

APPROVED
Misty Stagg, Director
Date: 5/16/23

Prison Enterprises Board Meeting

May 16, 2023

1. Chairman Joseph Ardoin called the meeting to order at 10:02 AM at Prison Enterprises (PE) Headquarters (HQ's), Baton Rouge, Louisiana (LA).
2. Attendance:
 - 2.1 Members Present:
 - Joseph Ardoin, Chairman
 - Harvey Honore'
 - Eric Lane
 - Richard Oliveaux
 - Tim Travis
 - Chis Wisecarver
 - 2.2 Prison Enterprises Staff Present:
 - Misty Stagg, Director
 - Deloy Chapman
 - Brooke Farrar
 - Scot Floyd
 - Kenny Juneau
 - Vickii Melius
 - Michelle Montalbano
 - Kelly Ransome
 - Loyd Smith
 - Eddie Williams
3. Mr. Ardoin acknowledged that a quorum exists, therefore a vote to approve the board meeting minutes for November 15, 2022, December 20, 2022, January 17, 2023, February 14, 2023 and March 21, 2023 could be taken. Mr. Wisecarver made a motion to approve the above noted minutes as written. The motion was seconded by Mr. Lane and it passed unanimously.
4. Next, Mr. Ardoin stated that an election to select a Chairman and Vice Chairman for the PE Board would be held. Mr. Ardoin opened the floor for nominations. Mr. Wisecarver nominated Mr. Ardoin for Chairman and Mr. Honore' seconded the motion. As there were no more nominations, Mr. Ardoin was declared Chairman. Mr. Travis nominated Mr. Oliveaux for Vice Chairman and it was seconded by Mr. Lane. As there were no more nominations, Mr. Oliveaux was declared Vice Chairman.
5. Then, Mr. Ardoin turned the meeting over to Director Stagg.
6. Director Stagg began by introducing Mrs. Ransome, Mr. Smith, Mr. Williams, Mrs. Farrar and Mr. Chapman to board members.
7. Continuing, Director Stagg reported on PE's Annual Awards and Training Conference held April 13th and referenced the board members folder for a list of awards and award recipients. Director Stagg thanked Mr. Lane and Mr. Oliveaux for attending the awards ceremony.
8. Mr. Oliveaux stated that PE's Chair and Embroidery Plant Supervisor Mary Reese was a great selection for the James E. "Boss Dick" Oliveaux Award.

9. Next, Director Stagg reported on the LA Legislative Session. House Bill 560 passed the House and it is going to Senate Finance for approval.
10. Continuing, Director Stagg stated that PE will likely pay 50 – 100 hours of K-time to staff that are eligible.
11. Then, Director Stagg provided an update on the videos of inmate interviews to be used to promote PE’s mission regarding skills, training, and benefits it provides to inmate workers. The videos will be included on PE’s website and other social media platforms upon approval.
12. Lastly, Director Stagg reported that on Saturday, May 13th an exhaust fan in Metal Fab caught on fire. Mr. Juneau attempted to extinguish the fire and evacuated the building while waiting for the fire department. Although the majority of damage was in the paint room, the entire building (including the Tag Plant) was shut down. Mr. Floyd and Mr. Juneau are working with the Fire Marshall and the insurance adjuster to open the Tag Plant as quickly as possible.
13. Mr. Wisecarver inquired on the insurance coverage for the building.
14. Director Stagg and Mr. Floyd explained the various types of insurance coverage, deductibles, and the process for filing claims.
15. Discussions continued on the condition of finished goods and raw materials inventory, outstanding job orders, and the expected building repairs.
16. Then, Director Stagg asked Mr. Floyd for his updates.
17. Mr. Floyd provided a report on the various workshops and networking opportunities at the National Correctional Industries Association (NCIA) Training Conference in Bellevue, Washington April 23rd – 27th that he attended along with Industries Manager Kenny Juneau, Quality Assurance Coordinator Bryant Bourgeois, and Raymond Laborde Correctional Center (RLCC) Garment Plant Supervisor Chris Ponthieux. Additionally, during the NCIA Awards Banquet Mr. Juneau was recognized as the recipient of the 2023 South Central Region Staff Award.
18. Director Stagg asked Mrs. Ransome for the administrative updates.
19. Mrs. Ransome began with a staff update. The Accountant 1/2 position was re-announced, closed, and interviews are being scheduled, as well as interviews for the Administrative Assistant 4 (front desk receptionist) position. On May 16th, interviews for the vacant sales position are being conducted. PE’s Accountant 3 (inventory) resigned. The position was posted and interviews are being conducted beginning May 17th.
20. Lastly, Mrs. Ransome provided a purchasing update. The calendar year contracts are completed and the fiscal year contracts are being worked.
21. Mr. Ardoin inquired on whether PE’s selling prices have been adjusted due to inflation.
22. Director Stagg explained that price adjustments were made prior to July 2022 and are being made in correlation with 2023/2024 contracts.
23. Mr. Oliveaux questioned the reason for a vacant sales position.
24. Director Stagg stated that Scott Bearb retired in December 2022 and Julia Lowe has been covering his territory and hers. The sales position posted several times and applicants were interviewed, however no offers have been accepted.
25. Mr. Oliveaux stated that consideration should be given to offering the use of a state vehicle to the sales position.
26. Director Stagg asked Mr. Chapman for his updates.

