

Michael J. Moore
Michael J. Moore, Director
DATE 1/20/15

Prison Enterprises Board Meeting

December 16, 2014

1. Chairman Charles Chatelain called the meeting to order at 10:03 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana.
2. Attendance
 - 2.1 Members Present:
 - Charles Chatelain, Chairman
 - Joseph Ardoin
 - Harvey Honore
 - Paul Spalitta
 - Frank Strickland
 - 2.2 Prison Enterprises Staff Present:
 - Michael Moore, Director
 - Scot Floyd
 - Danny Hoover
 - Todd Labatut
 - Vickii Melius
 - Michelle Montalbano
 - Kristie Sigrest
 - Misty Stagg
3. Chairman Charles Chatelain asked for a motion to approve the minutes of the November meeting. Mr. Ardoin made a motion that the minutes be approved as written. Mr. Strickland seconded the motion and it passed unanimously.
4. Mr. Chatelain turned the meeting over to Director Moore.
5. Director Moore began by announcing Mr. Buttross could not attend the meeting due to a death in the family.
6. Then, Director Moore began discussing the relocation status for PE Headquarters. He reported the issuance of bonds by Louisiana Correctional Facilities Corporation (LCFC) for renovations was approved at the November 20th Bond Commission meeting that Director Moore and Mr. Buttross attended. He explained that the LCFC passed a resolution to issue the bonds and that meant the money could be awarded as early as the end of January 2015. Then, Director Moore announced that PE Headquarters was given an extension to remain in the present building until October 15, 2015.
7. Next, Director Moore discussed the Fiscal Year 2014 Underutilized Vehicle report. He stated that the report listed PE as having a significant portion of its vehicles traveling less than 15,000 miles a year that may need to be turned over to Louisiana Property Assistance Agency. Director Moore explained that many of the vehicles listed are used to transport offenders, secure supplies, visit jobsites, attend training for PE's various individual geographic locations across the state, and are necessary to PE's operations even though they do not attain 15,000 miles per year. He reported PE's staff prepared and submitted the necessary documents and was awaiting further notification from DOC.

8. Director Moore reiterated PE's plan of action regarding the state's expenditure freeze. Next, he summarized the state's announcement of a potential budget shortfall for Fiscal Year 2016 and the potential impact it could have on PE.
9. Continuing, Director Moore provided an update on PE's personnel. He stated that the new accounts receivable Accountant 1, Ms. Lakeisha Ard, started on December 1st and the longtime inventory Accountant 3, Ms. Tisha Amy, will transfer to DOC Headquarters on January 5, 2015. He stated that one of PE's Sales Representatives, Tim Travis, announced he will retire effective this spring and Mr. Johnny Vice was hired to transition into Mr. Travis's position.
10. Next, Director Moore reported that on December 15, 2014, RCC and LCIW stopped selling tobacco and on January 15, 2015, tobacco will become contraband at these institutions.
11. Lastly, Director Moore reported PE would not attend the annual Mississippi Prison Industries Corporations annual Holiday Showcase due to the travel and expenditure freeze that is in effect.
12. At 10:27 AM, Chairman Chatelain made a motion to proceed to an Executive Session. All members present unanimously agreed and Chairman Chatelain stated the procedures that would be followed, the proper treatment of confidential information during and after the Executive Session, and their obligation to keep all Executive Session information kept confidential. Chairman Chatelain invited the Director and the Assistant Deputy Director as well as the board members present to participate in the Executive Session. He dismissed all other meeting attendees.
13. At 11:01 AM, the Executive Session concluded and the open meeting resumed. The chair noted no action was taken in the Executive Session.
14. Director Moore then asked Deputy Director Labatut to provide the administrative update for Mr. Buttross.
15. Mr. Labatut began by discussing the tobacco ban pilot at RCC and LCIW. He reported PE has not yet experienced a change in sales.
16. Next, Mr. Labatut reported the QPL contract from which the Soap Plant purchases raw materials has changed from a quarterly bid to an annual bid. This change will facilitate the plant's ability to fill orders faster. He also discussed PE participated in a webinar regarding Janitorial and Soap Products and Services.
17. Mr. Labatut reported the Canteen bid opened December 4, 2014 and stated all contracts would be established by the beginning of 2015.
18. Next, Mr. Labatut reported PE purchased a used fifty-three (53) foot refrigerated trailer for \$9,000.
19. Lastly, Mr. Labatut stated the November 2014 job orders were \$1.2 million and November 2013 totaled \$310,000. He reported the December job orders to date were \$127,000 while the entire month of December 2013 totaled \$856,000. He explained the vast differences were due to the timing of the LSP order.
20. Director Moore then asked Mrs. Sigrest to provide the financial update.
21. Mr. Sigrest stated that the sales for October 2014 were \$11.3 million as compared to last year's \$10.1 million, an increase of \$1.2 million and October 2014 Net Income YTD was \$562,000 compared to last year's loss of \$10,000.
22. Next, Mrs. Sigrest reported the preliminary sales for November 2014 were \$14 million as compared to \$12.1 million in November 2013, an increase of \$1.9 million.

