fire Fighting Advanced Training



College Courses and Inmate Apprenticeships



Our inmate population partook in college courses and apprenticeship programs this year, to further enhance their knowledge and success when released from prison. 144 male inmates participated in college courses from Pueblo Community College. These inmates successfully managed to work in a CCI program, and during their off time, participated, studied and passed their college courses, achieving a combined total of 556 college credits, and 193 individual certificates awarded!

Some inmates chose a different route, and participated in apprenticeship programs which will generate a certificate at the conclusion of their on-the-job training and work experience. This year, an overall average of 140 inmates logged 249,350 apprenticeship work hours, and achieved 45,085 instruction hours toward their completion certificates! These educational opportunities would have never been achieved, if it weren't for the structure and encouragement of CCI staff, and the partnership CCI shares with the CDOC Education department.

A recent Indiana recidivism study showed that "...the offender's level of formal education is an important element for reentry because it has a simultaneous effect on both post-release employment and recidivism."

COLLEGE CREDITS

144 male inmates participated in college courses from Pueblo Community College

Combined total of 556 college credits

193 individual certificates awarded

APPRENTICESHIPS

An overall average of 140 inmates

249,350 apprenticeship work hours

45,085 instruction hours toward apprenticeship completion certificates!

Giving Back... a chance for renewal



Recycling

CCi volunteers our services to local communities, providing free recycling pickup. When you consider that each can recycled saves as much energy as if that can were 1/2 full of gasoline, we're pretty proud of our impact.

2014 recycling stats



56 tons
aluminum



753 tons
cardboard



58 tons
office and
newspapers



399 tons
scrap metal
and tin



from idle
to impact



Giving Back

“If CCI had not taken on the challenge of starting a goat dairy, and continued operating and providing excellent quality milk and service, our Dairy would not be in business today. There are no private dairies in Colorado which can provide us with the amount of excellent, quality milk, as provided by CCI.”

– Haystack Mountain Goat Dairy, maker of boutique artisanal goat cheese

partners in success

Our partnerships are a key component to the success and future of CCI. We'd like to thank the many agencies and corporations that have helped us meet a mutual goal of production, performance and profitability. We appreciate your kind words shown below as well as your valued support. Together we will continue to grow.

"Milberger Farms is very appreciative of CCI and the great people who make the program available to us. The availability of work crews who help us with surge operations at critical times in the season's cycle cannot be appreciated enough. It has literally meant the difference between success and failure. CCI has been invaluable in helping our family farm grow and succeed." – *Milberger Farms*

"For the last eight years, CCI has handled 100% of our farm's field labor. The ability to count on CCI has completely taken the labor burden away. Contracting with CCI has been a huge success for our farm."
– *Pisciotta Farms & Produce Marketing*

"Over the last ten years, we have had a Joint Venture Agreement with CCI. We have had the good fortune to work closely with several of your personnel, and the work product resulting from our JVA is of a high quality. We believe our cells to be the best on the market, and CCI helps make that happen. We look forward to many more years of success." – *Maximum Security Systems*

"We have been servicing the correction's market since 1991 and have worked with many correctional organizations, but none with the desire and innovation that CCI has displayed. Our partnership has created the framework and allowed for these programs to be scalable and repeatable in other state correctional industries programs." – *Union Supply Group*

"The staff administering the CCI programs are professional and willing to assist our company in meeting the demands of our toughest markets. Moreover, the workers who assemble our products have a high standard of accuracy, effort, and dependability. I have even experienced instances in which some of the inmates have helped innovate solutions to costly and difficult challenges that had nothing to do with their designated responsibilities. The balance of cost effectiveness and dependability can be difficult to achieve, yet is done so with our partnership with CCI."
– *Optimum Foods*

"We find the professional way the CCI program is operated should be the model for Department of Corrections and other government agencies. CCI is very conscious of not competing with existing business in the private sector. Our company takes great pride in being involved with CCI. Thank you for the opportunity to grow our small business and be part of a successful business model." – *Krauth Co.*

"I would like to express how grateful we are for the fantastic relationship we have with CCI. Your agency, and most specifically the Canteen division, has been an integral part of Keefe's growth over the years. Your organization is an exemplary one, and we look forward to many more years of an excellent relationship."
– *Keefe Group*



US STATE
CORRECTIONAL
DEPARTMENT FOR ORGANISING SUCH
A WONDERFUL COURSE. I HAVE
LEARNED A LOT, IT HAS OPENED
MY EYES AND I AM GOING TO
PAKISTAN WITH MANY OF THE
OBJECTIVES/GOALS AND WILL TRY
MY LEVEL BEST TO IMPLEMENT
WHATEVER I CAN IN MY PRISON.



MANAGER STEVEN GARCIA
ICMTC — STATE OF COLORADO
3800 GRANDVIEW
CAÑON CITY, CO 81212
USA



giving back

on a global scale

In partnership with the U.S. Department of State and Bureau of International Narcotics and Law Enforcement Affairs (INL), CCI operates a corrections training center that provides instruction to corrections officials from foreign countries.

Funded through an INL grant, the decommissioned Colorado Women's Correctional Facility in Cañon City was transformed into The International Corrections Management Training Center (ICMTC) and began classes in September 2011 with Mexican penitentiary officers. Since then, ICMTC has trained 828 officials from all over the world.

Staffed by Colorado CI employees and trainers experienced in all fields of modern corrections system management and operations, attendees are able to observe operations in a variety of correctional settings at all security levels. This first hand access to the wide array of correctional specialists working in these locations demonstrates best practices, which are reinforced through classroom instruction and practical application in the housing units located at the ICMTC.

Courses offered at the ICMTC include:

