

REDUCING CRIME: WHAT'S NEXT?

Today there are more than
2.3 million people
behind bars

and
5.1 million people
on probation or parole

what's neXt?

more prisons?

America has cracked down on crime in the last few decades. Since 1975, there has been a steady increase of 25,000 more inmates each year, and the numbers keep rising. Due to recent strict parole policies, a 12% jump occurred in the prisoner population in 2007 alone. Projections show that the inmate count will continue to grow by 40% over the next decade.

For a time, the “lock ‘em up” strategy worked. Property crime declined steadily from 1974 onward, and violent crime reached the lowest level ever recorded in 2000. But incarceration is now producing diminishing returns. *Serious and violent crime has risen an average of 2.6% since 2001. A 2008 study showed 1 in every 100 adults is now behind bars in the U.S.*

more prisoners?

With some 900,000 coming out of prison every year, American society must now reintegrate more returning offenders than ever before.

Latest studies have shown that one-third of the inmate population consisted of parole violators. Sadly, of the 2.3 million people behind bars, half of them have been there more than once. When a first-time offender is incarcerated a second time, the likelihood of repeat offenses skyrockets. With 5.1 million people now on probation or parole, recidivism is emerging as a critical national problem.

more work?

Crime and recidivism costs are staggering. An impressive \$12 billion was spent on corrections, per state, in 1987. Today, total state spending has reached a frightening peak of \$49 billion. If this increase continues, it is estimated that, by 2011, an additional \$25 billion will be added to the already elevated expenses. Additionally, capital expenses are up to an average of \$65,000 per prisoner. With crime on the upswing, strategies to reduce or prevent recidivism are attractive investments.

A growing body of evidence suggests that providing prisoners with a stable, living wage may curb recidivism. Several programs nationwide are testing the theory. Their number is nowhere near sufficient, given the extent of the problem. Still, early results are promising.

America Works

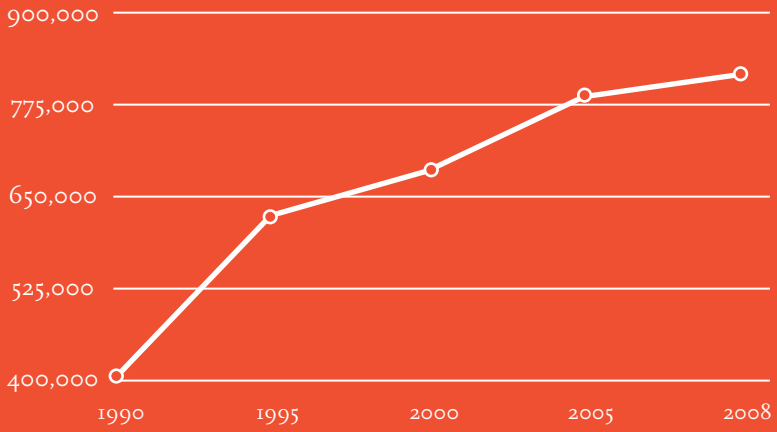
America Works is a private employment service that has been strikingly successful for two decades in moving hard-to-place individuals into the labor force. Its founder, Peter Cove, and Chief Executive Officer Dr. Lee Bowes were influential in placing work-first requirements at the center of U.S. welfare reform policy. Project eX seeks to demonstrate that putting released prisoners to work may be a more cost-effective crime-fighting alternative than repeat incarceration. A two year unprecedented control/experimental study sponsored by the Manhattan Institute is now underway with America Works. Its results will likely show work reduces recidivism to crime.

Cove and Bowes are pushing reintegration of returning offenders to the forefront of the national conversation on criminal justice—and seeking to influence and assist policy makers to implement this non-police, non-prison strategy for reducing crime for ex-offenders.

America Works has achieved extraordinarily high job placement and retention rates for ex-offenders in cities like Newark, New York, and Oakland. A first-year evaluation of Project eX, sponsored by the Manhattan Institute and conducted by researchers from Columbia University, showed similarly promising results. The study can be downloaded from http://www.manhattan-institute.org/html/cb_29.htm.

America Works' basic business model is the same for those who leave welfare and returning prisoners, with minor adjustments for each population. A one-day orientation spells out how the program works, what it expects, and what participants can expect in return. Successful completion of this intensive work readiness training entitles participants to six additional weeks of practical training in interviewing and basic work skills. The job search begins during this period and typically takes 6-8 weeks. Job developers carefully screen candidates and match them to employers' requirements.

