

Prison Enterprises Board Meeting

January 21, 2014

Michael J. Moore
Michael J. Moore, Director
DATE 2/21/14

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
 - Paul Spalitta
 - Eric Lane
 - 2.2 Prison Enterprises Staff Present:
 - Michael Moore
 - Todd Labatut
 - Misty Stagg
 - Kristie Sigrest
 - Robert Honeycutt
 - Daniel Hoover
 - Richard Rees
 - Joe Buttross
 - Michelle Montalbano
 - 2.3 Department of Corrections Staff Present:
 - Thomas Bickham, Jr.
3. Mr. Chatelain stated that there were not enough board members present to form a quorum therefore the minutes from the prior meeting could not be approved.
4. Mr. Chatelain then turned the meeting over to Director Moore.
5. Director Moore began by discussing the plans to relocate PE Headquarters and the phases involved. He provided a map of the planned Water Campus development and a map of the land it will occupy. Director Moore reported on the essential facility requirements necessary to properly operate PE's administration and warehouse.
6. Director Moore informed the Board Members of the 2013 Annual Awards & Training Conference PE is hosting on February 20, 2014 at 9:30am, in the training room at the Louisiana Sheriff's Association building.
7. Director Moore reviewed PE's participation in the National Correctional Industries Association conference to be held in New Orleans April 13th – 16th.
8. Director Moore continued with a personnel update reporting PE had four vacancies: two positions were posted and two positions were open.
9. Undersecretary Bickham interjected with a brief explanation of the State's recent order for a hiring freeze and the impact on DPS&C.
10. Next, Director Moore reiterated his travel plans to appear before the ACA Panel for the final phase of the PE Reaccreditation Audit. The Panel Hearing and the Awards Banquet

- will be held in conjunction with the ACA Winter Conference in Tampa, Florida in January 2014.
11. Director Moore announced 600 acres of Phelps property was surveyed by the State Lands Office and ready for bid.
 12. Director Moore acknowledged the letter to the Chancellor of the LSU Agriculture Center requesting permission to utilize the property adjacent to EHCC has been received and discussions are forthcoming.
 13. Director Moore then asked Mr. Labatut for his comments.
 14. Mr. Labatut began by announcing a new canteen delivery schedule was developed for Winn Correctional Center. It was determined a consistent delivery day would provide additional canteen sales. Winn will receive a delivery every Monday.
 15. Next, Mr. Labatut discussed the sales opportunities with Lafayette Parish Jail. He recognized the persistence and dedication from PE sales representative, Lionel Kleinpeter, to pursue and develop a relationship with them. He commended the Industries Manager and the Metal Fab Shop for their patience and never ending cooperation in providing ideas and samples to the customer.
 16. Director Moore asked Mr. Buttross for the Administrative update.
 17. Mr. Buttross announced the Canteen Distribution Center (CDC) annual contracts were completed and purchase orders were being forwarded daily.
 18. He reported PE ordered 100,000 yards of blue denim to be delivered in February. The denim will be received and stored at the PE Warehouse.
 19. Then Mr. Buttross reported the job orders for December 2013 were \$940,000 while December 2012 was \$300,000.
 20. Then, Mr. Buttross stated the job orders through January 20, 2014 were \$300,000 while the entire month of January 2013 was \$424,000.
 21. Director Moore then asked Mrs. Sigrest for the financial update.
 22. Mrs. Sigrest stated that November 2013 YTD sales totaled \$12.1 million as compared to last year's \$12.2 million, a decrease of \$29,000. Industries totaled \$3.7 million as compared to last year's \$4.1 million, a decrease of \$411,000, Agriculture totaled \$2.7 million as compared to last year's \$2.5 million, an increase of \$280,000, Retail totaled \$5.7 million as compared to last year's \$5.6 million, an improvement of \$102,000.
 23. The November 2013 YTD Net Income was a loss of \$39,000 as compared to last year's income of \$231,000, a decrease of \$270,000. Industries totaled a loss of \$152,000 as compared to last year's income of \$224,000, a decrease of \$376,000, Agriculture totaled a net income of \$325,000 as compared to last year's net income of \$257,000, an increase of \$68,000, Retail totaled a net income of \$229,000 as compared to last year's net income of \$190,000, an improvement of \$39,000.
 24. Mrs. Sigrest stated that the December 2013 YTD preliminary sales totaled \$14.6 million as compared to last year's \$14.4 million, an increase of \$195,000. Industries totaled \$4.7 million as compared to last year's \$4.9 million, a decrease of \$256,000, Agriculture totaled \$3.1 million as compared to last year's \$2.7 million, an improvement of \$397,000,

Retail totaled \$6.8 million as compared to last year's \$6.8 million, an improvement of \$53,000.

25. Mr. Chatelain thanked Mrs. Sigrest for developing and preparing the new monthly trend reports she provides at the board meetings.
26. Mrs. Sigrest continued by summarizing the benefits realized when PE changed from printing invoices on dot matrix printers to laser printers.
27. Director Moore then asked Mr. Rees for the Marketing update.
28. Mr. Rees began by reporting the following significant job orders: 1) a \$168,722 order from the Lafayette Parish Jail for bunks, lockers and benches, 2) an order for \$29,724 from the Orleans Parish Sheriff's Office for jumpsuits and sweatshirts, 3) the Louisiana Correctional Institute for Women (LCIW) ordered offender clothing, cleaning products and linens totaling \$26,120, 4) an order from Tangipahoa Parish Jail for \$14,866 for offender clothing, mattresses and linens, and 5) an order for \$6,635 from Probation & Parole Business Office for desk, credenzas and hutches.
29. Next Mr. Rees provided an update on the website and stated it would be online for April.
30. Mr. Rees reported a vacancy for the sales desk position opened in January.
31. Lastly, Mr. Rees reported the 2014 Sales and Marketing Conference Calendar has 6 conferences scheduled and expects to add more soon.
32. Director Moore then asked Mr. Honeycutt for the Industries update.
33. Mr. Honeycutt began by summarizing the visit to Burton Complex for the livestock pens. He provided pictures of the assembled panels and pens.
34. Mr. Honeycutt confirmed a meeting has been scheduled with the Lafayette Parish Jail to discuss the prototypes and to coordinate the terminology for placing the bed and locker order.
35. Mr. Honeycutt reported Southeastern Louisiana University (SLU) requested samples of wooden coffee and end tables. The samples were displayed in the conference room.
36. Director Moore then asked Mr. Hoover for the Agriculture update.
37. Mr. Hoover started by announcing the corn seed bid was awarded and the corn fertilizer bid will be awarded by January 24th. He then reported the wheat looks good and was minimally affected by the 18 degree temperature. He also reported wheat fertilization will begin by the end of January.
38. Next Mr. Hoover confirmed 1 load of steers shipped from David Wade Correctional Center (DWCC) weighing 812# and sold for \$1.5910.
39. Mr. Hoover reported 11 of his staff members are attending the Master Cattleman Program and 2 are attending the Master Farmer Program.
40. Director Moore asked Undersecretary Bickham for updates.
41. Undersecretary Bickham spoke of the upcoming Executive Budget meeting, the full funding of retirement/merit increases and the executive branch hiring freeze.
42. Mr. Chatelain announced the next Board meeting will be February 18, 2014 at Prison Enterprises Headquarters at 10 AM. Mr. Chatelain then adjourned the meeting.