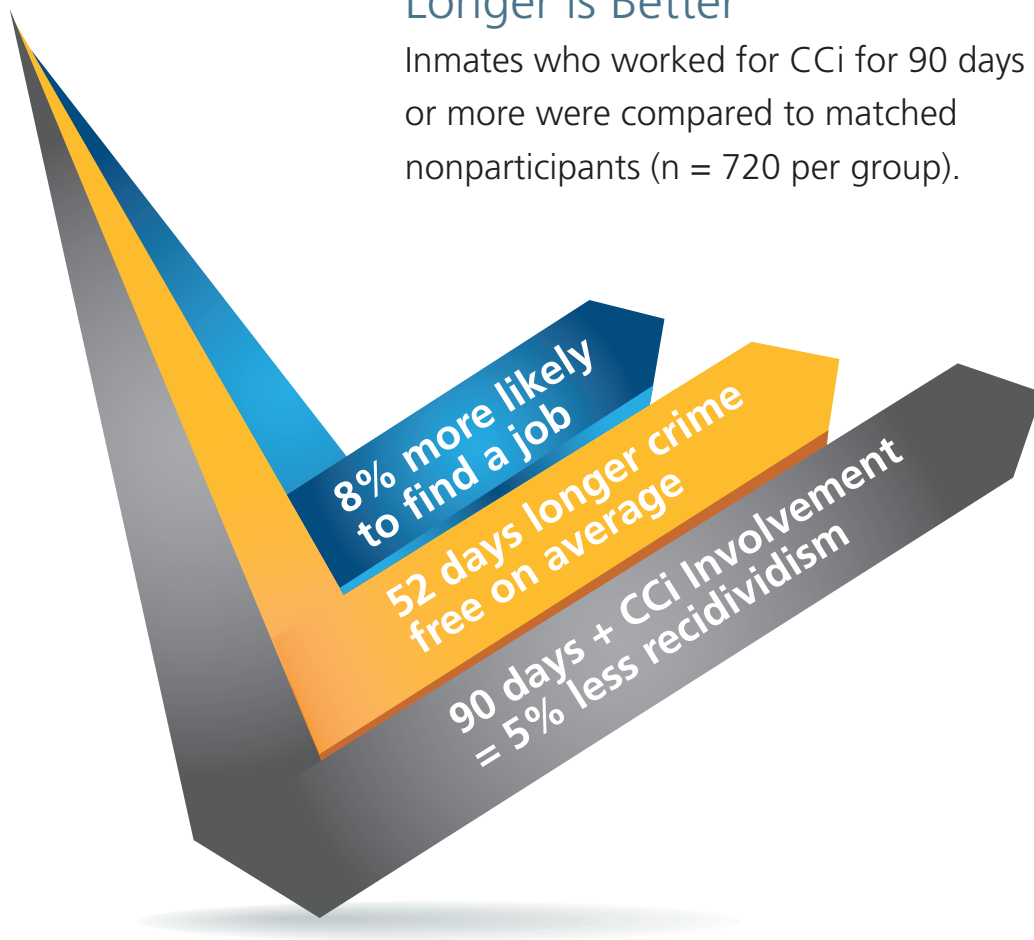
- Institution management
- Inmate classification
- Emergency management and response
- Strategic planning
- Data management
- Correctional industries
- Facilities maintenance
- Prison transportation
- Support services
- Security threat group management
- Inmate records management
- Human rights
- Probation, parole and transitional placement

The mission for INL's correctional programs is to assist nations seeking meaningful change, to develop and sustain their capacities to operate prisons and correctional systems that are safe, secure, humane and transparent, and conform to internationally accepted standards. The ICMTC is key in assisting INL with achieving this important goal.

progress check

Longer is Better

Inmates who worked for CCI for 90 days or more were compared to matched nonparticipants (n = 720 per group).



According to one study, inmates who completed some college course work were 72 percent less likely to recidivate than those who had not been given an education while in prison. ²

NATIONAL STATISTICS ON RECIDIVISM¹

Bureau of Justice Statistics studies have found high rates of recidivism among released prisoners. One study tracked 404,638 prisoners in 30 states after their release from prison in 2005.² The researchers found that:

Within three years of release, about two-thirds (67.8 percent) of released prisoners were rearrested.

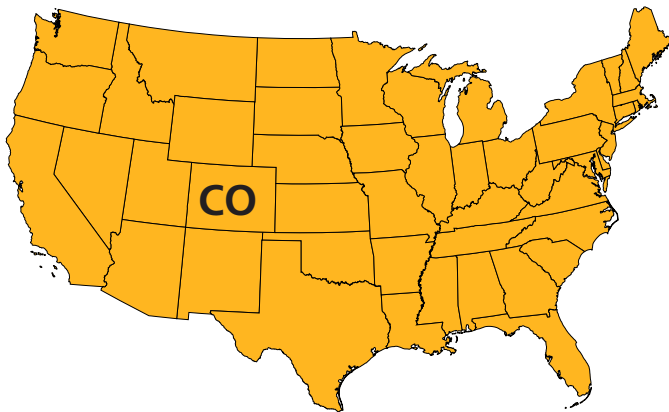
Within five years of release, about three-quarters (76.6 percent) of released prisoners were rearrested.

Of those prisoners who were rearrested, more than half (56.7 percent) were arrested by the end of the first year.

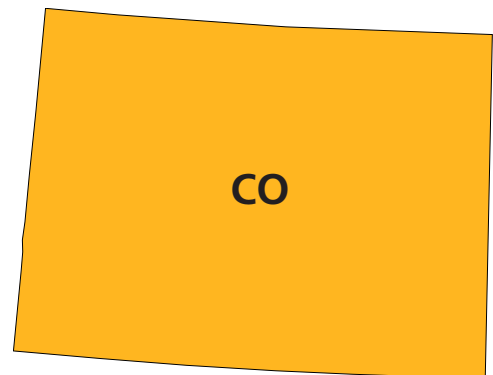
BEATING THE ODDS — COLORADO RESULTS

Employing a Better Solution

Participants in the CCI work programs are significantly less likely to commit a repeat offense and far more likely to find work upon release. Of course, it always seemed logical and we always believed in the program. Our recent recidivism study, however, offered up numbers that impressed even us — including nearly 20% reduction in recidivism for the men and women employed by CCI versus non-matched general population inmates.



