

APPROVED
Michael J. Moore
Michael J. Moore, Director
2/19/20
Date

Prison Enterprises Board Meeting

December 17, 2019

1. Chairman Joseph Ardoin called the meeting to order at 10:01 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
Tim Travis
 - 2.2 Prison Enterprises Staff Present:
Michael Moore, Director
Brooke Farrar
Scot Floyd
Kacie Henderson
Daniel Hoover
Vickii Melius
Michelle Montalbano
Kristie Sigrest
Misty Stagg
4. Mr. Ardoin acknowledged that a quorum was present and asked for a motion to approve the board meeting minutes for November 17th.
5. Mr. Oliveaux made a motion that the minutes be approved as written. Mr. Travis seconded the motion and it passed unanimously.
6. Mr. Ardoin turned the meeting over to Director Moore.
7. Director Moore began by providing a brief summary of the Department of Corrections (DOC) Annual Employee Memorial Service and Awards Program held on November 22, 2019. He announced that PE's Raymond Laborde Correctional Center (RLCC) Garment Plant Supervisor, Becky Dougan was honored with the Secretary's Award of Excellence and PE's Executive Management Officer, Michelle Montalbano was selected as the DOC Support Employee of the Year.
8. Next, Director Moore announced that consideration to potentially relocate the Garment Plant at Elayn Hunt Correctional Center (EHCC) to Phelps Correctional Center (PCC) is being explored. Currently, the Garment Plant struggles to fill orders and adequately staff the plant. The present facility has limited production and storage space and a lack of offender workers available. Whereas, relocating to PCC, the Garment Plant can become more efficient with larger production and storage areas and a different offender workforce.
9. Mr. Oliveaux voiced concern that as a privately managed facility, PCC may not have a suitable workforce.
10. Director Moore stated that PE has many positive experiences working with privately, non-DOC managed facilities. He referenced the success of PE's Furniture Plant at Allen Correctional Center (ALC) and the Garment Plant at Winn Correctional Center (WNC), which were both located at privately managed institutions.

11. Mr. Oliveaux noted that B.B “Sixty” Rayburn Correctional Center (RCC) would like PE to establish an industry and inquired if moving the Garment Plant to RCC was feasible.
12. Director Moore explained that to establish an industry at RCC, PE must consider the expense of constructing a building to accommodate the industry.
13. Continuing, Director Moore reminded the board members that the Louisiana Code of Governmental Ethics requires all public servants to take one (1) hour of ethics training each calendar year. He noted that computers are available after the meeting for anyone interested in taking the course at PE Headquarters.
14. Next, Director Moore referred to an article on PE’s Garment Plant at RLCC that was published in the institutional magazine the Cajun Press. A copy of the article was included in the board folders.
15. Director Moore reported that on November 21st, PE conducted a tour for staff from the Office of Motor Vehicles (OMV) of Louisiana State Penitentiary (LSP) and the Tag Plant.
16. Lastly, Director Moore discussed DOC’s plans to rebuild Louisiana Correctional Institute for Women (LCIW).
17. Director Moore then asked Mrs. Henderson for an Administrative update.
18. Mrs. Henderson discussed the ransomware cyber-attack on the government servers and its impact to the Office of State Procurement (OSP) regarding PE’s bids and contracts. However, the tree bid for PCC was submitted to the OSP and the meat bid for the Wakefield Meat Plant will open December 27th.
19. Lastly, Mrs. Henderson reported that job orders for the month of November 2019 were \$392,000 compared to \$296,000 for the month of November 2018. The year to date (YTD) job orders for November 2019 were \$4 million and the YTD job orders for November 2018 were \$3.2 million. The December monthly job orders to date were \$141,000 compared to \$1.1 million for all of December 2018. The current YTD job orders for December 2019 are \$4.2 million compared to \$4.4 million through December 2018.
20. Then, Director Moore asked Mrs. Henderson to provide the financial update in Mrs. Sigrest absence.
21. Mrs. Henderson stated that the IBM hardware upgrade PE purchased to use with the J.D. Edwards accounting software would be installed in January 2020.
22. Next, Mrs. Henderson reported that August finalized YTD sales were \$3.6 million compared to August 2018 YTD sales of \$3.9 million, a decrease of \$284,000 and YTD net income for August 2019 was a loss of \$638,000 compared to a loss of \$175,000 August 2018, a decrease of \$462,000.
23. Continuing, Mrs. Henderson stated that preliminary monthly sales for September 2019 are down by \$446,000 and preliminary YTD sales are down by \$731,000 compared to September 2018. October 2019 preliminary monthly sales are up by \$366,000 and preliminary YTD sales are down by \$364,000 compared to October 2018. Currently, the preliminary monthly sales for November 2019 are down by \$170,000 and preliminary YTD sales are down by \$535,000 compared to November 2018.
24. Director Moore asked Mrs. Melius for the sales and marketing update.
25. Mrs. Melius began by reporting that PE received four (4) significant DOC orders. An order from LSP for offender clothing, linens, janitorial supplies, mattresses, and print totaling \$63,835. An order from RLCC for linens and offender clothing totaling \$32,938, an order from ALC for linens, offender clothing, and officer uniforms totaling \$23,208 and an order from David Wade Correctional Center (DWCC) for janitorial supplies, offender clothing, and linens totaling \$22,128.