27. Mr. Chapman reported that PE passed the Office of Risk Management (ORM) audit conducted on March 28th. A meeting with the auditor to review his recommendations is scheduled for May 22nd.
28. Next, Mr. Chapman announced that American Correctional Association (ACA) monitoring site visits are being conducted. Audits for all PE operations at Louisiana State Penitentiary (LSP) audits are scheduled for May 24th and PE operations at Raymond Laborde Correctional Center (RLCC) are scheduled for June 14th.
29. Lastly, Mr. Chapman stated that PE's ACA files continue to be updated. The files submitted by PE operations and are being uploaded into the Power Data Management System (PowerDMS) and hardcopies are being kept.
30. Then, Director Stagg asked Mrs. Farrar for her updates.
31. Mrs. Farrar stated that revisions to PE Policy Section III, Marketing and Management are nearly completed. Sections I and II will be revisited and revised to correspond with recent Department of Corrections (DOC) updates.
32. Then, Director Stagg asked Mr. Williams for the financial updates.
33. Mr. Williams reported that November 2022 final monthly sales were \$2 million, a decrease of \$179,000 compared to November 2021 monthly sales. November 2022 year-to-date (YTD) sales were \$12.7 million, a decrease of \$141,000 from November 2021 YTD sales. November 2022 final monthly net income was a loss of \$195,000, a decrease of \$210,000 compared to November 2021. YTD net income for November 2022 was a loss of \$276,000, a decrease of \$228,000 compared to November 2021 YTD net income. December 2022 final monthly sales were \$2.3 million, a decrease of \$595,000 compared to December 2021. YTD sales for December 2022 were \$15.7 million, a decrease of \$736,000 compared to December 2021. December 2022 monthly net income was \$172,000 a decrease of \$121,000 compared to December 2021. December 2022 YTD net income was a loss of \$104,000, a decrease of \$349,000 compared to December 2021 YTD net income. January 2023 final monthly sales were \$2 million, a decrease of \$284,000 compared to January 2022 and final YTD sales were \$17 million a decrease of \$1 million compared to January 2022 YTD sales. January 2023 final monthly net income was \$4,000, a decrease of \$167,000 compared to January 2022. YTD net income for January 2023 was a loss of \$100,000, a decrease of \$517,000 compared to January 2022 YTD net income.
34. Next, Mr. Williams stated that February 2023 preliminary monthly sales were \$2.7 million, a \$693,000 increase compared to February 2022 and February 2023 preliminary YTD sales were \$19.7 million, which decreased by \$327,000 compared to February 2022 YTD sales. March 2023 preliminary sales were \$2.8 million, an increase of \$1 million compared to March 2022 monthly sales. March 2023 preliminary YTD sales were \$22.5 million, an increase of \$708,000 compared to March 2022 YTD sales. April 2023 preliminary monthly sales were \$1.8 million, a decrease of \$319,000 compared to April 2022. Preliminary YTD sales for April 2023 were \$24.3 million, an increase of \$390,000 compared to April 2022 YTD sales.
35. Lastly, Mr. Williams stated that the February financial statements are expected to close soon.
36. Mr. Wisecarver inquired on the reason for the decrease in Canteen Distribution Center (CDC) sales.