National Average
38.4% recidivism within first year¹



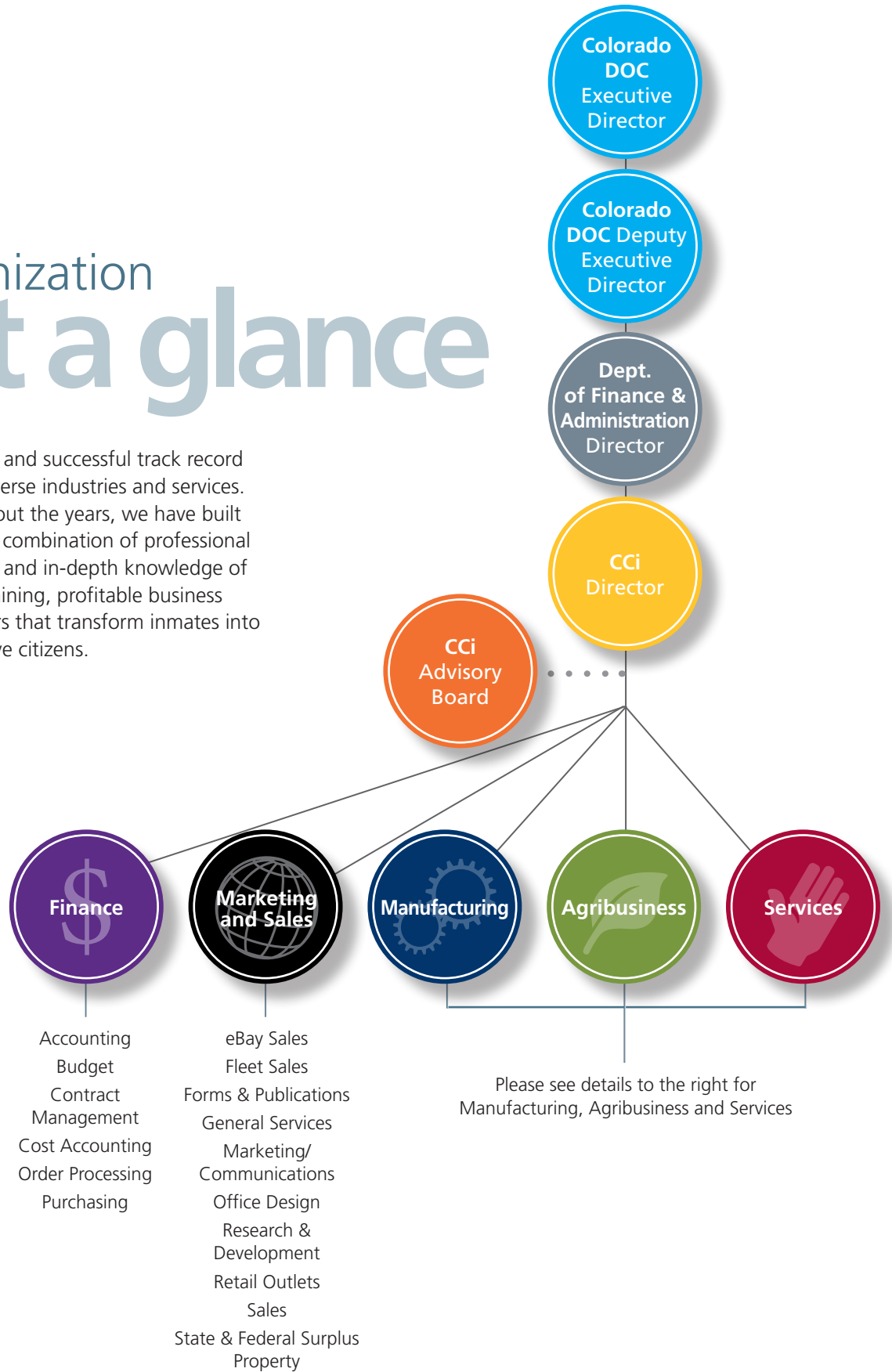
CCI Average
14% recidivism within first year

References

1. Durose, Matthew R., Alexia D. Cooper, and Howard N. Snyder, Recidivism of Prisoners Released in 30 States in 2005: Patterns from 2005 to 2010 (pdf, 31 pages), Bureau of Justice Statistics Special Report, April 2014, NCJ 244205.
2. Curenly. Education Works. Prison Activist List. 28 Nov 1997. 12 Sep 2005. <http://www.prisonactivist.org/pipermail/prisonact-list/1997-November/000983.html>

The Organization at a glance

Our long and successful track record spans diverse industries and services. Throughout the years, we have built a unique combination of professional expertise and in-depth knowledge of self-sustaining, profitable business endeavors that transform inmates into productive citizens.





agribusiness

Big Horn Sheep Housing
 Bucking Bull Housing
 Composting
 Cow Dairy & Dairy Processing
 Farming
 Fish Farming
 Fish Processing
 Goat Dairy and Dairy Processing
 Greenhouse Products
 Honey Production
 Lobster Farming
 Orchard
 Partridge Hatchery
 Pheasant Farming
 Ranching
 Ultra-high Pasteurization
 Vineyard
 Water Buffalo Dairy and Processing
 White Bison Housing
 Wild Horse Inmate Program (WHIP)



manufacturing

Air Filters
 Canoes
 Dormitory Furniture
 Embroidery
 Fiberglass Tanks
 Flags
 Fly Rods & Spinning Rods
 Garments
 Granite Counter tops
 License Plates & Tabs
 Leather Products
 LED Lighting
 Mattresses
 Metal Fabrication
 Modular Office Systems
 Motorcycles
 Musical Instruments
 Office Furniture
 Screen Printing
 Seating
 Security Cells & Furnishings
 Signs
 Stone Paver Castings
 Stuffed Animals
 Television Manufacturing
 Tractor Refurbishing



services

Administrative Services
 Antique Vehicle Restorations
 Auto Collision Repair/Painting
 CAD/GIS
 Canteen
 Construction & Maintenance
 Culinary Arts
 Customer Service
 Delivery & Installation
 DMV Public Information
 eBay Auto Sales
 Electronics Recycling
 Fingerprinting Services
 Fleet Services
 Forms Distribution
 Fulfillment
 Heavy Equipment
 Highway Cleanup
 Information Technology
 Janitorial
 K-9 Adoption & Training
 Landscape Maintenance & Beautification
 Moving Service
 Pizza Assembly
 Printing Services
 Public Information Services
 Recycling
 Retail Outlets
 Reupholstery
 Sales and Showroom
 Service Station
 State & Federal Surplus
 State Patrol Training Academy, Garage, Kitchen, Maintenance
 Tablet Service
 Trails Program
 Training & Guest Services
 Transportation & Tech Training
 Warehousing
 Waste Site Maintenance
 Web Design
 Wildland Fire Fighting and Reclamation

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“We look under every rock at every opportunity, to discover more ways to employ more inmates... we’re willing to try anything that fulfills our mission.”
 — *Andy Klinkerman, Manufacturing Division Manager*

leadership

our operations

ADMINISTRATION

From planning to personnel, legal and departmental affairs to public information and strategic goals, the division director's office sets the course for CCI's success. An open door to our varied partners and customers, the director is responsible for maintaining a productive relationship with Colorado DOC executive staff to effectively plan and execute business decisions that involve both parties.



Steve Smith, Colorado Correctional Industries Director since 2008, first joined CCI in 1985 as a construction supervisor. With more than 25 years of hands-on experience, Steve's knowledge, leadership skills, energy and expertise continue to move CCI forward. He is an enthusiastic person looking to open doors for inmates, staff and the organization. Steve believes the diversity of operations is one of the greatest advantages for CCI.

AGRIBUSINESS



Celebrating its 140th Anniversary in 2014, CCI's agricultural roots began as part of the Colorado State Penitentiary inmate work program in 1874. Since then, CCI's agricultural focus has expanded to include diverse programs ranging from crops to white bison, water buffalo, big horn sheep, fish and more.



Jim Heaston, Agribusiness Division Manager, was appointed in 2008 and oversees nearly 20 ag-related programs. After joining CCI in 1987, Jim quickly became a key player in major expansions by more than tripling CCI's dairy cow milking herd and shifting from a twice a day operation to three times a day, seven days a week. He was also extremely instrumental in establishing the largest goat herd and dairy within the State of Colorado. Jim believes in looking for opportunities that will continue to move the agricultural division forward in today's world.

FINANCE



Always more than crunching numbers, our finance division is responsible for processing CCI sales invoices, purchases, accounts payable and receivable, financial statements, inventories, and balanced books. In addition, our financial division must predict cash flow, oversee the budgets of 80+ cost centers and ensure end-of-year reconciliation.



James McCoy, CCI's Chief Financial Officer, began his career with the State in 1999 as a budget analyst with the Joint Budget Committee. Since 2009, James has analyzed and managed the diverse fiscal needs of our State agency. He enjoys the

unique opportunity provided by working in a profit-and-loss business environment for the State of Colorado – something everyone within CCI takes very seriously.

