

Prison Enterprises Board Meeting

November 21, 2017

APPROVED
Michael J. Moore
Michael J. Moore, Director
11/31/18
Date

1. Chairman Joseph Ardoin called the meeting to order at 10:06 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana.
2. Mr. Richard Oliveaux led the opening prayer. Following the prayer, the Pledge of Allegiance was recited.
3. Attendance
 - 3.1 Members Present:
 - Joseph Ardoin, Chairman
 - Eric Lane
 - Richard Oliveaux
 - 3.2 Prison Enterprises Staff Present:
 - