

APPROVED
Michael J. Moore
Michael J. Moore, Director
6/19/19
Date

Prison Enterprises Board Meeting

May 14, 2019

1. Chairman Joseph Ardoin called the meeting to order at 10:02 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana.
2. Mr. Richard Oliveaux led the opening prayer. Following the prayer, the Pledge of Allegiance was recited.
3. Attendance:
 - 2.1 Members Present:
 - Joseph Ardoin, Chairman
 - Harvey Honore'
 - Richard Oliveaux
 - 2.2 Prison Enterprises Staff Present:
 - Michael Moore, Director
 - Joe Buttross
 - Scot Floyd
 - Kacie Henderson
 - Danny Hoover
 - Vickii Melius
 - Michelle Montalbano
 - Kristie Sigrest
 - Misty Stagg
4. Mr. Ardoin acknowledged that not enough board members were present for a quorum; therefore, a vote to approve the March 26, 2019 board meeting minutes could not be taken.
5. Next, Mr. Ardoin turned the meeting over to Director Moore.
6. Director Moore announced that the Louisiana Legislative Auditors (LLA) publicly released the results of PE's performance audit on May 6, 2019. Overall, the auditors found that PE met its three (3) statutory purposes; however, some areas were indicated where they thought PE could strengthen its operations. They stated that several of the issues identified were the same or similar to the items that were cited in the 1997 performance audit on PE.
7. The audit results and PE's response to the findings were discussed in detail.
8. Next, Director Moore provided a brief update on the Legislative Session. He explained that PE's budget bill went before the House Appropriations Committee on May 6th and PE's fees and self-generated portion of its budget authority was reduced by \$2 million dollars which should not be an issue due to changes at Winn and Allen Correctional Centers the last few years and other changes.
9. Director Moore added that the Department of Corrections (DOC) has not been allotted the funds to pay overtime, supplemental spending, or pay raises for correctional officers as of yet.
10. Next, Director Moore summarized the highlights from PE's Employee Awards and Training Conference held April 4, 2019. He referenced a list of the awards and the award recipients located in the board meeting folders and announced the major award winners.
11. Continuing, Director Moore reported that Winn Correctional Center (WNC) may change from housing state offenders to housing detainee's for Immigration and Customs

Enforcement (ICE). Although, discussions to retain the offenders working at PE's Garment Plant are ongoing, PE is looking at options to relocate the WNC Garment Plant to another facility should it be necessary.

12. Then, Director Moore announced that on June 5th, the Office of State Buildings (OSB) "grounds keeping" bid opens. The bid includes an additional four (4) sites to be serviced and requires several licensed specialist on staff. PE does not have the in-house expertise or resources to meet the new bid requirements.
13. Next, Director Moore stated that he and Mrs. Stagg, Mr. Buttross, and Mr. Floyd attended the National Correctional Industries Association (NCIA) Training Conference April 13th – 18th. He recounted the benefits obtained from the roundtable discussions, workshops, and vendor exhibits.
14. Director Moore added that the NCIA Executive Director provided PE with a letter clarifying the Correctional Industries (CI) Best Practices that were referenced in the LLA audit of PE. He explained that he is a member of the NCIA Best Practices Committee and working to integrate guidelines and/or practices that maintain relevance to CI's working with offenders that will not necessarily reenter society (lifers).
15. Mrs. Stagg interjected that during the NCIA Conference Director Moore was presented the NCIA Rodli Award and was recognized for his outstanding contributions to the field of CI and NCIA.
16. Director Moore reported that PE's Accountant Manager, Melaine Curry, was nominated for the NCIA Regional Staff Award and was included in the 2019 NCIA Honor Roll for her significant contributions and superior performance for her area of Correctional Industries.
17. Continuing, Director Moore announced that on May 22nd, PE and DOC staff will participate in a NCIA webinar titled "Focus on Braille".
18. Lastly, Director Moore reported all PE operations are preparing for year-end. However, Elayn Hunt Correctional Center (EHCC) and Louisiana Correctional Institute for Women (LCIW) Garment Plants continue to struggle with a shortage of offender staff.
19. Director Moore asked Mr. Buttross for an Administrative update.
20. Mr. Buttross began with an update on purchasing. PE is in the process of extending the Canteen Package Program (CPP) contract with Union Supply for another year and the welding items needed for the Apprenticeship Program are being bid out. Two (2) of the three (3) professional service contracts were submitted to Office of State Procurement (OSP) and purchasing is working closely with the field operations to secure raw materials needed for year-end.
21. Next, Mr. Buttross stated that the freezer demolition at Wakefield Meat Plant was completed and the freezer components have been ordered. The vendor projects that the freezer will be completed by the middle of June.
22. Lastly, Mr. Buttross reported that job orders for March 2019 were \$567,000 compared to March 2018 job orders of \$634,000. The job orders for April 2019 were \$832,000 compared to \$764,000 in April 2018 and the May 2019 job orders through May 10th are \$284,000 compared to \$626,000 for all of May 2018.
23. Mr. Ardoin inquired on the number of welding machines that would be purchased for the Apprenticeship Program and asked when a tour to view the program could be arranged.
24. Director Moore, Mr. Buttross and Mr. Floyd provided information on the program and decided that a tour of the Apprenticeship Program would be planned for mid-July.