MANUFACTURING



Highly diverse, CCI manufacturing programs provide products that serve the citizens of Colorado, governmental entities, higher education and CCI. Far more than the "makers of license plates," CCI's diverse products include bear-proof garbage receptacles found in our parks and flags found flying above city and state entities. In addition to leather products, stuffed animals, office furniture and fly rods, newer additions include granite countertops, televisions and LED lighting.



Andy Klinkerman, our Manufacturing Division Manager, began his career with CCI in 1992 in our agricultural division. Serving in his current position since 2002, Andy believes strongly in developing new business and employing as many inmates as possible. His commitment

to the diversity of our products and services allows us to provide a meaningful experience for inmates while meeting the equally diverse needs of our customers.

MARKETING & SALES



Like all entrepreneurial companies, CCI counts on competitive pricing, outstanding quality and exceptional service to win business. With an eye towards becoming the vendor of choice for all of our customers, we have evolved from word-of-mouth advertising to a full-scale showroom, online ordering and e-commerce.



Richard Curry joined CCI from the private sector in 2001 and was promoted to Sales and Marketing Division Manager in 2002. He enjoys the dynamic business environment of CCI and the progressive correctional operations in Colorado. Richard embraces the challenge of working

for an industry that receives no taxpayer assistance and yet provides large array of skills and opportunities for inmates' success.

SERVICES



Operating costs for CCI are reduced through the efficient utilization of our own internal staff and inmates for support services. Their skills and dedication answer the needs of customer service, warehousing, transportation, delivery, installation, and much more. Our service division also serves our customers, our State, and CDOC inmates.



Jack Laughlin, CCI Service Division Manager since 2001, oversees our largest percentage of programs including transportation, the CCI International Correctional Management Training Center, fleet services and the statewide inmate firefighting programs. Jack enjoys

the variety of business opportunities and the challenges encountered in a correctional industry environment.

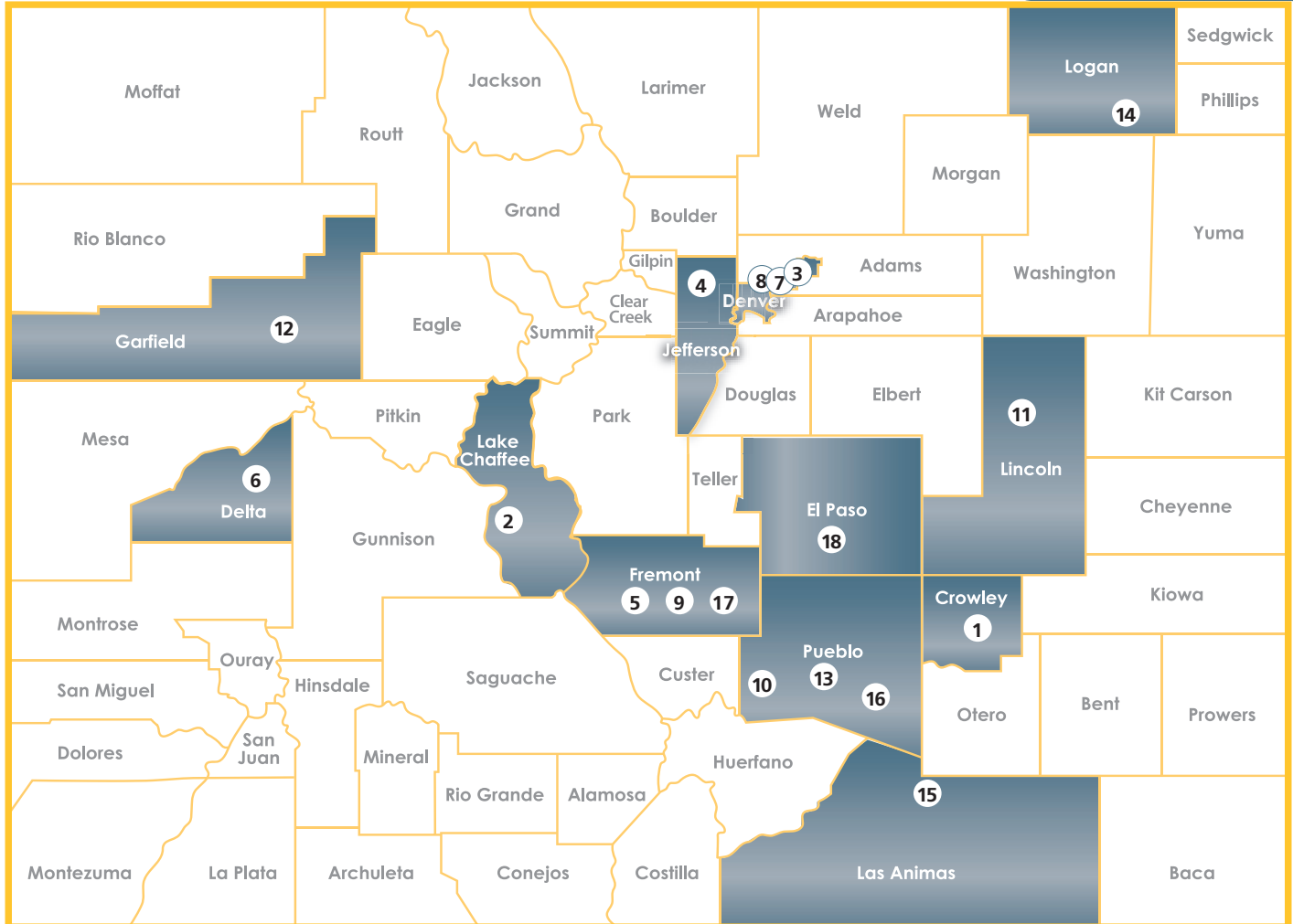


from idle
to impact



where we are

state facilities



















Working closely with the Department of Corrections, CCI operates industries in 20 of the 24 facilities located throughout Colorado. Our programs employ over 200 civilian staff and 1,800+ inmates on a monthly basis.