23. Lastly, Mrs. Sigrest announced that the EHCC Soap Plant was processing transactions using the RF Smart System for scanning enabling real time inventory.
24. Director Moore then asked Mrs. Melius for the marketing update.
25. Mrs. Melius began by reporting October had two (2) significant DOC orders. LSP ordered linens, pillows, brooms, printing, offender clothing and chemicals totaling \$962,835, and DWCC ordered offender clothing, and chemicals totaling \$12,322.
26. Then, Mrs. Melius reported on the other significant job orders PE received during the month of November. She noted the largest order was from the Office of Juvenile Justice for clothing, mops, and linens totaling \$36,151. Additionally, the Orleans Parish Sheriff's Office ordered mattresses totaling \$35,200, Calcasieu Parish ordered blankets, mattresses, and chairs totaling \$18,450 and the Caddo Parish Sheriff's Office ordered jumpsuits totaling \$10,312.
27. Lastly, Mrs. Melius reported on significant quotes that were submitted. The East Baton Rouge Parish Library requested a quote on re-furbishing chairs that was approximately \$10,000, the Burton Coliseum received a quote for rodeo arena panels totaling \$19,400 and OJJ requested a proposal on custom made indoor wooden furniture and outdoor metal furniture.
28. Director Moore then asked Mr. Floyd to provide an Industries update.
29. Mr. Floyd began by providing an update on the progress of the 21st Judicial District Court job order and the Livingston Parish Sheriff's Office job order. Mr. Floyd commended the Furniture Plant staff and offenders for the many overtime and weekend hours worked in order to meet the deadline date.
30. Next, Mr. Floyd reported the Metal Fabrication shop ordered the metal and the various materials needed to produce rodeo arena panels for the Burton Coliseum.
31. Lastly, Mr. Floyd announced that although the DCI Chair and Embroidery plant was scheduled to work half days on Friday's, they are working all day on Fridays in order to meet the delivery dates for all orders.
32. Next, Director Moore asked Mr. Hoover to provide the Agriculture update.
33. Mr. Hoover began by reporting the last load of sixty-five (65) steers sold from DWCC on December 5th for \$2.32 per pound and weighed almost seven hundred thirty pounds (730). He noted they would ship on Wednesday December 17th.
34. Then, Mr. Hoover reported three hundred (300) acres of wheat was planted and looks great. He stated the bids for corn seed and fertilizers are out.
35. Lastly, Director Moore thanked everyone for attending.
36. Mr. Chatelain announced the next board meeting would be held at 10:00 AM on Tuesday, January 20, 2015 at PE Headquarters. Mr. Chatelain then adjourned the meeting.