

APPROVED
Michael J. Moore
Michael J. Moore, Director
9/18/19
Date

Prison Enterprises Board Meeting

August 20, 2019

1. Chairman Joseph Ardoin called the meeting to order at 10:08 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana (LA).
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
Scot Floyd
Kacie Henderson
Vickii Melius
Michelle Montalbano
Kristie Sigrest
Misty Stagg
 - 2.3 Guest Present:
Nisa East – Independent Journalist
Milo Daemgen – Independent Journalist
4. Mr. Ardoin acknowledged that not enough board members were present for a quorum, therefore a vote to approve the prior meeting minutes could not be taken.
5. Mr. Oliveaux expressed his appreciation and gratitude for Warden McCain and staff at Raymond Laborde Correctional Center for the continuous support they provide PE.
6. Mr. Ardoin turned the meeting over to Director Moore.
7. Director Moore thanked everyone for attending the meeting. Additionally, he welcomed two (2) guests to the meeting and asked that they introduce themselves.
8. Mr. Milo Daemgen and Ms. Nisa East stated that they were independent journalists from New Orleans working on a project regarding “the world of technology in workforce development inside prisons of Louisiana”.
9. Director Moore began the meeting by referencing a resignation letter in the meeting folders that Vice-Chairman Spalitta submitted on August 19, 2019. Director Moore expressed his appreciation for the nine (9) years of guidance and leadership Mr. Spalitta provided to PE.
10. Mr. Ardoin noted that a quorum was not present for the last three (3) board meetings and a vacant seat will make it even more difficult to attain. He asked that the board members make an effort to attend the meetings, when possible. Mr. Ardoin added that Mr. Spalitta held the seat on PE’s board as an owner or operator of a facility engaged in the processing of the types of agricultural products produced by PE.
11. Next, Director Moore announced that PE participated in a telephone interview with a journalist from The Advocate. Many questions from the journalist referenced the Louisiana Legislative Performance Audit (LLPA) that was released May 1, 2019. However, Director Moore provided a brief summary of the article which was published August 19, 2019.

12. Continuing, Director Moore stated that PE extended the grounds portion of the Office of State Buildings (OSB) contract for two (2) months (and will likely extend it through September 30th) to allow OSB time to award the new contract.
13. Director Moore then reported on the progress of relocating the Winn Correctional Center (WNC) Garment Plant to RLCC. Seventeen (17) offenders who worked in the WNC Garment Plant were relocated to RLCC and are now working in the RLCC Garment Plant. On August 12th an additional fifty (50) to sixty (60) WNC Garment Plant offender workers were transferred to RLCC and began working in the RLCC Garment Plant on August 19th. Additionally, RLCC has several experienced former garment plant offender workers to fill the remaining open positions in the RLCC Garment Plant.
14. Mr. Oliveaux questioned whether the RLCC Garment Plant would encounter the same difficulties as Louisiana State Penitentiary (LSP) has in obtaining workers due to school schedules and mentoring programs.
15. Director Moore stated that PE does not anticipate the same degree of issues because RLCC's offender population is more compact than LSP and the offenders are eager to work in the plant.
16. Next, Director Moore provided an update on moving the cattle from the Louisiana State University (LSU) land adjacent to Elayn Hunt Correctional Center (EHCC) by September 1, 2019.
17. Mr. Oliveaux asked if the cattle would be moved to Dixon Correctional Institute (DCI).
18. Director Moore stated that approximately one hundred (100) head of cattle will be moved to DCI, about fifty (50) will be culled, and the remaining one hundred fifty (150) will stay at EHCC.
19. Continuing, Director Moore reported on the American Correctional Association (ACA) Congress of Correction he attended in Boston, Massachusetts from August 2 – 7, 2019. He discussed the National Correctional Industries Association (NCIA) Best Practices Committee meeting and their work to integrate practices and/or policies for Correctional Industries (CI) working with offenders.
20. Lastly, Director Moore stated that PE is working diligently to close the fiscal year end and complete the Annual Fiscal Report (AFR) by the end of August.
21. Director Moore explained that Mrs. Stagg would provide the Administrative update in the absence of the Administrative Program Director and would provide the Agricultural update on behalf of Mr. Hoover.
22. Mrs. Stagg began with an update on purchasing. She stated that the Wakefield freezer was completed Monday, August 18th. Prior to signing off with the vendor, PE staff will inspect and verify that the freezer reaches and maintains the preferred temperatures. Next, Mrs. Stagg explained that PE put a bid out to lease a tractor to replace a thirty (30) year old broken tractor for the LSP Rangeherd and that PE is awaiting approval to purchase a \$14,000 used van for the Wakefield Meat Plant.
23. Next, Mrs. Stagg reported that PE held its annual Canteen Standards Meeting (CSM) at PE Headquarters on August 15th and that Mrs. Henderson did a good job moderating the meeting. She noted that the PE is rebidding and establishing first renewals for the items that were approved during the meeting.
24. Lastly, Mrs. Stagg reported that job orders for July 2019 were \$942,264 compared to \$1.2 million for July 2018. The August job orders to date were \$1.19 million compared to \$950,000 for all of August 2018.
25. Mr. Ardoin inquired on whether maintenance was included on the tractor lease.