- ① Arkansas Valley Correctional Facility
- ② Buena Vista Correctional Complex
 - a. Buena Vista Correctional Facility
 - b. Buena Vista Minimum Center
- ③ CCI Oakland Facility
- ④ Colorado Correctional Center
- ⑤ Colorado Territorial Correctional Facility
- ⑥ Delta Correctional Center
- ⑦ Denver Reception and Diagnostic Center *(no programs)*
- ⑧ Denver Women's Correctional Facility
- ⑨ East Cañon Complex
 - a. Arrowhead Correctional Center
 - b. Centennial Correctional Facility *(no programs)*
 - c. Colorado State Penitentiary *(no programs)*
 - d. Four Mile Correctional Center
 - e. Fremont Correctional Facility
 - f. Skyline Correctional Center
- ⑩ La Vista Correctional Facility
- ⑪ Limon Correctional Facility
- ⑫ Rifle Correctional Center
- ⑬ San Carlos Correctional Facility *(no programs)*
- ⑭ Sterling Correctional Facility
- ⑮ Trinidad Correctional Facility
- ⑯ Youthful Offender System
- ⑰ International Correctional Management Training Center
- ⑱ CCI Administrative Office

Products and services

Facility	Number of Inmate Jobs	Facility	Number of Inmate Jobs
1 Rifle Correctional Facility 		6 Denver Reception and Diagnostic Center	
Culinary Arts	42	No programs – Receiving Facility	
Firefighting & Reclamation	24		
Trails Program	24		
2 Delta Correctional Center 		7 Denver Women's Correctional Facility  	
Farming (seasonal)	30	Canteen	25
3 Buena Vista Correctional Complex   		★ Electronics Recycling	5
Firefighting & Reclamation	24	Garments	20
Fish Farming	10	K-9 Adoption & Training	36
Heavy Equipment	15	Printing Services	25
K-9 Adoption & Training	16	★ Tablet Service	6
Saddles & Leather Products (PIECP)	50	TV Manufacturing	6
Trails Program	22	8 Colorado Territorial Correctional Facility 	
4 CCI Oakland Facility  		License Plates & Tabs	110
CAD Design	1	Motorcycle Manufacturing	8
Customer Service	2	Signs (PIECP)	10
Delivery & Installation	6	9a Arrowhead Correctional Center  	
eBay Sales	2	★ Antique Vehicle Restorations	3
Fingerprinting	-	Canteen	60
Forms Distribution	1	Fish Farming	20
Janitorial	1	Fish Processing	40
Office Assistance	1	Fishing Rod Manufacturing	15
Sales & Showroom	2	Fleet Services	15
State & Federal Surplus	3	Greenhouse Products	89
5 Colorado Correctional Center 		Honey Production	2
Collision Repair	10	K-9 Adoption & Training	12
CSP Training – Academy Garage	3	Musical Instruments	2
CSP Training – Academy Kitchen	10	★ Partridge Hatchery	3
CSP Training – Academy Maintenance	5	Tractor Refurbishing	3
Delivery & Installation	24	Transportation & Tech Training	10
Highway Barrier Fencing	6	Warehouse	10
Highway Cleanup	24	9b Centennial Correctional Facility	
Highway Mowing/Trimming	12	No programs – High Risk/Residential Treatment Facility	
		9c Colorado State Penitentiary	
		No programs – Close Custody Facility	

Facility	Number of Inmate Jobs
9d Four Mile Correctional Center  	
Bucking Bull Housing	2
Big Horn Sheep Housing	2
Composting	2
Dairy & Dairy Processing	72
Heavy Equipment	30
K-9 Adoption & Training	12
★ Ultra-High Pasteurization	5
Water Buffalo Dairy	20
White Bison Breeding	1
Wild Horse Inmate Program (WHIP)	55
9e Fremont Correctional Facility 	
Dormitory Furniture (PIECP)	25
Fiberglass Tanks (PIECP)	25
Garments	15
★ Granite Countertops	5
★ LED Lighting	10
Metal Fabrication	120
Office Furniture (PIECP)	93
Security Cells & Furnishings (PIECP)	45
★ Stone Paver Castings	5
9f Skyline Correctional Center  	
Delivery and Installation	10
Farming	45
Fire Fighting & Reclamation	24
Goat Dairy & Processing	32
Heavy Equipment	10
Orchard & Vineyard	15
Recycling	15
10 La Vista Correctional Facility  	
Administrative Services	12
Construction & Maintenance Services	44
Farming	80
Information Technology	10
11 San Carlos Correctional Facility	
No programs – Mental Health Facility	
12 Youthful Offender System 	
Specialty Products	10

Facility	Number of Inmate Jobs
13 Arkansas Valley Correctional Facility  	
CAD/GIS	15
Customer Service Toll-free	2
DMV Public Information Services	15
Fulfillment Center	12
Modular Office Systems	53
Web Design	4
14 Limon Correctional Facility 	
Embroidery & Screen Printing	9
Flags	12
Garments (PIECP)	165
15 Trinidad Correctional Facility  	
Air Filters	5
K-9 Adoption & Training	24
16 Sterling Correctional Facility  	
Heavy Equipment	10
K-9 Adoption & Training	32
Seating	75
17 International Training Center 	
Culinary Arts	5
Pizza Assembly	14
Retail Outlets	1
Training & Guest Services	22
18 CCI Administration Office 	
Retail Outlets	–



-  **Manufacturing**
-  **Agribusiness**
-  **Services**
-  **Sales/Marketing**

★ New this year!

COLORADO CORRECTIONAL INDUSTRIES STATEMENT OF NET POSITION	6/30/14	6/30/13
CURRENT ASSETS		
Cash and Pooled Cash (NOTE 2)	\$6,146,634	\$4,805,766
Other Receivables, net	1,637,275	1,308,858
Due from Other Governments	402,402	1,041,278
Due from Other Funds	1,352,172	2,813,849
Inventories	14,015,178	12,673,528
Prepays, Advances, Deferred Charges	65,902	394
TOTAL CURRENT ASSETS	23,619,563	22,643,673
NONCURRENT ASSETS		
Other Long Term Assets	1,849,086	1,910,263
Depreciable and Capital Assets and Infrastructure, net	4,056,113	3,791,111
Land and Nondepreciable Infrastructure	920,412	980,412
TOTAL NONCURRENT ASSETS	6,825,611	6,681,786
TOTAL ASSETS	\$30,445,174	\$29,325,459
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$5,478,771	\$4,578,141
Due to Other Funds	30,268	0
Compensated Absences Payable	88,000	40,000
Deferred Federal Revenue	160,590	51,000
Other Current Liabilities	0	8,243
TOTAL CURRENT LIABILITIES	5,757,629	4,677,384
NONCURRENT LIABILITIES		
Accrued Compensated Absences	1,190,751	1,147,768
TOTAL LIABILITIES	6,948,380	5,825,152
NET POSITION		
Net Investment in Capital Assets	4,976,525	4,771,523
Unrestricted	18,520,269	18,728,784
TOTAL NET POSITION	\$23,496,794	\$23,500,307
STATEMENT OF REVENUE, EXPENSES & CHANGES IN NET POSITION		
OPERATING REVENUES		
Sales of Goods and Services	\$44,562,977	\$44,485,405
Federal Grants and Contracts	1,879,059	1,632,442
Other Revenues	228,596	160,685
TOTAL OPERATING REVENUES	46,670,632	46,278,532
OPERATING EXPENSES		
Raw Materials and Supplies	23,816,737	24,646,905
Salaries and Fringe Benefits	12,342,824	11,296,683
Operating & Travel (NOTE 3)	8,220,688	7,905,889
Depreciation	388,086	406,830
Grant Expenditures	1,861,157	1,632,442
TOTAL OPERATING EXPENSES	46,629,492	45,888,749
OPERATING INCOME (LOSS)	41,140	389,783
NON-OPERATING REVENUES AND (EXPENSES)		
Investment Income	44,933	(47,819)
Rental Income	348,731	352,769
Gifts and Donations	2,969	1,061
Insurance Recoveries from Current Year Impairments	0	5,484
Loss on Transfer of Capital Asset	(60,000)	0
TOTAL NON-OPERATING REVENUES	336,633	311,495
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	377,773	701,278
CONTRIBUTIONS AND TRANSFERS		
Transfers-Out to General Fund (NOTE 4)	(381,286)	(335,362)
TOTAL OPERATING TRANSFERS	(381,286)	(335,362)
CHANGE IN NET POSITION	(3,513)	365,916
NET POSITION - FISCAL YEAR BEGINNING	23,500,307	23,134,391
NET POSITION - FISCAL YEAR ENDING	\$23,496,794	\$23,500,307