37. Director Stagg explained that for the last couple of years CDC sales significantly increased due to COVID and the additional money inmates received. Director Stagg added that current CDC sales are on course with the ten (10) year average of CDC sales.
38. Discussions ensued regarding tobacco.
39. Next, Mr. Wisecarver asked whether HQ's and incentive wages are allocated. Additionally, he asked whether incentive wages are manageable.
40. Mr. Williams stated that the expenses are allocated and included in the individual cost centers.
41. Director Stagg reported that incentive wages are currently manageable, however the increasing impact to PE has to be monitored.
42. Additionally, Director Stagg reported that PE's Accounting Department staffing has been a challenge for the past two (2) years. Difficulties in obtaining and retaining staff continues. Kristie Sigrest returned as a "when actually employed" (WAE) to assist with PE's accounting.
43. Director Stagg asked Mrs. Melius for the sales and marketing updates.
44. Mrs. Melius began by reporting PE received three (3) significant DOC job orders. An order from Allen Correctional Center (ALC) for inmate clothing, linens, print, officer uniforms, and lockers totaling \$36,276, an order from Dixon Correctional Institute (DCI) for janitorial supplies totaling \$36,575, and an order from David Wade Correctional Center (DWCC) for officer uniforms totaling \$28,495.
45. Additionally, Mrs. Melius reported that PE received three (3) other significant job orders. An order from the Office of Motor Vehicles (OMV) for automobile tags totaling \$436,073, an order from the University of Louisiana at Lafayette (ULL) for refurbished lounge furniture totaling \$44,337, and an order from Orleans Parish Sheriff's office for mattresses, chairs, and garments totaling \$41,022.
46. Continuing, Mrs. Melius provided an update on potential and/or upcoming jobs. A quote is being prepared for the Audubon Library for custom furniture for a new building. The Town of Creola inquired on furniture for a new Police Department building and the Office of Juvenile Justice (OJJ) Baton Rouge inquired on new office furniture for approximately nineteen (19) offices.
47. Next, Mrs. Melius reported that PE submitted a bid to the Baton Rouge Fire Department for uniforms totaling \$118,750.
48. Lastly, Mrs. Melius reported monthly job orders for April 2023 were \$304,000 compared to \$895,000 for April 2022 and year-to-date (YTD) job orders for April 2023 were \$9 million compared to \$8.3 million for April 2022. Monthly job orders through May 12, 2023 were \$669,000 compared to \$546,000 for all of May 2022 and the current YTD job orders for May 2023 were \$9.7 million compared to \$9 million through May 2022.
49. Mr. Juneau began with a staff update. There are two (2) vacant PE Truck Driver positions. The position was re-announced and closed on May 7th. A list of qualified candidates is expected soon.
50. Next, Mr. Juneau provided a purchasing and equipment update.
 - a. The bid for 80,000 pounds of aluminum was awarded April 17th and expected to arrive in mid-June.
 - b. The Tag Plant is waiting on another order of Scotchlite.