Companies may hire a candidate outright or employ on a "temp-to-perm" basis. In either case, America Works provides intensive, personalized work support services to ensure that candidates remain on the job for the period of their contract—the feature that distinguishes America Works from most other employment services, and which



○ PAROLEES RELEASED ANNUALLY
(1990-2008)

also accounts for its remarkable success. America Works handles workers' compensation and unemployment claims, pays candidates the minimum wage, and collects a higher hourly rate from employers initially. The difference finances America Works' services. Candidates continue to receive some public benefits while they are on the America Works payroll. Only after satisfactory performance throughout the probation period does a candidate join a company's payroll. Starting salaries typically range between \$15,500 and \$18,000 per year.

Work: Rx for Recidivism

Project eX has one goal: **To put returning felons to work so they remain ex-offenders.** Launched in July 2001, the program provides job placement and intensive, personalized retention services—critical to ensure that prisoners stay on the job long enough to stabilize in their new roles as productive citizens.

Early results are promising. In the program's first year, 501 released prisoners completed a one-day orientation. Project eX found jobs for 389—an impressive 77.7 % placement rate. Of those who went to work through Project eX, 44.4 % (173) held their jobs for at least three months, and 90 remained employed for more than six months.

Of the 217 who could have reached the six-month threshold at the end of the first year, when the program was evaluated, 41.5 % succeeded.

Work Pays

	INMATES x DOLLARS \$	
COST OF INCARCERATION, I YEAR	20,000 x \$36,000	\$720,000,000
COST OF JOB PLACEMENT & RETENTION, I YEAR	20,000 x \$4,000	\$80,000,000
COST SAVINGS, INITIAL		\$640,000,000
WITH RECIDIVISM STATS		
NUMBER TO RECIDIVATE, YEAR I	20,000 x 39%	7,800
COST OF RE-INCARCERATION, I YEAR	7,800 x \$36,000	208,800,000
TOTAL COST, I YEAR INCLUDING RECIDIVISM	\$720,000,000 + 208,800,000	1,000,800,000
AW RECIDIVISM, YEAR I	20,000 x 6%	1,200
COST OF AW RECIDIVISM, YEAR I	1,200 x 36,000	43,200,000
TOTAL COST OF AW TO STATE, INC. RECIDIVISM	80,000,000 + 43,200,000	123,200,000
I YEAR, TOTAL COST SAVINGS	1,000,800,000 – 123,200,000	\$877,600,000

Work Wanted

While some prison-to-work programs skew their results by restricting services to nonviolent offenders, Project eX serves all classes of ex-offenders, regardless of their crimes. Released prisoners are referred by probation officers, parole officers, work release counselors, former inmates who have found jobs through the program, and human resource workers.

“Returning offenders make highly motivated employees,” says Peter Cove. “They need immediate income, not only to support themselves, but also to meet their child support

obligations.” Work-release participants who cannot find or keep a job must go back to prison full-time. This provides strong motivation for ex-offenders to succeed in the workplace.

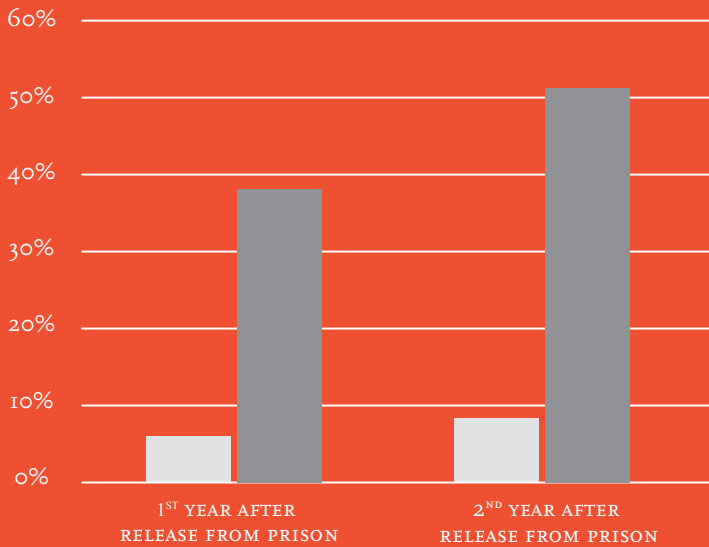
Work Available

While a criminal record is undoubtedly a barrier to employment, Project eX has found that **many companies are willing to hire ex-offenders**. Employers like the program because it reduces hiring costs and risks. There is no placement fee, and Project eX screens candidates carefully to match job requirements. Most placements qualify for a Work Opportunity Tax Credit, reducing hiring costs even further.