COLORADO CORRECTIONAL INDUSTRIES STATEMENT OF CASH FLOWS	6/30/14	6/30/13
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from:		
Fees for Service	\$11,121,218	\$12,387,763
Sales of Products	34,712,070	31,528,731
Gifts, Grants, Donations (Federal Grant)	2,476,072	1,181,619
Income from Property (Rent)	348,731	352,769
Other Sources	228,596	166,169
Employees	(12,202,489)	(11,251,081)
Suppliers	(32,440,735)	(33,217,321)
Grant Expenses	(1,861,157)	(1,632,442)
Other	(54,966)	(50,342)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,327,340	(534,135)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers-Out to the General Fund	(381,286)	(335,362)
Gifts, Grants, Donations not for Capital Use	2,969	1,061
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	(378,317)	(334,301)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(653,088)	(368,270)
NET CASH FROM CAPITAL RELATED FINANCING ACTIVITIES	(653,088)	(368,270)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and Dividends on Investments	30,039	30,505
Increase (Decrease) from Unrealized Gain (Loss) on Investments	14,894	(78,324)
NET CASH FLOWS FROM INVESTING ACTIVITIES	44,933	(47,819)
NET INCREASE (DECREASE) IN CASH AND POOLED CASH	1,340,868	(1,284,525)
CASH AND POOLED CASH, FISCAL YEAR BEGINNING	4,805,766	6,090,291
CASH AND POOLED CASH, FISCAL YEAR END	\$6,146,634	\$4,805,766
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$41,140	\$389,783
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	388,086	406,830
Rents	348,731	352,769
Insurance Recoveries	0	5,484
Compensated Absences	90,983	24,499
Net Changes in Assets and Liabilities Related to Operating Activities:		
(Increase) Decrease in Operating Receivables	1,772,136	(1,044,466)
(Increase) Decrease in Inventories	(1,280,473)	(354,479)
(Increase) Decrease in Other Operating Assets	(65,508)	(143)
Increase (Decrease) in Accounts Payable	900,630	(327,078)
Increase (Decrease) in Other Operating Liabilities	131,615	12,666
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$2,327,340	\$(534,135)

NOTE 1 The underlying balances are audited in the statewide financial audit.

NOTE 2 Cash and pooled cash is defined as cash-on-hand, demand deposits, certificates of deposit, pooled cash with State Treasurer (at fair market value), and warrants payable.

NOTE 3 Operating and Travel expenses include costs for packaging materials, transportation charges, office supplies and equipment, maintenance, travel, worker's compensation insurance, legal services, liability and property insurance, and other operating expenses.

NOTE 4 Operating transfer-out to the General Fund are costs reimbursed to the general fund for support services.



CCi Canteen Mission

- To provide work and self-improvement opportunities to assist in successful community reintegration
- To provide high quality, fairly priced merchandise and services to the inmate population in an efficient and profitable manner.
- Aid in the maintenance of a secure environment.
- Reduce reliance on taxpayer provided funds for inmate recreational, educational and social benefit expenditures.

Canteen, Vending Machine & library account

Like all CCI businesses, the Canteen program is a self-sustaining entity, receiving no taxpayer support. Profits from retail and vending machine sales, family gift packs and Colorado Inmate Phone System (CIPS) commissions help to fund inmate educational, recreational and social activities as well as supplementing other direct inmate needs.

Inmates housed within 20 CDOC locations and 4 private facilities benefit from Canteen services. Inmates with adequate funds can select from a wide range of retail products including candy and snacks, name brand hygiene and style products, and more. Orders are completed through two distribution centers; one in Denver and the other located in Cañon City. More than 60,000 monthly orders are processed by 85 male and female inmates employed within the operations. Supporting CCI's mission, the marketable skills and work ethic required for these positions transfer well to life after prison. In addition Canteen workers are encouraged to participate in college certificate classes, to further enhance their success upon release from incarceration.



For Fiscal Years Ended June 30, 2014 and 2013 unaudited (NOTE 1)

CANTEEN ENTERPRISE FUND STATEMENT OF NET POSITION		
	6/30/14	6/30/13
ASSETS		
CURRENT ASSETS		
Cash and Pooled Cash (NOTE 2)	\$3,413,979	\$2,174,185
Other Receivables, net	238,808	424,430
Inventories	623,771	529,314
TOTAL CURRENT ASSETS	4,276,558	3,127,929
NONCURRENT ASSETS		
Depreciable Capital Assets and Infrastructure, net	1,811,082	1,932,964
TOTAL NONCURRENT ASSETS	1,811,082	1,932,964
TOTAL ASSETS	\$6,087,640	\$5,060,893
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$864,830	\$626,416
TOTAL CURRENT LIABILITIES	864,830	626,416
NONCURRENT LIABILITIES		
Accrued Compensated Absences	229,847	222,209
TOTAL LIABILITIES	1,094,677	848,625
NET POSITION		
Net Investment in Capital Assets	1,811,082	1,932,964
Unrestricted	3,181,881	2,279,304
TOTAL NET POSITION	\$4,992,963	\$4,212,268
STATEMENT OF REVENUE, EXPENSES & CHANGES IN NET POSITION		
	6/30/14	6/30/13
OPERATING REVENUES		
Sales-Canteen and Similar Activities	\$15,195,199	\$14,164,521
Commissions-Inmate Phone System	2,643,306	2,443,191
Other Revenues	19,541	37,801
TOTAL OPERATING REVENUES	17,858,046	16,645,513
OPERATING EXPENSES		
Cost of Goods Sold	11,320,389	10,319,635
Salaries and Fringe Benefits	1,967,902	1,998,961
Operating & Travel (NOTE 3)	745,615	906,411
Depreciation	121,880	116,730
TOTAL OPERATING EXPENSES	14,155,786	13,341,737
OPERATING INCOME	3,702,260	3,303,776
NON-OPERATING REVENUES AND (EXPENSES)		
Inmate Benefits	(2,890,579)	(2,897,404)
Investment Income	49,511	11,116
TOTAL NON-OPERATING REVENUES (EXPENSES)	(2,841,068)	(2,886,288)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	861,192	417,488
CONTRIBUTIONS, TRANSFERS, AND OTHER ITEMS		
Transfers-Out to General Fund (NOTE 4)	(80,497)	(49,451)
TOTAL CONTRIBUTIONS AND TRANSFERS	(80,497)	(49,451)
CHANGE IN NET POSITION	780,695	368,037
NET POSITION - FISCAL YEAR BEGINNING	4,212,268	3,844,231
NET POSITION - FISCAL YEAR ENDING	\$4,992,963	\$4,212,268