25. Mr. Oliveaux asked if offenders were being screened for the natural ability to do the job before being selected to participate in the program.
26. Mr. Floyd explained that more than one hundred (100) offenders applied for the program. The applications were reviewed and a select group of applicants was asked to write a narrative and submit a short biography. After reviewing the documents and interviewing the applicants, six (6) apprentices were selected.
27. Mr. Oliveaux discussed the correlation of having the desire and the natural ability for a trade with being successful in the craft.
28. Director Moore, then asked Mrs. Sigrest to provide the financial update.
29. Mrs. Sigrest began by stating that copies of the final December financial statements were in the board folders. She reported that the final year to date (YTD) sales for January 2019 was \$15.1 million compared to January 2018 YTD sales of \$15.4 million, a decrease of \$348,000. The YTD net income for January 2019 was an \$896,000 loss compared to a \$760,000 YTD loss in January 2018, a decrease of \$135,000. Preliminary YTD sales for February 2019 was \$16.9 million compared to YTD sales for February 2018 of \$17.6 million, a decrease of \$699,000. Preliminary YTD net income for February 2019 was a \$921,000 loss compared to a \$619,000 loss in February 2018, a decrease of \$302,000. Lastly, March 2019 preliminary monthly sales increased by \$35,000 and preliminary YTD sales for March 2019 decreased by \$664,000 compared to March 2018 YTD sales. April 2019 preliminary monthly sales increased by \$35,000 compared to April 2018 monthly sales and preliminary YTD sales for April 2019 decreased by \$628,000 compared to April 2018 YTD sales.
30. Then, Director Moore asked Mrs. Melius for the sales and marketing update.
31. Mrs. Melius began by reporting that PE received five (5) significant DOC orders. An order from EHCC for linens, offender clothing, chairs, and officer uniforms totaling \$251,298. An order from Allen Correctional Center (ALC) for offender clothing, linens, janitorial supplies, officer uniforms, and metal tables totaling \$103,032. An order from Dixon Correctional Institute (DCI) for linens, print, and officer uniforms totaling \$31,772. An order from David Wade Correctional Center (DWCC) for linens, janitorial supplies, chairs, and officer uniforms totaling \$23,027, and an order from Raymond Laborde Correctional Center (RLCC) for offender clothing, print, janitorial supplies, and officer uniforms totaling \$22,458.
32. Continuing, Mrs. Melius stated that PE received five (5) other significant job orders. An order from Office of Motor Vehicles (OMV) for tags totaling \$130,460. An order from Pinecrest Support Services for furniture totaling \$47,850. An order from Caddo Parish Sheriff's Office for mattresses totaling \$44,000. An order from Louisiana Department of Wildlife and Fisheries (LDWF) for uniforms totaling \$33,739 and an order from Sulphur Police Department for furniture totaling \$23,024.
33. Lastly, Mrs. Melius advised that the sales staff plans to attend the Louisiana Sheriff's Association Jail Training Conference on May 19th – 22nd, 2019 in Lake Charles, Louisiana.
34. Mr. Oliveaux inquired as to the status of hiring sales staff.
35. Director Moore reported that the sales positions were announced, interviews were conducted, and viable candidates have been identified. PE staff are establishing employment offers for the candidates.
36. Mr. Oliveaux asked the status of PE offering the use of a state vehicle as an incentive for the sales positions. He identified the Louisiana Fire Marshal deputies as an example.

