

**APPROVED**  
*Michael J. Moore*  
**Michael J. Moore, Director**  
03/19/19  
**Date**

**Prison Enterprises Board Meeting**  
**March 26, 2019**

1. Chairman Joseph Ardoin called the meeting to order at 10:04 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana.
2. Attendance:
  - 2.1 Members Present:
    - Joseph Ardoin, Chairman
    - Harvey Honore'
    - Eric Lane
    - Richard Oliveaux
    - Tim Travis
  - 2.2 Prison Enterprises Staff Present:
    - Michael Moore, Director
    - Scot Floyd
    - Kacie Henderson
    - Danny Hoover
    - Vickii Melius
    - Michelle Montalbano
    - Kristie Sigrest
    - Misty Stagg
3. On behalf of the board, Chairman Ardoin expressed condolences to Mr. Travis on the death of his mother.
4. Mr. Ardoin called the meeting to order and asked Mr. Richard Oliveaux to lead the prayer. Following the prayer, the Pledge of Allegiance was recited.
5. Mr. Ardoin acknowledged that a quorum was present and asked for a motion to approve the February 19, 2019 board meeting minutes.
6. Mr. Lane made a motion that the minutes be approved as written. Mr. Travis seconded the motion and it passed unanimously.
7. Next, Mr. Ardoin turned the meeting over to Director Moore.
8. Director Moore stated that due to a scheduling conflict, Mr. Buttross would not be present at the board meeting. However, Mrs. Stagg would provide an update on behalf of Mr. Buttross.
9. Director Moore began with an update on both the Performance Audit and the annual Financial Audit that the Legislative Auditors (LLA) are currently conducting on PE. On March 25, 2019, PE received a "revised" Performance Audit preliminary findings report from the LLA. PE will provide a formal response by the April 8<sup>th</sup> deadline date and may request an exit conference. The annual Financial Audit is awaiting PE's finalized December financial statement to complete the audit.
10. Next, Director Moore stated that the PE Annual Awards and Training Conference begins at 9:30 AM on April 4, 2019 at Oak Lodge Reception and Conference Center in Baton Rouge, Louisiana. He referenced the meeting folders for an invitation to the conference containing the details.

11. Continuing, Director Moore reported that some PE executive staff members would attend the National Correctional Industries Association Conference (NCIA) Training Conference in Minneapolis, MN from April 14<sup>th</sup> – 18<sup>th</sup>. He recounted the benefits PE employees obtained from the roundtable discussions, workshops, and vendor exhibits. Director Moore noted that he plans to discuss clear vinyl mattresses at the NCIA Directors meeting and it will likely be a topic for a roundtable discussion.
12. Lastly, Director Moore provided an update on the Apprenticeship Program. The journeymen for the program and the apprentices under them have all been identified.
13. Mr. Ardoin inquired as to when classes would begin.
14. Mr. Floyd explained that the program will provide two (2) or three (3) days per week of classroom studies and the remaining time will be hands on training. Classroom training will be conducted in the renovated COGIMS located at the Metal Fabrication Shop (Metal Fab). Classes will begin when the offender apprentices are properly classified to Metal Fab and Dr. Sanders transfers the curriculum.
15. Mr. Lane asked for an update on the current and projected water levels for the Mississippi River.
16. Mr. Hoover stated that the future remains unknown. Currently, the water level at Louisiana State Penitentiary (LSP) is sixty-one and two tenths (61.2) feet and slowly receding, approximately two (2) – three (3) tenths per week.
17. Director Moore added that Warden Vannoy at LSP stays in contact with the US Army Corps of Engineers regarding the levees and the Mississippi River levels.
18. Mr. Travis inquired on the status of PE salesperson Debbie Wise.
19. Director Moore stated that Ms. Wise resigned effective April 5, 2019. Two (2) PE Supervisor jobs were announced to potentially fill both vacant sales positions.
20. Mr. Oliveaux inquired on the status of PE offering as an incentive to new sales representatives the use of a state vehicle to and from work. He cited the State Fire Marshall's offices as an example of a state agency that provides this benefit to some of its employees.
21. Director Moore explained that he and Mrs. Stagg met with Department of Corrections (DOC) Human Resources regarding PE successfully obtaining candidates for the sales positions. He noted that PE could not allow the home storage of a state vehicle however, other viable options are being considered, but home storage would require legislative change.
22. Next, Director Moore asked Mrs. Stagg for an Administrative update.
23. Mrs. Stagg announced that PE's purchasing department is currently working on the professional service contracts for fiscal year (FY) 2020. Included are the Direct Agronomics, Geaux Safe and Peters Forestry contracts. They will be completed and submitted to the Office of State Procurement (OSP) by June 30, 2019.
24. Next, Mrs. Stagg reported that the first payment of funds for the reconstruction of freezer #11 at Wakefield was submitted to Office of Financial Services and Support (OFSS). The vendor completed demolition of the freezer.
25. Lastly, Mrs. Stagg reported that job orders for February 2019 were \$440,000 compared to February 2018 job orders of \$528,000. Noting that in February 2018, PE received large orders from the Department of Military Affairs and Pinecrest Support Services totaling approximately \$200,000. The job orders to date for March 2019 are \$369,000 compared to \$634,000 in March 2018.

