

PRISON ENTERPRISES

BOARD MEETING

May 21, 2024

1. Chairman Joseph Ardoin, Jr. called the meeting to order at 10:03 A.M. at Prison Enterprises (PE) Headquarters (HQ), Baton Rouge, Louisiana (LA). Roll call was conducted by Mrs. Labello and a quorum was announced present.
2. Attendance:
 - 2.1 Members Present:
 - Joseph Ardoin, Jr., Chairman
 - Richard Oliveaux, Vice-Chairman
 - Harvey Honore'
 - Eric Lane
 - 2.2 Prison Enterprises Staff Present:
 - Misty Stagg, Director
 - Deloy Chapman
 - Brooke Farrar
 - Scot Floyd
 - Stuart Gray
 - Kenny Juneau
 - Beth Labello
 - Julia Lowe
 - Edna Palmer
 - Loyd Smith
3. Mr. Oliveaux led the group in prayer and the Pledge of Allegiance.
4. Mr. Ardoin called for approval of the outstanding Board meeting minutes. Mr. Lane moved, seconded by Mr. Oliveaux, to approve the March 19, 2024, and the April 16, 2024, Board meeting minutes. With no objections or discussion, the motion passed.
5. Mr. Ardoin turned the meeting over to Director Stagg.
6. Director Stagg stated that she, Mr. Floyd, and Mrs. Farrar attended the National Correctional Industries Association (NCIA) Conference on April 29-May 2, in Dallas, TX, where connections were made with other correctional industries across the country. She stated that PE's current accounting software, JD Edwards, will soon require an upgrade and that she met with a vendor at the conference who may be able to offer an upgrade solution that fits with PE's Enterprise Resource Planning (ERP) needs. A Zoom meeting with the company was scheduled for August to discuss potential upgrade features and options.
7. Next, Director Stagg announced that PE's 2023 Annual Awards and Training Conference, held on May 9, 2024, at Boudreaux's Catering, was successful and that she has received all positive feedback from staff and guests. She announced a few of the 2023 award winners, including the winner of the 2023 "James E. Oliveaux, Sr." Award, and she stated that a full list of winners was in each member's meeting folder. Mr. Oliveaux offered his regrets for not being able to attend.
8. Continuing, Director Stagg provided a follow-up on PE's partnership with the Office of Motor Vehicles (OMV) to establish a level 1 call center to be housed at the Louisiana Correctional Institute for Women's (LCIW) new facility. She stated that with approval from

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Governor Landry's Chief of Staff to move forward, she met with OMV's appointed project manager via Zoom for preliminary discussions.

9. Next, Director Stagg informed the Board that she and the Department of Corrections (DOC) Secretary and Undersecretary toured the Metal Fabrication (Metal Fab) Shop at Louisiana State Penitentiary (LSP) last month to view the progress of the LCIW metal furniture job. She stated that they were impressed with the progress that's been made thus far and that staff and inmate workers' morale was boosted to see DOC leadership taking a special interest in their work on the project. She stated that Mr. Floyd plans to conduct weekly visits to Metal Fab for progress updates, and he is also working on storage, packaging, and shipping logistics.
10. Lastly, Director Stagg informed the Board of litigation that was brought forward by a prison reform group that named DOC/PE as defendants. The litigation challenges agricultural labor ("Farm Line") practices. Director Stagg stated that PE does not utilize a farm line in its agricultural operations.
11. Director Stagg asked Mr. Floyd for his updates.
12. Mr. Floyd distributed a copy of a sample license plate to the group. He stated that per House Concurrent Resolution (HCR) No. 5 of the 2024 Regular Session, the Department of Public Safety and Corrections (DPSC) shall issue the "America 250" license plates for private passenger automobiles beginning January 2, 2025, through December 31, 2026, or until the inventory of plates has been depleted. He stated that the required sheeting to make the plates will be ordered through 3M soon and that production of the plates will begin as soon as possible to ensure adequate inventory is on-hand in January. After December 31, 2026, the design of the license plate will revert to the previously approved design.
13. Next, Mr. Floyd distributed information on an industrial drum cleaning machine, and stated that PE is considering purchasing it. The machine would allow PE to clean the interior of the used drums and then use them to mix and re-package blended compounds, such as bleach, laundry detergent, all-purpose cleaner, and car wash solution. A discussion ensued on the potential of each institution cleaning and re-purposing drums, as well, but Mr. Floyd expressed safety and quality control concerns for the time being.
14. Director Stagg asked Mr. Gray for his updates.
15. Mr. Gray began with a staffing update. He stated that the Sales and Marketing Department conducted interviews for 1 vacant Sales Representative position last week and expects to conduct another round of interviews for the 2nd vacant Sales Representative position soon. Mr. Josh Albritton resigned as Marketing Representative 2, the vacancy was posted, and a list of qualified applicants is pending. Lastly, the Accountant 3 position was filled and the new employee is expected to begin on May 28.
16. Next, Mr. Gray provided a purchasing update. He stated that nearly all of the FY 23-24 bids were awarded by the Office of State Procurement (OSP) and PE recently received an emergency soap bid through DOC.
17. Lastly, Mr. Gray provided an update on property. He stated that there was one new insurance claim on a damaged vehicle at LSP. Additionally, he stated that PE's Property Manager continued the interim property audits and has completed 16 operations.
18. Director Stagg asked Mr. Chapman for his updates.

