

Prison Enterprises Board Meeting

July 20, 2021

APPROVED

Misty Stagg, Director
Date

1. Chairman Joseph Ardoin called the meeting to order at 10:05 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana (LA).
2. Attendance:
 - 3.1 Members Present:
Joseph Ardoin, Chairman
Richard Oliveaux
 - 3.2 Prison Enterprises Staff Present:
Misty Stagg, Director
Angela Burrell
Brooke Farrar
Scot Floyd
Kacie Henderson
Danny Hoover
Kenny Juneau
Michelle Montalbano
3. Mr. Ardoin acknowledged that a quorum was not present, therefore, a vote to approve the board meeting minutes for March 16th, April 20th, and June 15, 2021 could not be taken.
4. Mr. Ardoin turned the meeting over to Director Stagg.
5. Director Stagg began by reporting that PE successfully filled Department of Corrections (DOC's) supplemental orders by fiscal year end. She thanked PE's staff for their dedication and hard work on completing another fiscal year end.
6. Then, Director Stagg stated that due to the ongoing COVID-19 pandemic, PE was not able to hold its Annual Awards ceremony. However, the dedication and exemplary performance of PE staff did not go unnoticed. Director Stagg and Mr. Floyd presented the awards to the winners. During the meeting, Director Stagg recognized that Brooke Farrar was awarded the Support Employee of the Year for the second year in a row, Vickii Melius was awarded the Supervisor of the Year, Kacie Henderson was selected for the Director's Award, and PE's Wakefield Meat Plant Supervisor Tim Rioux was selected as the James E. "Boss Dick" Oliveaux award recipient.
7. Continuing, Director Stagg reported that the Louisiana Workforce Commission (LWC) executed its janitorial contract with PE effective August 1, 2021.
8. Next, Director Stagg announced that PE is continuously exploring other viable business opportunities. She provided information on a meeting she and Mr. Floyd attended with a potential manufacturing partner.
9. Lastly, Director Stagg noted that in addition to verbal reports a PowerPoint presentation on PE operations is planned for the next Board Meeting.
10. Director Stagg asked Mr. Floyd for his updates.
11. Mr. Floyd provided updates on PE's Apprenticeship Programs. The Metal Fabrication (Metal Fab) Apprenticeship Program has ten (10) instructors and five (5) apprentices. The Cabinet Making Apprenticeship Program at PE's Furniture Plant at Allen Correctional

Center (ALC) has four (4) instructors. Additionally, nineteen (19) inmates completed the Core Curriculum and all are potential instructor candidates.