26. Director Moore asked Mrs. Henderson to report on PE audits.
27. Mrs. Henderson stated that PE passed an annual Risk Management Audit conducted at PE Headquarters on March 19, 2019. The auditors were complementary of PE's compliance files and processes. They recommend changes to some policies (currently beyond our control) for which PE will comply when the necessary changes to the Department Regulations are completed.
28. Director Moore noted that the audit was a full audit which is conducted every three (3) years.
29. Director Moore then asked Mrs. Sigrest to provide the financial update.
30. Mrs. Sigrest reported that the November 2018 year to date (YTD) finalized sales were \$10.8 million compared to November 2017 YTD sales of \$11.6 million, a decrease of \$775,000 and YTD net income for November 2018 was a loss of \$862,000 compared to a loss of \$350,000 net income for November 2017, a decrease of \$512,000.
31. Continuing, Mrs. Sigrest stated that preliminary YTD sales for December 2018 were \$12.6 million compared to December 2017 YTD sales of \$13.5 million, a decrease of \$860,000 and preliminary YTD net income for December 2018 was a loss of \$1 million compared to a loss of \$619,000 YTD net income in December 2017, a decrease of \$448,000.
32. Next, Mrs. Sigrest reported that January 2019 preliminary monthly sales are up by \$328,000 and preliminary YTD sales are down by \$532,000 compared to January 2018. February 2019 preliminary monthly sales are down by \$371,000 and preliminary YTD sales are down by \$904,000 compared to February 2018.
33. Lastly, Mrs. Sigrest reported that the cumulative net cash for the current fiscal year to date (July 2018 – December 2018) reflects an increase of \$214,000 and the cumulative net cash for the prior FY (July 2017 – June 2018) was an increase of \$734,000.
34. Director Moore then asked Mrs. Melius for the sales and marketing update.
35. Mrs. Melius began by reporting that PE received three (3) significant DOC orders. An order from LSP for linens, offender clothing, mattresses, janitorial supplies, and print totaling \$243,056, Elayn Hunt Correctional Center (EHCC) for print, linens, lockers, and offender clothing totaling \$62,694, and an order from B.B. "Sixty" Rayburn Correctional Center (RCC) for print, offender clothing, linens, and janitorial supplies totaling \$21,011.
36. Continuing, Mrs. Melius stated that PE received two (2) other significant job orders. An order from the Office of Motor Vehicles (OMV) for tags totaling \$18,553 and an order from Southern University for janitorial supplies totaling \$16,850.
37. Lastly, Mrs. Melius advised that the sales staff attended the Louisiana Chief of Police Association Conference on March 13 – 14, 2019 in Lake Charles, Louisiana and Louisiana Library Association Conference on March 14 – 15 in Baton Rouge, Louisiana.
38. Next, Director Moore asked Mr. Floyd for an industries update.
39. Mr. Floyd began by reporting on the LSP industries. The Canteen Package Program (CPP) successfully delivered the Spring Program packages totaling 2,525 packages. Ordering for the Summer Program begins on April 8<sup>th</sup> and concludes on May 8<sup>th</sup>. Mr. Floyd added that pest control in the CPP warehouse is good.
40. Next, Mr. Floyd advised that the Metal Fab Shop completed the deliveries for the Acadiana Center for Youth in Bunkie's order of seventy-two (72) metal beds. Additionally, the Catholic High School Men's Club custom designed barbeque pit was delivered.
41. Director Moore stated that Ms. Montalbano would email the board members pictures of the CHS pit.