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19. Mr. Chapman stated that he started the process of updating the 2024 American Correctional Association's (ACA) files.
20. Continuing, Mr. Chapman announced that the ACA AM-H-2 monitoring site visit at LSP is scheduled for May 29, and at Raymond Laborde Correctional Center (RLCC) on June 26. He plans to conduct field visits to these operations, before those dates, to help them prepare for the monitoring site visits.
21. Next, Mr. Chapman stated that the 2023 Office of Risk Management (ORM) compliance review was performed on April 18, and PE was found to be in compliance with a score of 98.4%.
22. Next, Mr. Chapman stated that the forklift certification training held at PE on May 3 was successful with 7 employees being certified for 3 years.
23. Lastly, Mr. Chapman stated that he is working with staff to complete their on-the-job training requirements before the end of the ORM audit cycle.
24. Director Stagg asked Mrs. Palmer for the financial update.
25. Mrs. Palmer reported that the February 2024 final monthly sales decreased by \$781,000 and the final year-to-date (YTD) sales decreased by \$956,000 compared to February 2023. The February 2024 final monthly net income decreased by \$235,000 and the YTD net income decreased by \$855,000 compared to February 2023.
26. March 2024 final monthly sales decreased by \$595,000 compared to March 2023 and the final YTD sales decreased by \$1.5 million compared to March 2023. The March 2024 final monthly net income decreased by \$243,000 and the YTD net income decreased by \$1 million compared to March 2023.
27. April 2024 preliminary monthly sales decreased by \$56,000 compared to April 2023 and the preliminary YTD sales decreased by \$1.4 million compared to April 2023.
28. Director Stagg stated that PE is currently working with OSP on the janitorial contract renewals, which expire on June 30. With the costs of cleaning products and janitorial supplies increasing over the years, the contract renewals are expected to have price increases.
29. Director Stagg asked Ms. Lowe for the sales and marketing update.
30. Ms. Lowe reported PE received 4 significant DOC job orders for April 2024 from Allen Correctional Center (ALC) for uniforms and garments totaling \$21,500, David Wade Correctional Center (DWCC) for janitorial and uniforms totaling \$31,480, from LSP for janitorial totaling \$39,550, and from RLCC for uniforms and garments totaling \$42,475.
31. Next, Ms. Lowe reported that 1 significant job order was received from Bossier Parish's Medium Security Facility for mattresses totaling \$45,500.
32. Continuing, Ms. Lowe reported that 1 significant quote for the Baton Rouge Police Department (BRPD) for furniture for their new administration building remains pending. Additionally, Ms. Lowe stated that she is currently working on a quote for miscellaneous office furniture for the Department of Insurance.
33. Next, Ms. Lowe reported some sales and marketing staff are scheduled to attend the Louisiana Chiefs of Police Conference on July 16-18, in Alexandria, LA, and the Louisiana Sheriffs' Association (LSA) Sheriff's and Warden's Conference on July 28-August 1, in Destin, Florida.