37. Director Moore explained that legislation would likely be required as most vehicles stored at home are for emergency response or for those who have arresting powers.
38. Mr. Ardoin cited Probation and Parole as an example.
39. Next, Director Moore asked Mr. Floyd for an industries update.
40. Mr. Floyd began by announcing that all of the operations were busy filling orders, building inventory, and preparing for year-end.
41. Next, Mr. Floyd reported that ordering for CPP Summer program ended and the warehouse is receiving inventory. Picking orders is scheduled to begin May 29th and the orders will be delivered by June 20th.
42. Mr. Floyd continued with an update on the Apprenticeship Program. He noted that the apprentices are attending classes and when the shop is available, they are getting in some training.
43. Then, Mr. Floyd stated that the Tag Plant was busy working on the OMV's last license plate order for fiscal year 2019.
44. Next, Mr. Floyd reported that the T-shirt Factory remains very busy as they wait to receive a late delivery of jersey material.
45. Continuing, Mr. Floyd stated that DCI Embroidery Shop was very busy with large uniform orders for LDWF and Department of Environmental Quality (DEQ).
46. Then, Mr. Floyd provided an update on the garment plants. Winn, EHCC, and LCIW Garment Plants were working on completing job orders and building inventory for year-end if possible. However, some products will be outsourced as EHCC and LCIW continue to struggle with obtaining offender workers.
47. Lastly, Mr. Floyd reported that the Soap Plant is working overtime to build inventory on bar soap and several other items.
48. Director Moore then asked Mr. Hoover for the agriculture update.
49. Mr. Hoover reported that the Mississippi River water level is currently at sixty and five tenths (60.5) feet and expected to increase by one (1) foot by May 22nd. The high water levels prohibit any planting behind the levee and the cattle have been moved to other areas.
50. Next, Mr. Hoover reported that approximately five hundred thirty-six (536) acres of the projected sixteen hundred (1,600) acres of soybeans were planted. The corn crop planted around March 22nd looks good. More soybean planting will begin May 15th and cotton planting will begin soon.
51. Continuing, Mr. Hoover stated that all cattle work was completed and the cattle look good. On May 16th, DCI will sell two hundred forty (240) head of open heifers weighing approximately eight hundred twenty-five (825) pounds. Additionally, LSP will sell a mixed load of fall born calves, partial steers and heifers that weigh about six hundred thirty (630) pounds.
52. Mr. Oliveaux asked how many cows are at each of the facilities.
53. Mr. Hoover approximated that DCI has eight hundred (800) heifers, EHCC has three hundred (300) cows, and LSP has nineteen hundred (1,900) cows.
54. Mr. Oliveaux questioned if it was financially beneficial to maintain cows at EHCC or if it would be more economical to add them to DCI.
55. Discussions regarding the number of cows per acre and effects from the potential sale of some of the adjacent Louisiana State University (LSU) pastures for "mitigation banks" ensued.

56. Mr. Ardoin introduced a schedule of board meeting dates and requested that Ms. Montalbano email the schedule to the board members. He confirmed that the board meetings would be held according to schedule and noted that the alternate dates will be used for the July and October meetings.
57. Mr. Ardoin set the next meeting for 10:00 AM, Tuesday, June 18, 2019.
58. Mr. Ardoin adjourned the meeting at 10:59 AM.