CANTEEN ENTERPRISE FUND STATEMENT OF CASH FLOWS

6/30/14

6/30/13

CASH FLOWS FROM OPERATING ACTIVITIES**Cash Received from:**

Sales of Canteen Items and Similar Activities	\$15,195,199	\$14,164,521
Commissions from Inmate Phone System	2,828,928	2,280,926
Other Revenues	19,541	37,801
Employees	(1,978,565)	(1,973,286)
Suppliers	(11,903,744)	(11,298,728)
NET CASH PROVIDED BY OPERATING ACTIVITIES	4,161,359	3,211,234

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Inmate Benefits	(2,890,579)	(2,897,404)
Transfers-Out to the General Fund	(80,497)	(49,451)
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	(2,971,076)	(2,946,855)

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of Capital Assets	0	(122,316)
NET CASH FROM CAPITAL RELATED FINANCING ACTIVITIES	0	(122,316)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and Dividends on Investments	38,175	37,462
Increase (Decrease) from Unrealized Gain (Loss) on Investments	11,336	(26,346)
NET CASH FROM INVESTING ACTIVITIES	49,511	11,116

NET INCREASE IN CASH AND POOLED CASH	1,239,794	153,179
CASH AND POOLED CASH, FISCAL YEAR BEGINNING	2,174,185	2,021,006
CASH AND POOLED CASH, FISCAL YEAR END	\$3,413,979	\$2,174,185

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating Income	\$3,702,260	\$3,303,776
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation	121,880	116,730
Compensated Absences	7,638	13,715
Net Changes in Assets and Liabilities Related to Operating Activities		
(Increase) Decrease in Operating Receivables	185,622	(162,265)
(Increase) Decrease in Inventories	(94,457)	58,403
(Increase) Decrease in Other Current Assets		0
Increase (Decrease) in Accounts Payable	238,416	(119,125)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$4,161,359	\$3,211,234

NOTE 1 The underlying balances are audited in the statewide financial audit.

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NOTE 3 Operating and Travel expenses include costs for packaging materials, transportation charges, office supplies and equipment, maintenance, travel, worker's compensation insurance, legal services, liability and property insurance, and other operating expenses.

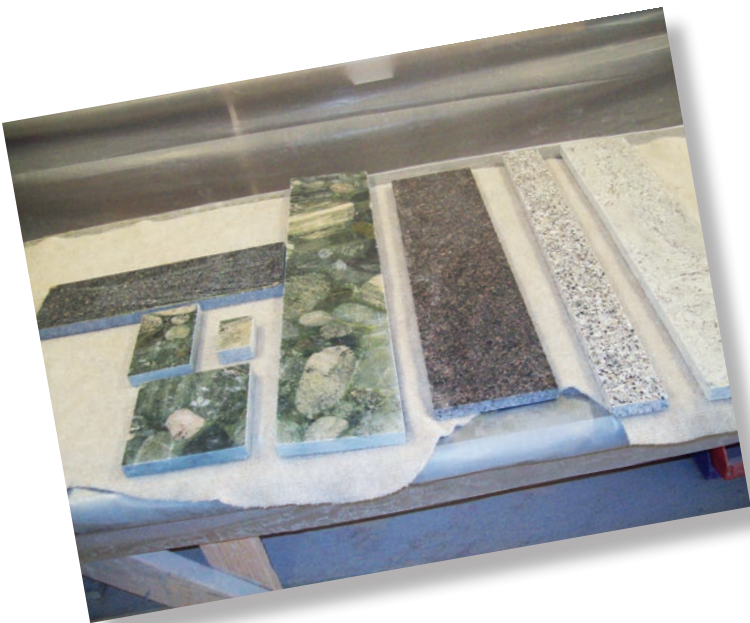
NOTE 4 Operating transfer-out to the General Fund are costs reimbursed to the general fund for support services.

A future of giving back

CCi continues to seek new endeavors that expand our programs, employ more inmates, and generate profits that ensure our future success. We encourage every participant to contribute in a manner that supports our mission.

It's a fact that fewer inmates return to crime after having worked in CCI's programs. Teaching marketable skills and instilling a work ethic has proven successful in transitioning inmates into productive citizens upon reentry. Education furthers our efforts and we're proud to have hundreds of college graduates within our inmate population each year.

Giving back to victims. Citizens. Colorado. It's a worthy goal. And one that CCI is steadfastly committed to now.



Our Stone Paver Castings Program is just one of many new CCI industries added in 2014.



some of our new endeavors

- **Ultra-high pasteurization (UHP):** Eliminates the need to freeze water buffalo milk during transport to our joint venture partner.
New jobs: + Five inmates
- **Stone Paver Castings:** Unused waste from our newly created granite countertop industry will be cut into 6-10" tiles or paving stones for home use.
New jobs: + Five inmates
- **Tablets:** CCI recently implemented an inmate tablet commodity program. With 2,000 tablets sold through the canteen in just six months, plans to burn accessory SD cards are underway.
New jobs: + Five inmates
- **LED Bulbs:** We'll "shed new light" by replacing existing bulbs and fluorescents with superior, energy-efficient LED bulbs.
New jobs: + Ten inmates
- **Electronic Recycling:** Working with a Joint Venture Partner, CCI recycles commercial-scale computers and laptops, meeting OSHA and EPA requirements.
New jobs: + Five inmates




from idle
to impact

Over \$1 million in victim restitution has been contributed by inmates in the last two decades.

thank you!