- c. The lathe machine for Metal Fabrication (Metal Fab) was received on April 24th, installed, and running well.
 - d. A hydraulic scissor lift for South West Transitional Work Program (SWTWP) Garment Factory was awarded March 29th and projected to arrive in early summer.
51. Continuing, Mr. Juneau provided updates on several projects and some industries.
- a. The Canteen Package Program (CPP) completed the 2023 Spring Program and began preparations for the Summer Program. Ordering ends May 26th and production begins June 6th and continues through June 26th.
 - b. The Tag Plant is working overtime to complete approximately 240,000 license tags on the OMV order by June 30th.
 - c. The RLCC Garment Factory manufactured four hundred twenty-two (422) pairs of jeans for the highest day and continues to average two hundred fifty (250) pairs of jeans a day.
 - d. The SWTWP Garment Factory is working overtime to complete fiscal year end (FYE) jobs timely.
 - e. Metal Fab continues to work overtime on the bunkbeds order for the Jackson Parish Sheriff's Office and the beds and wall lockers for Elayn Hunt Correctional Center (EHCC).
 - f. The Mattress Factory, Silk Screen Shop, Print Shop and T-Shirt Factory continue building inventory in preparation for FYE orders and hurricane season.
 - g. The Furniture Plant and Soap Plant are working overtime to complete job orders and to maintain adequate inventory to fill FYE orders.
52. Lastly, Mr. Juneau reiterated that the industries are working diligently to prepare for FYE and hurricane season.
53. Mr. Wisecarver questioned Mr. Juneau on the events of the fire. He suggested that fire prevention and fire plans at each industry be reviewed in accordance with the experiences from the Metal Fab fire.
54. Director Stagg stated that in addition to the monthly fire reviews, Mr. Chapman should contact the industries and schedule a review of the fire escape routes and protocol.
55. Discussions ensued regarding emergency shut down options and fire suppression systems.
56. Then, Director Stagg asked Mr. Smith for the agriculture update.
57. Mr. Smith began with a Rangeherd update. He reported that weaning the fall calves are scheduled to take place May 23rd - 24th. Three (3) loads of heifers sold May 11th. One hundred twenty-five (125) head weighing approximately eight hundred (800) pounds sold for \$1.845 per pound and fifty-eight (58) head weighing about eight hundred fifty (850) pounds sold for \$1.8475. The heifers will ship on May 25th. Additionally, Mr. Smith stated that hay baling season began.
58. Next, Mr. Smith provided a row crop update. Approximately seven hundred fifty-two (752) acres of corn was planted, fertilized, and looks exceptional. Approximately five hundred fifty (550) acres of soybeans were planted.
59. Continuing, Mr. Smith reported that six (6) mares were bred and three (3) mares were sent to DWCC for a total of eight (8) mares at DWCC. Mr. Smith stated that three (3) new foals were born at LSP and one (1) remaining to foal. Additionally, the two (2) year olds are being ridden and the one (1) yearling was sent from DWCC to LSP to be halter broken.
60. Lastly, Mr. Smith explained that DWCC maps were sent to the timber consultant and the recommendations are forthcoming.

61. Director Stagg discussed the bloodlines of the stud horse and the potential increase in revenue expected from the foals.
62. Additionally, Director Stagg commented that the heifers sold for approximately \$0.50 higher than the previous year.
63. Mr. Travis inquired on Director Stagg's meeting with the Flying Cross uniform company he referred to PE. He explained that the company provides pre-cut uniform patterns for inmate workers to sew.
64. Director Stagg stated that the meeting went well and the concept is something PE could look at down the road.
25. Mr. Oliveaux questioned whether consideration is being given to PE having an industry at B.B. "Sixty" Rayburn Correctional Center (RCC).
65. Director Stagg stated that she and Warden Day have discussed the details associated with establishing an industry at RCC.
66. Mr. Lane announced that Angola Rodeo tickets sold out in record time.
67. Several conversations regarding the Rodeo, inmate requests, the prison population, and other various topics were discussed.
68. Mr. Ardoin stated that the next meeting was scheduled for June 20, 2023 at PE Headquarters.
69. Mr. Wisecarver made a motion to adjourn and Mr. Honore' seconded the motion.
70. Mr. Ardoin adjourned the meeting at 11:07 AM.