26. Next, Mrs. Melius reported that PE received one (1) other significant job order from Pinecrest Support Services for linens and garments totaling \$15,714.
27. Continuing, Mrs. Melius stated that the PE website upgrade was complete and upon being trained, Mrs. Farrar will have the ability to make changes to the website.
28. Then, Mrs. Melius reported on a meeting with the Secretary's Office regarding signs for the DOC Headquarters compound.
29. Director Moore and Mrs. Melius discussed expanding PE's product line with this type of signage.
30. Mr. Oliveaux inquired on the status of the sales team and of offering them a state vehicle as an incentive.
31. Director Moore explained that home storage of a state vehicle is not allowed. He added that the sales staff is doing well and that Mr. Labatut continues to assist with training and working closely with the sales team.
32. Then, Director Moore asked Mr. Floyd for an industries update
33. Mr. Floyd stated that deliveries for the Canteen Package Program (CPP) were completed and that ordering for the Spring Program begins January 13, 2020.
34. Then, Mr. Floyd reported that the posts are the first items to be delivered for the Earnest Morial Convention Center (EMCC) fence order. The delivery will be on a flatbed truck.
35. Continuing, Mr. Floyd reported that the Apprenticeship Program currently has one (1) apprentice and three (3) journeymen. However, thirty (30) offenders from various institutions were recommended as potential program candidates and sent to the Education Department to be screened.
36. Next, Mr. Floyd announced that the Tag Plant completed the remaining one hundred thirty-one thousand (131,000) tags of the OMV order.
37. Then, Mr. Floyd stated that he plans to meet PE's Maintenance Foreman Michael King and PE's Quality Assurance Coordinator Tim Seilhan at EHCC Garment Factory to discuss the logistics for potentially relocating it from EHCC to PCC.
38. Continuing Mr. Floyd reported that the powder mixer at the Soap Plant was repaired and working well.
39. Lastly, Mr. Floyd announced that MSgt. Cedrick Ferguson has given his intent to retire. MSgt. Ferguson's position was posted and several applications were received.
40. Mr. Oliveaux inquired on the profitability of the CPP.
41. Mr. Floyd stated the Spring and Fall programs generated approximately \$151,000 and Director Moore estimated that all four (4) programs generate a total of \$300,000 for a year.
42. Mr. Oliveaux questioned the expenses associated with CPP.
43. Director Moore explained that PE pays one (1) full time supervisor and the utilities for the building.
44. Continuing, Director Moore introduced PE's Agriculture Regional Manager, Allen Barton, to the board members.
45. Then, Director Moore asked Mr. Hoover to provide an agriculture update.
46. Mr. Hoover reported that one hundred twenty (120) steers from DWCC weighing approximately eight hundred one (801) pounds sold for \$133,579 and that two (2) more loads will sell on December 19th and ship in 2020.
47. Next, Mr. Hoover stated that LSP has several newborn calves on the ground and all cattle are doing well. Additionally, the ryegrass is up and looks good at all locations.
48. Lastly, Mr. Hoover reported that plenty of fieldwork and spraying is being done in preparation for next year's crop.

49. Due to scheduling conflicts, Director Moore suggested that the next board meeting be held in February 2020.
50. A discussion on holding the elections for Chairman and Vice-Chairman of the board ensued. Mr. Ardoin stated that the board member elections would be held during the February meeting.
51. Mr. Ardoin set the next meeting for 10:00 AM, Tuesday, February 18, 2020 and adjourned the meeting at 10:43 AM.