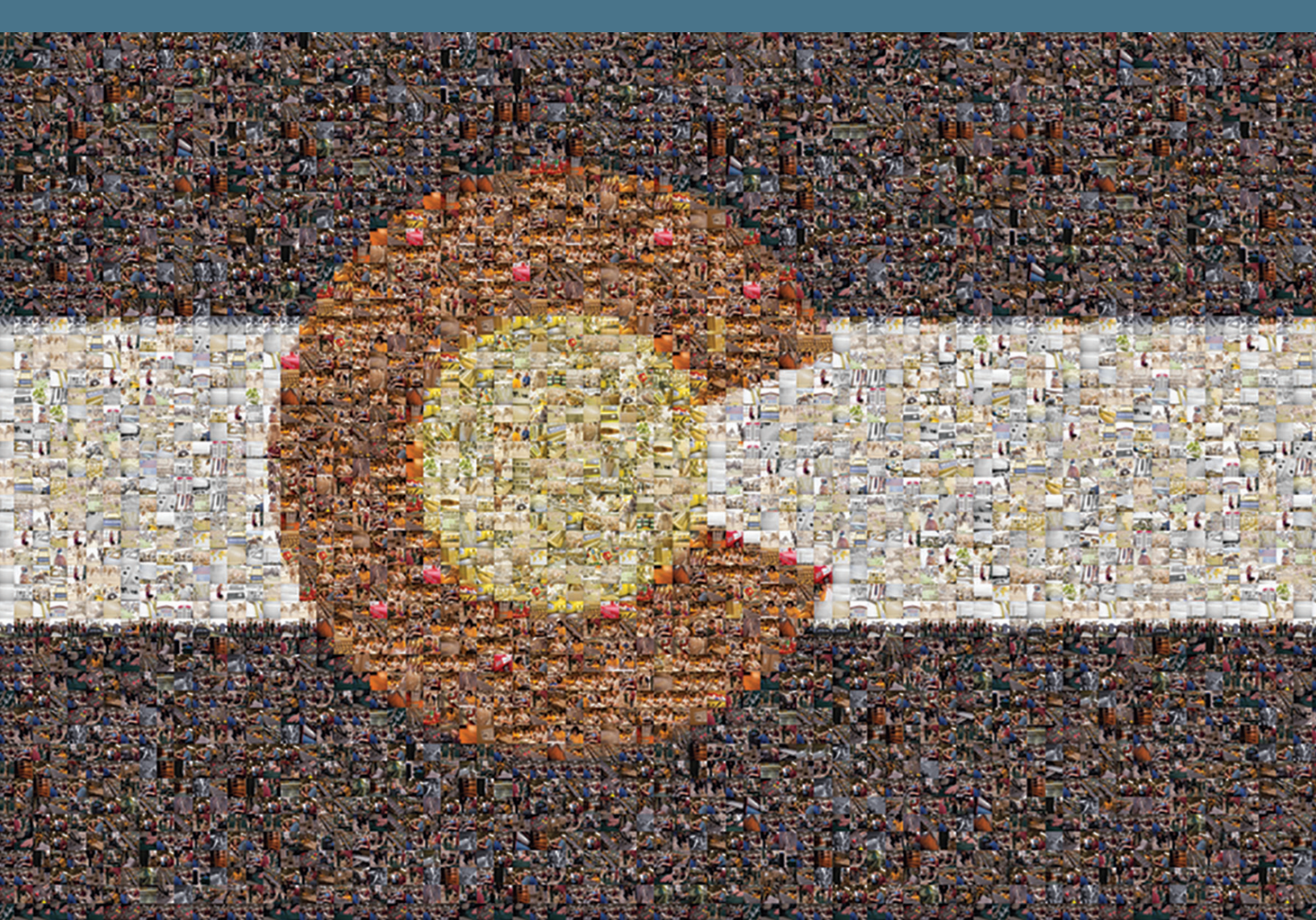
The CCI Team

Ted Adamic	Steve Dowd	Justin Hunter	Sid Myers	Leonard Smith
Stoney Adams	Wade Draper	Paula Hunter	Cheryl Neff	Paul Smith
Cheryl Ahumada	Dennis Dunsmoor	Phred Jahner	Gary Nichols	Ransie Smith
Irene Alcon	Charlene Dykes	Charles Johnson	John O'Brien	Steve Smith
Philene Alfonso	Ken Enslow	Lucas Johnson	Miriam Osburn	Richard Smythe
Robert Anderson	Bill Fetherston	Sonji Johnson	Don Pacheco	Todd Snyder
Chet Arnold	Rick Fitzpatrick	Tim Johnson	Dan Padilla	Dan Spinuzzi
Sherry Bell	Don Flock	Pam Kahanic	Dave Pagnotta	Chris Spitznogle
Dennis Berg	Tom Foreman	Rod Kappert	Alan Passarelli	Casey Spurlin
Mary Bergman	Chad Fraher	Raymond Kaspar	Pam Pearson	Alister Steer
Michelle Berry	Pat Gallegos	Jonathan Kenline	Gerald Peasley	Debi Stevens
Dave Block	Amy Garcia	Andy Klinkerman	Brian Pence	Samantha Stringer
Orville Bloesser	Marcus Garcia	Randy Klungseth	Thom Phillips	Chad Sturtevant
Bradley Bobst	Steve Garcia	Sandra Knudsen	Sharlann Pomeroy	Kent Sunderman
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Bruce Bradley	Stacy Gordon	George Langbein	Richard Quijada	James Tafoya
Stacy Brandt	Frank Graeber	Jack Laughlin	Tim Quinn	Thomas Taylor
Brenda Breister	Brian Graham	Geoffrey Legge	David Randall	Chris Tenorio
Rainey Brooks	Joe Granato	Eric LeTendre	Kyle Ratkovich	Karen Thorpe
Chris Brown	Sandy Gray	Gabriella Licano	John Reilly	Jay Townsend
Charles Burrell	Virginia Green	Mark Licano	Anthony Richey	Ashley Tremain
Jared Butero	Robert Greenfield	Brenda Marino	Jacque Riffe	Shirley Troutman
Joe Carochi	Garrick Gregory	Jon Martinez	Thomas Rittenhouse	Art True
Celia Carrillo	James Grisenti	Michael Mattson	Tim Roberts	Dave Urich
Joe Carroll	Joseph Grisenti	Shane McCall	Danita Rocha	Dawn Varian
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James Chaney	Scott Hall	James McCoy	Robert Rose	Willie Viljoen
Stephen Chavez	Brian Hardin	Ted McDowell	Mark Rosen	David Wang
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Gina Cline	Jim Hartman	Glen McKinney	Chris Sanchez	Alan Werner
Melvin Cole	Greg Hawkins	Jason McLaughlin	Joe Sanchez	Meagan Werner
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Kevin J. Conrad	Cesario Hernandez	Crissy McQueen	LaRea Schmutzler	Rhonda Wheeler
Mike Cunningham	Sylvia Hernandez	Louis Medina	Jeff Seley	Brandon Wolfe
Richard Curry	Les Hilburn	Ken Meyer	Mark Serpa	Alan Woolsey
Dave Daiker	Doug Hill	Jason Miller	Maureen Sheridan	Sherrill Woolsey
Andrew Dalton	Mary Hoffmann	Ray Mizer	Kellie Siegfried	John Wright
Tim Dalton	Lyle Hollingsworth	Tammy Monks	John Sievertsen	Robert Wright
Worden Davis	Becky Holtz	Caleb Moore	Troy Slate	Glenn Yoder
Mike DelCastillo	Josh Hughes	Debi Morgan	Connie Sloan	Gailene Zalman
Dennis DeLong	Paul Humiston	Dominic Moschetti	Dave Sloan	
Ronald Diller	Sandy Hunsaker	Richard Mouriquand	Jason Smith	



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"This is the best job I've ever had...I'm grateful everyday for what I've learned and continue to learn."
— Earl, Horse Trainer, Inmate



GivingBack

To learn more about our programs and how we work to give back to the communities we serve, please visit www.coloradoci.com or call 719.226.4200.



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