Work Supports

Project eX provides work-readiness training, basic skill-building, and rapid job attachment, but its main focus is retention. Intensive case management and work support services are key to ensure that candidates placed in jobs remain employed. A Project eX corporate representative meets with candidates and employers at least weekly during the probation period to identify and solve problems before they become serious. Corporate representatives do whatever it takes to keep the worker on the job — counseling employees, solving transportation and housing problems, advocating with social service and welfare agencies, even helping out with child care.

RECIDIVISM RATES IN THE STATE OF CALIFORNIA



■ AMERICA WORKS' OAKLAND OFFICE

■ STATE OF CALIFORNIA

Welfare to Work

While welfare reform and the economic expansion of the 1990s increased employment dramatically for young, single mothers, other disadvantaged workers did not keep pace. One of the unintended consequences of welfare reform was to negate the role of the father as an integral partner in low-income families by undermining fathers' ability to provide financial support. Employment rates for low-skilled males, especially African-Americans, declined steadily even through the boom years while incarceration rates exploded. Effective strategies to link this population to employment have never been more important.

The unfinished business of welfare reform is to move low-skilled men back into the labor force. This means making the same work opportunities available to disadvantaged men, including returning prisoners, as those that proved effective with young, unskilled women—and providing comparable work supports to enable them to overcome employment barriers.

Working Dads

Project eX has found that punitive child support regulations under welfare reform are a major barrier to employment and successful re-entry for many returning felons. Most state and federal prisoners are non-custodial fathers of young children. Large automatic child support deductions and harsh arrearage penalties are pushing many returning prisoners well below the poverty line, even if they earn a living wage. Some states actually

incarcerate non-custodial fathers for failing to meet court-ordered child support obligations.

Punitive child support enforcement policies can impede fathers' ability to meet their obligations to their children, deterring them from seeking stable employment, forcing them into the underground economy or jobs that pay in cash, even encouraging them to sever family ties. The child support system is in need of reform. Opportunities must be created for low-income fathers who want to support their children, as most ex-offenders do, to negotiate affordable child support payments.

What Doesn't Work

The ultimate goal of prison-to-work programs should be to keep returning offenders on the job long enough to reach the point of viability, when there is a reasonable chance they will remain employed. Experience at Project eX and other demonstration programs across the nation shows that intensive support is essential to help returning felons make the difficult adjustment to the working world. Such support is expensive, and taxpayers have the right to ask what they're getting for their money.

Too many government employment contracts reimburse simply for training and placement, paying in full when an unemployed person works for as little as one day. Programs that do not result in long-term employment waste taxpayers' dollars. **The state pays twice when former criminals fail on the job and return to prison: Once for training and placement, and again for prosecution and re-incarceration.**

The Work Ahead

Given today's staggering recidivism rates and costs, policies that reduce, delay, or prevent recidivism are good investments for government and society. Project eX and similar programs have made a good beginning, but it is only a beginning. The research now ongoing at America Works will determine real costs and benefits, and help to bring successful strategies to scale. A few key reforms can help returning prisoners find productive employment and become responsible parents.




Increase funding for job placement, retention, and support services geared toward returning felons and other men who were left behind by welfare reform.




Insist on accountability for vendors providing prison-to-work services. Government contracts should pay for performance, specifying 30-day, 90-day, and 180-day outcome measures, and funding independent evaluators to verify success or failure at each step.



Support evaluation, research, and demonstration projects to determine the extent to which prison-to-work initiatives can reduce recidivism.

 **Streamline the child-support bureaucracy**, distinguish between low-wage fathers and deadbeat dads, and create affordable child support payment schedules for low-income fathers.

 **Promote responsible fatherhood** by funding research and demonstration projects to strengthen parenting skills and family ties.

Let's Work Together

Peter Cove and Dr. Lee Bowes are available to consult with city and state governments on the design and operation of prison-to-work programs. **Contact Peter Cove at 212.599.jobs (5627)** or visit the America Works web site at www.americaworks.com.



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