

Prison Enterprises Board Meeting

April 16, 2013

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, Chairmam
Joseph Ardoin
 - 2.2 Prison Enterprises Staff Present:
Michael Moore
Todd Labatut
Misty Stagg
Kristie Sigrest
Robert Honeycutt
Richard Rees
Emily Perret
Vickii Melius
3. Mr. Chatelain stated that because there were not enough board members to form a quorum the minutes from the previous meeting would not be approved. Mr. Chatelain then turned the meeting over to Director Moore.
4. Director Moore began by stating that the Prison Enterprises Annual Awards and Training Conference was held on April 11, 2013 at the Louisiana Sheriff's Association Training Center. He stated that the Prison Enterprises Headquarters staff did a good job of organizing the conference and that overall most personnel preferred this venue over where previous conferences had been held.
5. Continuing, Director Moore stated that five Prison Enterprises staff members attended the NCIA conference in Charlotte, North Carolina in March. PE sent more staff to the conference this year because Louisiana will be hosting the 2014 conference in New Orleans at the Hilton Riverside. Director Moore stated that an email has been sent to staff asking for help in coming up with a theme and logo for the conference.
6. Director Moore stated that other states in our region have been helping with the conference also. They will help with finding speakers, setting up training tracks, and with promotion.
7. Mr. Chatelain asked that at a later date Director Moore give a presentation to the board members on the conference so that the board may be able to assist with the conference preparation.
8. Director Moore then stated that Prison Enterprises underwent an audit on April 9, 2013 conducted by the Office of Risk Management. We are still currently waiting on the

official results but preliminary results indicate we were found to be in compliance and he thanked Mrs. Emily Perret for her work in accomplishing this.

9. Continuing, Director Moore stated that Mr. Chatelain had been reappointed to the board by the Governor. Also, Mr. Bickham sent a letter requesting exemption for the PE Board Members in order to continue to be reimbursed for their mileage when traveling to board meetings. This request has been approved.
10. Director Moore then stated that during the awards ceremony held this week two prestigious awards were given. Danny Hoover received the "Boss Dick" Oliveaux award. Two Director's Awards were given to the Baton Rouge Janitorial Program and to the PE Transportation Department. Director Moore stated that the Baton Rouge Janitorial Program is run by Major Jackie Faulkenberry and she and her staff do a good job of ensuring the program runs smoothly. The PE Transportation Department has worked extra hard this year with the closure of three prisons and movement of items to other facilities while still fulfilling Prison Enterprises deliveries.
11. Director Moore then asked Deputy Director Labatut for his comments.
12. Mr. Labatut began by giving an update on production at the EHCC Garment Plant. He stated that he has been looking closely at their open order reports and realized that the jean quota needed to be raised from 300 to 450 a day. On April 3rd, Mr. Labatut met with Warden Prince and several of his staff to discuss offender staffing issues that were affecting production.
13. Mr. Labatut then stated that East Baton Rouge Parish Prison is purchasing a clear mattress from another vendor and that Prison Enterprises is in the process of putting clear material out for bid so that we can start manufacturing clear mattresses.
14. Finishing, Mr. Labatut stated that the State Office Building in downtown Baton Rouge is for sale and we would be losing this building from the Janitorial Program, but we would pick up the Information Services Building and the Welcome Center downtown. Currently PE is negotiating this contract because there is a decrease in the square footage of the buildings, we however we would still need officers, transportation vans and crews to clean the buildings.
15. Director Moore then asked Mrs. Sigrest to give the Administrative Update in Mrs. Leblanc's absence.
16. Mrs. Sigrest stated that currently Prison Enterprises is awaiting approval of the purchase of a truck for the LSP Rangeherd. Also, all product structures are being reviewed in order to set prices for the 2014 fiscal year.
17. Mrs. Sigrest continued by stating that job orders are down by \$106,787 for the month of March as compared to March 2012 and YTD job orders are up by \$541,025 as compared to last year. She stated that last year's job orders included an order from Burton Coliseum in Lake Charles for \$90,467 and an order from OMV for \$18,741. Job orders through mid April are down by \$235,858 as compared to the same time as last year but YTD job orders are up \$305,167.