12. Director Stagg then asked Mrs. Henderson for her updates.
13. Mrs. Henderson reported that PE is waiting for approval to purchase a used truck for LSP Row Crops, the annual Canteen Standards Meeting is scheduled for August 19th, three (3) proposals were received for the Canteen Package Program (CPP) request for proposal (RFP), and that PE is preparing the bid for new DOC correctional officer uniforms.
14. Next, Mrs. Henderson reported that job orders for the month of June 2021 were \$958,000 compared to \$445,000 for June 2020. Year-to-date (YTD) job orders for June 2021 were \$7.7 million and the YTD job orders for June 2020 were \$8 million. The July 2021 monthly and YTD job orders through July 16th were \$191,000 compared to \$1 million for all of July 2020. She noted that PE expects to receive Louisiana State Penitentiary's (LSP) large blanket order soon.
15. Continuing, Mrs. Henderson provided the Sales and Marketing update on behalf of Mrs. Melius as she is in Alexandria, LA attending the Louisiana Association Chiefs of Police (LACP) Conference. PE received six (6) significant DOC job orders for June 30th. An order from Raymond Laborde Correctional Center (RLCC) for inmate clothing, linen, janitorial supplies, chairs, furniture and officer uniforms totaling \$130,984, an order from ALC for print, linens, inmate clothing, mattresses, janitorial supplies, officer uniforms, and chairs totaling \$114,006, an order from Elayn Hunt Correctional Center (EHCC) for lockers, inmate clothing, and janitorial supplies totaling \$85,085, an order from Dixon Correctional Institute (DCI) for inmate clothing, linens, chairs, and furniture totaling \$82,960, an order from Probation and Parole (P&P) for officer uniforms, chairs, and furniture totaling \$49,788 and an order from DOC Headquarters (HQ) for furniture and chairs totaling \$28,484.
16. Additionally, PE received a significant DOC order for fiscal year (FY) 2022 from David Wade Correctional Center (DWCC) for inmate clothing and chairs totaling \$31,720, as well as a significant job order from the Department of Culture, Recreation, and Tourism for (DCRT) fire rings, picnic grills, and picnic tables totaling \$242,966.
17. Then, Mrs. Henderson reported that the Sales staff are attending the LACP Conference in Alexandria from July 19th – July 21st, the LA Firemen's Association Conference in Baton Rouge, July 22nd – July 24th, the LA Sheriffs' Association and Wardens' Training and Exhibition Conference in Sandestin from July 26th – July 29th, and the LA Municipal Association Conference in Baton Rouge, July 29th and 30th.
18. Lastly, Mrs. Henderson reported on three (3) potential job orders. An order from the Claiborne Parish Sheriff's Office for new office furniture, chairs, and lounge furniture, an order from the Shreveport Library for refurbished furniture, and an order from the Bossier Parish Library for furniture.
19. Director Stagg noted that the sales staff are working hard on increasing sales and obtaining new customers.
20. Mr. Oliveaux asked if the sales staff are taking a state vehicle home.
21. Director Stagg advised that at this time that is not allowed for PE Sales staff.
22. Then, Director Stagg asked Mrs. Farrar for her updates.
23. Mrs. Farrar reported that the DOC Headquarters Compliance Monitoring audit (AM-H2 audit) was conducted at LSP on July 14th – 15th and PE operations were all in compliance.

24. Lastly, Mrs. Farrar stated that PE operations at DCI are preparing for DCI's Reaccreditation audit scheduled for July 21st – 22nd. Mrs. Farrar plans to attend the exit interview for the audit.
25. Next, Director Stagg asked Mrs. Burrell for the financial update.
26. Mrs. Burrell reported that the May 2021 finalized YTD sales for Industries were \$8.4 million compared to \$8.8 million in May 2020. Agriculture YTD sales for May 2021 were \$2.5 million compared to \$2 million in May 2020. Retail YTD sales for May 2021 were \$14.4 million compared to \$11.5 million in May 2020. Overall, YTD sales for May 2021 increased by \$3 million compared to May 2020.
27. Next, Mrs. Burrell reported that May 2021 finalized YTD net income for Industries was a loss of \$535,000 compared to net income of \$304,000 in May 2020. Agriculture YTD net income for May 2021 was a loss of \$348,000 compared to a loss of \$877,000 in May 2020. Retail YTD net income for May 2021 was \$1.2 million compared to \$627,000 in May 2020. Overall, YTD net income for May 2021 increased by \$623,000 as compared to May 2020.
28. Lastly, Mrs. Burrell reported that June 2021 preliminary monthly sales decreased by \$271,000 compared to June 2020 and YTD sales were up by \$2.7 million compared to June 2020 YTD sales.
29. Mr. Oliveaux inquired on the status of inmates receiving pandemic related funds.
30. Several discussions ensued on the financial effects of the COVID-19 pandemic. Discussed in detail was the impact to PE's canteen and personal property sales due to inmate spending.
31. Director Stagg requested an industries update from Mr. Juneau.
32. Mr. Juneau reported that the ordering period for the CPP Fall Program started June 15th and closes on July 18th. The packages will be picked beginning August 8th and scheduled to be delivered by August 25th.
33. Next, Mr. Juneau reported that Metal Fab is busy manufacturing one hundred fifty (150) custom wall lockers for Camp Minden and Military Affairs in Carville, an order for the Jackson Parish Jail for one hundred thirty-two (132) bunks, six (single) beds, ten (10) stainless steel tables and six (6) stainless steel picnic tables, and an order for DCRT consisting of two hundred thirty-five (235) fire rings, three hundred ten (310) barbeque grills, and one hundred fifty-seven (157) picnic tables.
34. Additionally, Mr. Juneau reported ALC Furniture Plant was working on an order for DCRT for two hundred twenty-five (225) rocking chairs. As well as a potential order to refurbish three hundred (300) pieces of furniture for the Shreveport Library.
35. Continuing, Mr. Juneau stated that the Tag Plant sent in paperwork to bid the aluminum and Scotchlite required to fill the first Office of Motor Vehicles (OMV) order for 471,076 license plates.
36. Then, Mr. Juneau reported that the Mattress Factory is busy stocking products needed for hurricane season.
37. Lastly, Mr. Juneau provided an update on the Garment Factories. The Louisiana Correctional Institute for Women (LCIW) Garment Factory will soon begin transitioning some jobs to the Southwest Transitional Work Program (SWTWP) factory as LCIW prepares to relocate its inmates to Jetson Correctional Center (JCC). The SWTWP Garment Factory continues training inmates in all steps of jean production. The daily goal