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34. Next, Ms. Lowe reported PE received job orders totaling \$435,000 for April 2024 compared to job orders totaling \$303,000 for April 2023, and job orders YTD totaling \$10.5 million for April 2024 compared to YTD job orders totaling \$9 million for April 2023.
35. Lastly, Ms. Lowe reported PE received monthly job orders through May 16, 2024, for \$138,000 compared to orders totaling \$801,000 for all of May 2023, and YTD job orders totaling \$10.6 million for May 2024 compared to YTD job orders totaling \$9.7 million for May 2023.
36. Mr. Ardoin inquired about PE providing wood furniture for the new LCIW building and Director Stagg explained that, for now, PE is only providing metal furniture, such as beds and cubicles.
37. Director Stagg asked Mr. Juneau for the industries update.
38. Mr. Juneau began with a staffing update. He stated that Ms. Regina Bailey began as the Canteen Distribution Center (CDC) Supervisor on April 29 and LSP assigned Ms. Dorothy Scott to supervise the T-Shirt Factory at LSP. Ms. Dianthe Rogers, Administrative Program Specialist A at LSP, announced her retirement, effective May 31, and Ms. Tonya Deselle is expected to fill the vacancy on May 28. Mr. Matthew Alexander, PE Truck Driver, resigned and the vacancy was posted. Interviews for PE Supervisor positions for PE HQ & LSP operations are currently being conducted.
39. Next, Mr. Juneau provided a materials and equipment update.
 - a. Purchase requisitions were submitted for Scotchlite, metal, chemicals, a laser engraver for Silkscreen, additional conveyor rails for the LCIW project, a FuelTrac system at Transportation, and freezers 1 and 2 at Wakefield Meat Plant.
40. Continuing, Mr. Juneau provided updates on several projects and some industries.
 - a. The Canteen Package Program (CPP) Summer Program has begun with the ordering period ending May 28. Production has begun, packaging is expected to begin June 6, and delivery is scheduled for July 1.
 - b. The Tag Plant completed 4 OMV blanket orders and continues to work overtime to complete the 5th and final order of 295,315 auto tags with 169,800 tags to complete by June 30.
 - c. The Mattress Factory is currently working on mattresses, mops, and brooms. There are approximately 1,300 poly core and 600 rebound core mattresses on order.
 - d. Metal Fab continues to work overtime on phase 1 of the LCIW project, which includes 112 cubicles and 56 bunk beds and is due for delivery by October 1.
 - e. Allen Furniture Plant (ALC) continues working overtime on several miscellaneous job orders.
41. Mr. Juneau stated that fiscal year-end (FYE) operational inventory quantities were sent to Ms. Lowe, and updated inventory figures are expected to be sent twice weekly for the remainder of this FY.
42. Mr. Oliveaux inquired about a means to maintain a positive outlook for the inmate workers who have been working overtime for an extended amount of time. Director Stagg and Mr. Juneau explained that the inmate workers have expressed a desire to work overtime, as it keeps them involved in a meaningful activity and limits the amount of idle time they spend

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- inside their dorms. Additionally, they stated that the workers receive snacks and other food-related incentives to help keep their morale up.
43. Mr. Lane inquired about the decrease in YTD sales for garments. Director Stagg explained that garment sales traditionally trend upward towards the end of each FY with an increase in uniform and other garment orders expected in June.
 44. Director Stagg asked Mr. Smith for the agriculture updates.
 45. Mr. Smith began with a range herd update. The fall cow herd calves are scheduled to be sold on May 30. Five loads, consisting of 300 head, of spring 2023 heifers were sold on April 18 and were delivered on May 13 for \$1,741 per head, totaling \$522,259. Spring cow calf working was completed on April 24. Breeding season continues with bulls expected to be pulled on May 30, and hay bailing continues.
 46. Next, Mr. Smith provided an update on row crops. Approximately 502 acres of corn were planted, fertilized, and are looking exceptionally well, and approximately 1125 acres of soybeans were planted, with approximately 475 acres remaining to be planted. Mr. Smith stated that he is currently interviewing for the vacant PE Farm Manager position, and is also seeking to hire a crop consultant.
 47. Continuing, Mr. Smith provided an update on the horse program. The breeding season ended with 1 mare left to foal, and all other mares are awaiting veterinary palpation.
 48. Lastly, Mr. Smith provided an update on timber management. The burned area of approximately 20 acres of trees at the Phelps Unit was replanted. The timber consultant, Mr. Jeff Sanders, met with B.B. "Sixty" Rayburn Correctional Center's (RCC) Warden Day to discuss new tree planting areas, and an additional meeting is anticipated to discuss carbon credit. Mr. Sanders is expected to provide his tree planting recommendations soon.
 49. Mr. Lane inquired about pine beetles and whether any damage had occurred to the trees due to an infestation, and Mr. Smith stated that no damage had been detected.
 50. Mr. Honore inquired about PE harvesting their own beef. Director Stagg and Mr. Smith provided explanations as to why it is more cost-effective for PE to sell the cattle stock and use the proceeds to purchase beef elsewhere.
 51. Lastly, a discussion ensued on the use of smokeless tobacco (e-cigarettes) versus regular tobacco (cigarettes) within the correctional facilities. Director Stagg stated that discussions on the matter have taken place with DOC leadership, and for now, a bid for e-cigarretts was re-issued.
 52. Mr. Ardoin stated the next PE Board meeting is scheduled for June 18, 2024.
 53. With no other business to discuss, the meeting adjourned at 10:58 A.M.