18. Mrs. Sigrest then gave the Financial Update. She started by stating that the February final YTD sales totaled \$19 million as compared to last year's \$17.9 million, an improvement of \$1.1 million. Industries totaled \$7.1 million as compared to last year's \$6.4 million, an improvement of \$660,000, Agriculture totaled \$2.9 million as compared to last year's \$2.5 million, an improvement of \$408,000, Retail totaled \$9 million as compared to last year's \$8.9 million, an improvement of \$71,000.
19. Mrs. Sigrest stated that the YTD final net income for February is \$497,000 as compared to last year's \$193,000, an improvement of \$304,000. Industries totaled \$529,000 as compared to last year's \$447,000, an improvement of \$82,000, Agriculture totaled \$314,000 as compared to last year's \$31,000, an improvement of \$284,000, Retail totaled \$339,000 as compared to last year's \$404,000, a decrease of \$65,000.
20. Continuing, Mrs. Sigrest stated that YTD preliminary sales for March totaled \$21.2 million as compared to last year's \$20.1 million, an improvement of \$1 million. Industries totaled \$8 million, as compared to last year's \$7.4 million, an improvement of \$631,000, Agriculture totaled \$2.9 million as compared to last year's \$2.5 million, an improvement of \$396,000, Retail totaled \$10.2 million as compared to last year's \$10.2 million, an improvement of \$1,800.
21. Director Moore then asked Mr. Rees for his comments on the Marketing Update.
22. Mr. Rees began by reporting significant job orders: mattress orders for 625 mattresses totaling over \$29,000 between Central LA State Hospital, Calcasieu Parish Sheriff's Office, Orleans Parish Sheriff's Office and Eastern LA Mental Health System, a DEQ sign order for \$4,800, LA Sheriff's Association for a conference table for \$3,375, DOC job orders for chemicals and garments totaling \$45,097, Caddo Parish Sheriff's Office for jumpsuits totaling \$22,000 and Union Parish Sheriff's Office for furniture totaling \$9,000.
23. Mr. Rees then gave an update on conferences. He stated that the sales staff attended the Louisiana Association of Municipal Secretaries and Assistants Conference on March 20-21, 2013 and the Commission on Adult Basic Education Conference on March 24-28, 2013. Upcoming conferences for the sales staff are: North LA Chapter of National Institute of Governmental Purchasing Reverse Tradeshow on May 15, 2013 and Louisiana Sheriff's Association Jail Training Conference on May 19-22, 2013.
24. Continuing, Mr. Rees stated that he has visited Prison Enterprises operations at LSP, Allen, EHCC and DCI. He has also joined with Mr. Lionel Kleinpeter on several sales calls and will be traveling with Mrs. Debbie Wise later this week. Also, Mr. Rees stated the he has implemented a new quota tracking form and project status form for use by the sales staff to use.
25. Director Moore then asked Mr. Honeycutt for his comments on the Industry Update.
26. Mr. Honeycutt began by stating that he has spoken to the Calcasieu Parish Police Jury about Burton Coliseum. In the past projects at the coliseum had been funded by the police jury although McNeese State University had managed the facility. In June, management

of the facility will be turned over to the police jury and they are planning on placing an order for hog panels from Prison Enterprises.

27. Mr. Honeycutt then stated that while in North Carolina at the NCIA conference he had the opportunity to attend a tour at Correction Enterprises Metal Fabrication shop. At this facility they make stainless steel furniture such as tables used in commercial kitchens. Mr. Honeycutt stated that this is a process that PE would potentially be able to do and there are only a few pieces of equipment that are used.
28. At the NCIA conference he met with a vendor that manufactures a fire retardant “sock” that is put over the innerspring core before it is covered. Mr. Honeycutt stated that this could be a solution to the problem with getting certain mattresses to pass the fire testing as customers often request specific types of mattresses.
29. Finishing, Mr. Honeycutt stated that he attended a Lean Six Sigma Workshop also while in North Carolina. The workshop focused on simplifying the manufacturing process and identifying problems before the product is complete.
30. Director Moore then asked Mr. Hoover for his comments on the Agricultural Update.
31. Mr. Hoover began by giving an update on the status of crops. He stated that the corn is up and looks good and also the wheat crop looks good especially considering the wet conditions. The wheat crop will be harvested in mid-May. Also, he stated that he is currently waiting on dry weather in order to start planting soybeans.
32. Mr. Hoover then stated that all the cattle have been worked and bulls have been put out at all operations.
33. Mr. Hoover stated that he intends to sell several heifers from DCI on May 17, 2013 through video auction. He stated that they will be 2 to 3 loads of open heifers weighing approximately 725 to 750 pounds.
34. Continuing, Mr. Hoover stated that \$70,000 of game birds have been sold and that Mr. Scott Duncan has done a good job of expanding the operation by having contact with customers, building a good reputation for the birds, and controlling disease problems. Mr. Duncan has sold out for this year and has increased the number of birds he is incubating for next year.
35. Mr. Hoover concluded by stating that Mr. Mikel Vannoy was honored at this year’s Awards and Training conference and his family was able to attend.
36. Director Moore informed the board that Bobby Howard, a former manager of the Prison Enterprises Dairy, passed away.
37. Mr. Chatelain then stated that it was time to decide the date and time of the next meeting of the Prison Enterprises Board. It was decided that the next meeting will be held at PE Headquarters Tuesday, May 14, 2013, at 10:00AM. Mr. Chatelain then adjourned the meeting.