42. Next, Mr. Floyd reported that the Mattress Factory continues working on the chair back covers for Calcasieu Parish School Board order.
43. Continuing, Mr. Floyd stated that the Tag Plant completed the last OMV order and expects to receive one (1) more order.
44. Mr. Floyd reported that the second load of denim for the Garment Plant at EHCC was received at 914 Warehouse and was verified by Accounting.
45. Next, Mr. Floyd reiterated that the demolition work on freezer #11 at Wakefield was completed. He noted that the contractor will revise the plans to accommodate an eight (8) inch decrease in freezer space.
46. Lastly, Mr. Floyd reported that the Soap Plant is producing the new foaming hand soap, and lavender cleaner, and a reformulated powdered laundry bleach.
47. Mr. Oliveaux suggested using electronic frequency repellents to successfully deter rodents.
48. Mr. Floyd explained that the CPP warehouse experienced a situation with beetles being drawn to the lights in the warehouse at night. However, at present the situation is resolved.
49. Next, Mr. Oliveaux inquired on the revised plans for the freezer, the timeframe to complete, and any additional cost that may be incurred.
50. Mr. Floyd explained that adjustments to the plans resulted from the slab's ventilation system. Currently, the project is on schedule to be completed by April 30<sup>th</sup> as stated in the bid. However, there are provisions for extending the date.
51. Director Moore then asked Mr. Hoover for the agriculture update.
52. Mr. Hoover reiterated that the Mississippi River is still above flood stage at sixty-one and two tenths (61.2) feet and declining slowly. In five (5) days, the river is projected to only be at sixty and nine tenths (60.9) feet. Grazing on the levees is limited, no hay can be cut on the back side of levees, and only certain crop fields can be prepared as portions of the levee have sandbags and substantial seepage.
53. Next, Mr. Hoover reported that some of the corn was planted in early March and the remaining corn crop was planted March 25<sup>th</sup>.
54. Mr. Honore' asked what percentage of the crop fields have seepage and when will soybean planting begin.
55. Mr. Hoover stated that approximately one third of the fields have seepage and predicted that soybeans will be planted in mid-April.
56. Mr. Ardoin inquired whether the rodeo will be affected by the water and wet fields.
57. Mr. Hoover speculated that the parking may need to be rerouted.
58. Lastly, Mr. Hoover reported that the cows look good and are finished calving, the bulls are out with the cows, and the heifers are being worked at Dixon Correctional Institute.
59. Mr. Oliveaux stated that a PE industry needs to be established at RCC.
60. Director Moore expounded on the performance audit findings regarding the relevance of the offender skills provided by some PE industries.
61. Discussions ensued regarding PE industries, NCIA's best practices guidelines, and Reentry.
62. Director Moore stated that several institutions are interested in attaining a PE industry. However, for PE to substantiate establishing a new industry, the facility must have a place to house the industry and adequate staffing.
60. Mr. Ardoin set the next meeting for 10:00 AM, Tuesday, May 14, 2019.
61. Mr. Ardoin adjourned the meeting at 10:59 AM.