

Prison Enterprises Board Meeting

February 18, 2014

Michael J. Moore
APPROVED
Michael J. Moore, Director
DATE 3/20/14

1. Chairman Charles Chatelain called the meeting to order at 10:00 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana.
2. Attendance
 - 2.1 Members Present:
 - Charles Chatelain, Chairman
 - Joseph Ardoin
 - Frank Strickland
 - Harvey Honore
 - Eric Lane
 - 2.2 Prison Enterprises Staff Present:
 - Michael Moore
 - Todd Labatut
 - Misty Stagg
 - Kristie Sigrest
 - Robert Honeycutt
 - Daniel Hoover
 - Vickii Melius
 - Joe Buttross
 - Michelle Montalbano
 - 2.3 Department of Corrections Staff Present:
 - Thomas Bickham, Jr.
3. Chairman Charles Chatelain asked for a motion to approve the minutes of the prior two meetings. Mr. Ardoin made a motion that the minutes be approved as written. Mr. Honore seconded the motion and it passed unanimously. Mr. Chatelain turned the meeting over to Director Moore.
4. Director Moore began by inviting the Board Members to PE's Annual Awards and Training Conference to be held at 9:30am Thursday, February 20, 2014 at the Louisiana Sheriff's Association training room.
5. Next, Director Moore reported on the ACA Winter Conference he and Emily Perret attended in Tampa. He explained the ACA reaccreditation panel interview process and verified receiving the ACA reaccreditation certificate of which is valid for 3 years.
6. Director Moore reviewed PE's participation in the National Correctional Industries Association conference to be held in New Orleans April 13th – 16th. He expressed his appreciation to the other states for their assistance and support in preparing for the conference.
7. Director Moore continued with a personnel update reporting PE's Marketing Manager submitted his resignation and accepted a position in the private sector. PE's marketing representative, Vickii Melius, has been detailed to the Marketing Manager position. Next, Director Moore stated, after serious consideration, the probationary Soap Plant

- Supervisor was terminated from probation and will be replaced by a new hire. He went on to report the PE Sales Desk and the LSP Farm Supervisor positions remained vacant.
8. Undersecretary Bickham interjected with an explanation of the State's decision to consolidate the Information Technology Department with OTM and the effect it will have on DPS&C.
 9. Next, Director Moore announced, in an effort to reduce expenses the Office of State Buildings has asked PE to redefine certain offender job responsibilities within the grounds maintenance contract.
 10. Director Moore provided a status update on relocating PE Headquarters.
 11. Director Moore then asked Mr. Labatut for his comments.
 12. Mr. Labatut began by reiterating how pleased SLU was with the items manufactured by PE. He praised the sales and industry teams for their never ending patience and endurance in providing customer service. Mr. Labatut went on to announce, SLU placed P.O.'s totaling close to \$165,000 and are soon to place \$61,000 more in P.O.'s. He also reported PE has been exploring an option for memory foam mattresses per a request.
 13. Mr. Labatut discussed the current grounds contract PE has with the Office of State Buildings and the pros and cons of the proposed changes they have suggested.
 14. Director Moore asked Mr. Buttross for the Administrative update.
 15. Mr. Buttross stated PE Headquarters received 100,000 yards of blue denim during the week of February 10th and the unloading/stacking went smoothly.
 16. Mr. Buttross reported purchases were made to cover an LSP order for 3200 sweatshirts to be delivered February 18th.
 17. Mr. Buttross also stated, the bid to purchase the raw materials to fill the SLU order, will open February 27th.
 18. Then, Mr. Buttross reported January 2013 orders were \$424,000, while January 2014 had orders totaled \$330,000 and included four closed snow days. He went on to say for the entire month of February 2013 the orders totaled \$178,000 and through February 17th of this year the orders have already exceeded \$322,000.
 19. Director Moore then asked Mrs. Sigrest for the financial update.
 20. Mrs. Sigrest stated that December 2013 YTD sales totaled \$14.6 million as compared to last year's \$14.4 million, an increase of \$204,000. Industries totaled \$4.7 million as compared to last year's \$4.9 million, a decrease of \$251,000, Agriculture totaled \$3.1 million as compared to last year's \$2.7 million, an increase of \$402,000, Retail totaled \$6.8 million as compared to last year's \$6.8 million, an improvement of \$53,000.
 21. The December 2013 YTD Net Income was \$112,000 as compared to last year's income of \$264,000, a decrease of \$152,000. Industries totaled a net income of \$6,300 as compared to last year's income of \$251,000, a decrease of \$245,000, Agriculture totaled a net income of \$369,000 as compared to last year's net income of \$296,000, an increase of \$73,000, Retail totaled a net income of \$283,000 as compared to last year's net income of \$255,000, an improvement of \$28,000.

22. Mrs. Sigrest stated that the January 2014 YTD preliminary sales totaled \$16.6 million as compared to last year's \$16.7 million, a decrease of \$91,000. Industries totaled \$5.4 million as compared to last year's \$6 million, a decrease of \$517,000, Agriculture totaled \$3.1 million as compared to last year's \$2.9 million, an improvement of \$271,000, Retail totaled \$8 million as compared to last year's \$7.9 million, an improvement of \$155,000.
23. Director Moore then asked Mrs. Melius for the Marketing update.
24. Mrs. Melius began by reporting the following significant job orders: 1) a \$30,840 order from LCIW for soap products, washcloths and linens, 2) an order for \$164,900 from SLU for desk and chest of drawers, 3) the Office of Juvenile Justice (Monroe) ordered \$13,041 of soap products, offender clothing, linens, 4) an order from the Orleans Parish Criminal Sheriff's Office (Community Correctional Center) purchased \$11,325 in mattresses and blankets, and 5) an order for \$89,000 from DPW for uniforms and ICE polo's.
25. Next Mrs. Melius provided an update on the website, stating it was still targeted to be online for April.
26. Lastly, Mrs. Melius thanked Emily Perret for assisting her in managing the vacant sales desk position.
27. Director Moore then asked Mr. Honeycutt for the Industries update.
28. Mr. Honeycutt began by summarizing the successful initial delivery to the Lafayette Parish Jail. He explained it had been pre-determined the deliveries would be made in four phases. Each delivery would complete one room.
29. Mr. Honeycutt continued by reporting Lafayette Parish Jail requested PE provide them with a design and a quote for an outside Locker Shed. Sales and Industries are working together and will present a sample soon.
30. In conclusion, Mr. Honeycutt described a 210" Receptionist Center PE built for the Carencro Police Department.
31. Director Moore then asked Mr. Hoover for the Agriculture update.
32. Mr. Hoover started by proclaiming this year's wintery weather conditions have been the worst PE Agriculture has experienced. Although precautionary measures were taken, many calves were lost during the freeze events. He also reported additional bales of hay were purchased to prevent a shortage of food for the cattle.
33. Mr. Hoover went on to explain the weather has affected the appearance of the crops, but overall they will survive. He said the wheat was fertilized once and will start to look better after the March fertilization. Mr. Hoover projected the harvest to be later than usual.
34. Lastly, Mr. Hoover reported the corn will be planted as soon as the weather allows.
35. Mr. Chatelain announced the next Board meeting will be Wednesday, March 19, 2014 at Prison Enterprises Headquarters at 10 AM. Mr. Chatelain then adjourned the meeting.