- is to produce two hundred fifty (250) to three hundred (300) pairs of jeans. Currently, an average of ninety (90) to one hundred (100) pairs of jeans are being produced daily.
38. Mr. Ardoin inquired on the number of inmates working at Metal Fab.
 39. Mr. Juneau explained that Metal Fab is adequately staffed with inmate workers.
 40. Director Stagg noted that the lack of storage space at Metal Fab is a concern. Discussions ensued regarding PE obtaining additional space that would allow for a more efficient workflow and a larger area to store finished products.
 41. Next, Mr. Oliveaux inquired on the number of inmates at SWTWP and whether maintaining workers is a problem.
 42. Director Stagg explained that PE has approximately fifty (50) DOC inmate workers. However, SWTWP is working with PE to obtain more workers.
 43. Additionally, Mr. Oliveaux inquired on the impact the high cost of lumber has to the job orders at the Furniture Plant.
 44. Mr. Floyd reviewed the lumber bidding process and explained that product structures are completed for custom furniture orders using the current price of lumber.
 45. Then, Director Stagg asked Mr. Hoover for an agriculture update.
 46. Mr. Hoover reported that the crops look good. Harvesting of corn and milo is expected to begin in two (2) or three (3) weeks depending on the weather. Soybeans will be harvested later as the planting was delayed due to weather conditions.
 47. Next, Mr. Hoover reported that pre-weaning vaccines are being administered to the calves, the two (2) year old heifer's calves are being shipped to DWCC for backgrounding and are expected to sell in early September, one (1) load of EHCC steer calves will sell at video auction on July 22nd, and LSP calves will sell at the August video auction.
 48. Lastly, Mr. Hoover provided an update on the potential timber sale at Winn Correctional Center (WNC). He noted that to access the timber, road repairs are necessary. Estimates to repair the roads are being obtained.
 49. Mr. Oliveaux inquired on the amount of timber expected to sell.
 50. Mr. Hoover explained that approximately fifteen hundred (1,500) acres can be thinned, or clear cut and replanted, depending on the estimates.
 51. Mr. Ardoin and Mr. Hoover discussed the market prices for corn, soybeans, and cattle.
 52. Mr. Oliveaux commended Mr. Hoover on the success of PE's agriculture operations.
 53. Mr. Ardoin stated that the next meeting was scheduled for 10 AM, Tuesday, August 10, 2021. He asked that Ms. Montalbano send the board members the 2021 Board Meeting Schedule and request to be notified by anyone with potential scheduling conflicts.
 54. Mr. Ardoin adjourned the meeting at 10:40 AM.