26. Mrs. Stagg stated that maintenance is included in the lease as well as a quick response time for a replacement tractor if necessary.
27. Mr. Oliveaux inquired on the vendor for the leased tractor.
28. Mrs. Stagg explained that the bid has yet to be awarded. She added that although the bid is not restricted by a brand name, the bid was created using specifications from reputable brand name tractors.
29. Mr. Oliveaux stated that historically farmers owned their tractors and today the vast majorities of farmers are leasing their tractors.
30. Director Moore explained the challenges in obtaining parts and the extra workload added to the PE Repair Shop with tractors that are owned. He reiterated the importance of obtaining a replacement tractor quickly and noted that most lease programs offer replacements in the lease agreement.
31. Mr. Honore' confirmed that most farmers are leasing equipment.
32. Continuing, Director Moore asked Mrs. Henderson for her updates.
33. Mrs. Henderson reported that representatives from all the prison canteens participated in the CSM. Also in attendance were Chief Smith, Dr. Morrison, and Tammy Grant from DOC Headquarters as well as staff members from the Office of State Procurement (OSP). Proposals to add various "requested" canteen items were discussed and agreed upon. Additionally, several items with dormant sales were removed from the Canteen Standards List.
34. Next, Mrs. Henderson stated that PE will participate in LSP's American Correctional Association (ACA) Reaccreditation Audit August 26th - 28th. PE will also have a Department of Corrections (DOC) C-05-003 audit on August 29th, and will have its three (3) year ACA Reaccreditation Audit on October 28th - 29th.
35. Director Moore clarified that PE operations must be prepared for ACA and DOC audits conducted for PE as well as each institution's individual audit.
36. Mr. Ardoin asked if the ACA auditors were from Louisiana.
37. Mrs. Henderson explained that the auditors are usually from out of state.
38. Director Moore, then asked Mrs. Sigrest to provide the financial update.
39. Mrs. Sigrest began by reporting that the final year to date (YTD) sales for fiscal year (FY) 2019 was \$27.1 million compared to FY 2018 YTD sales of \$27.7 million, a decrease of \$581,000. Final sales for the month of June 2019 increased by \$50,000 compared to monthly sales for June 2018.
40. Preliminary monthly and year to date sales for July 2019 have decreased by \$199,000 compared to sales for July 2018. However, sales for July 2019 are expected to increase, as some industries have not been billed due to the year-end inventory process.
41. Next, Mrs. Sigrest reported that the cumulative net cash for the current FY 19 (July 2018 - June 2019) reflects a decrease of \$423,000 and the cumulative net cash for the same period in the prior FY (July 2017 - June 2018) was an increase of \$734,000.
42. Lastly, Mrs. Sigrest stated that the accounting department is working on the cattle "write down" entry, the AFR that is due August 30th, and other year-end reports and surveys.
43. Mr. Ardoin questioned the procedure for travel expenses for board members.
44. Mrs. Sigrest explained that the state implemented a new reporting system for travel expenses and requires that all travel expenses be direct deposited.
45. Continuing, Director Moore asked Mrs. Melius for the sales and marketing update.
46. Mrs. Melius began by reporting that PE received five (5) significant DOC orders. An order from LSP for janitorial supplies, linens, offender clothing, officer uniforms, and print totaling \$689,826. An order from DCI for janitorial supplies, linens, and offender clothing

