

SAM - BUDGETING

INMATE/WARD LABOR (Revised 9/2017)

6865

Public Contract Code Section [10103.5](#) provides an exclusion to the State Contract Act for work performed by prisoners pursuant to an order by the Director of the Department of Corrections. If the total cost of a project for the construction of new, previously unoccupied prison facilities or additions to an existing facility exceeds \$50,000, use of inmate/ward labor must first be approved by PWB.

If the project budget was not estimated using inmate/ward labor, there should be bid savings. These savings should either be reverted, or—if proposed for redirection within the contract—be approved by DOF.

Agenda package for inmate/ward labor: The request to use inmate/ward labor for services exceeding \$50,000 is normally presented as a sub-item under the request for approval of preliminary plans, although it can be presented later. Assuming that the main item (approval of preliminary plans) has been prepared with all the information requirements specified in Section 6845, the only additional information required is:

1. Check —"other" on the DF-14D and write: use of inmate/ward labor;
2. Indicate whether the use of inmate/ward labor was assumed in the original project cost estimate; and
3. If not, indicate the anticipated savings, and whether it is to be reverted or redirected contingent upon DOF approval. If no savings are anticipated, explain why.

These rules also apply if the use of inmate/ward labor is needed for a minor capital outlay project. In this case, PWB approval is needed if the minor project or projects exceed \$50,000. A PWB agenda item needs to be submitted as well as a DF-14D.