- totaling \$311,816. An order from B.B. "Sixty" Rayburn Correctional Center (RCC) for offender clothing, janitorial supplies, print, and linens totaling \$47,637. An order from Raymond Laborde Correctional Center (RLCC) for janitorial supplies, linens and offender clothing totaling \$46,810 and an order from DWCC for janitorial supplies, linens, and offender clothing totaling \$25,301.
47. Next, Mrs. Melius reported that PE received three (3) other significant job orders. An order from Department of Military Affairs/Gillis Long Center for lockers and mattresses totaling \$35,700, an order from Eastern Louisiana Mental Health Hospital for garments totaling \$25,071, and an order from Calcasieu Parish Sheriff's Office for mattresses and janitorial supplies totaling \$19,900.
 48. Lastly, Mrs. Melius reported that the sales staff attended the Louisiana State Firemen's Association Conference on August 10th and 11th. Since the conference, the staff met with the Baton Rouge Fire Department to discuss potentially purchasing uniforms and decals.
 49. Director Moore asked Mr. Floyd for an industries update.
 50. Mr. Floyd began with an update on the Canteen Package Program (CPP). The Fall CPP ordering period opened on July 8th and closed on August 7th. Fourteen hundred seventy-five (1,475) food and hygiene packages and one thousand eight (1,008) personal property packages were ordered during the Fall 2019 Program. The packages will be picked beginning August 28th and shipping will begin September 3rd.
 51. Next, Mr. Floyd reported that the Metal Fabrication (Metal Fab) Shop remains busy. They are working on lockers for Gillis Long Center, a programming chair for Allen Correctional Center (ALC), the fence order for Ernest Morial Convention Center (EMCC) and the Lasalle Correctional Center bunk order. He noted that approximately fifty (50) percent of the bunks for Lasalle Correctional Center are completed. Additionally, the bid for the remaining materials needed to complete the bunk orders and the raw materials needed for the Ernest Morial Convention Center (EMCC) fence order have been awarded and will be delivered soon.
 52. Continuing, Mr. Floyd reported that the Mattress Factory completed and delivered timely, the chair back covers ordered by the Calcasieu Parish School Board. The factory is busy working on mattress orders.
 53. Then, Mr. Floyd reported on the progress of relocating the WNC Garment Plant to RLCC. Originally, seventeen (17) offenders were relocated to RLCC and began working on setting up the equipment and organizing raw materials and inventory items. An additional fifty-three (53) offender workers were transferred to RLCC and began working on August 19th. Mr. Floyd noted that the additional PE Supervisor for the plant was hired and began working on August 19th.
 54. Director Moore noted that the PE Supervisor Becky Dougan relocated to Cottonport to continue as the experienced supervisor of Garment Plant at RLCC.
 55. Next, Mr. Floyd stated that the grounds portion of the OSB Janitorial contract was extended to August 31st and they have requested an extension through September 30th.
 56. Continuing, Mr. Floyd reported that all four (4) coils are running on the new Wakefield freezer. Plans are to confirm that the freezer maintains the preferred temperature levels and sometime during the week of August 26th we will meet with the vendor to sign off on the freezer.
 57. Mr. Oliveaux asked the temperature of the freezer and Mr. Floyd stated minus ten (10) degrees Fahrenheit.
 58. A discussion amongst several board members ensued regarding the vendor, the subcontractor, the repair time, and the bidding process for the freezer repairs.

59. Mr. Ardoin inquired if RLCC Garment Plant will have an adequate number of offender workers to operate all of the equipment.
60. Mr. Floyd explained that the plant would maintain an average of seventy (70) workers to operate sixty-four (64) sewing machines, cutting tables, and various other equipment.
61. Director Moore discussed exploring the possibility of adding silk-screening to the RLCC Garment Plant.
62. Lastly, Director Moore asked Mrs. Stagg to provide an agriculture update on behalf of Mr. Hoover.
63. Mrs. Stagg reported that the Mississippi River fell below flood stage at Louisiana State Penitentiary (LSP) on October 11th and continues to fall. The high water and heavy rains damaged the levee, the pastures, and the fields. PE could not plant ryegrass in the pastures behind the levee and was unable to plant some acres of soybean and cotton crops due to the seepage water.
64. Next, Mrs. Stagg stated that calves from EHCC shipped on August 13th and Braham sired steers from LSP shipped on August 15th. LSP plans to ship an additional four (4) loads by August 21st. On August 12th, a load of steers weighing five hundred fifty (550) pounds and a load of heifers weighing five hundred thirty (530) pounds sold from the two (2) year old heifers that were backgrounded at David Wade Correctional Center (DWCC). A load of one hundred forty-nine (149) heifers from DCI will be sold on video livestock auction.
65. Lastly, Mrs. Stagg reported that the corn harvest is complete and the yields look good. The soybeans are drying out and harvest should begin in two (2) or three (3) weeks. The cotton crops are putting on bolls and the majority of the crops look good.
66. Director Moore interjected that the high water levels of the Mississippi River severely damaged the ring levee around Camp G pasture. Although PE plans to utilize the pasture, ryegrass can not be planted.
67. Mr. Oliveaux inquired on the plans to replace the truck driver that resigned from PE Transportation.
68. Director Moore stated that the truck driver position was announced on August 19th. The Transportation Supervisor and the LSP Quality Assurance Coordinator are both are aware of interested candidates.
69. Next, Mr. Oliveaux reiterated the importance of finding a PE operation for the offenders at B.B. "Sixty" Rayburn Correctional Center (RCC).
70. Additionally, Mr. Oliveaux suggested that another board meeting be held at RLCC.
71. Director Moore agreed and recommended that the board wait to have a meeting at RLCC after January 1, 2020.
72. Mr. Oliveaux and Mr. Ardoin discussed Mr. Spalitta and his dedication to the PE Board. They expressed the importance of filling the vacant seat and in attaining a quorum for the board meetings.
73. Director Moore stated that Mr. Spalitta's resignation letter would be emailed to all the board members.
74. Mr. Oliveaux thanked the guests for attending the meeting and for their interest in PE.
75. Mr. Ardoin set the next meeting for 10:00 AM, Tuesday, September 17, 2019 and adjourned the meeting at 11:02 AM.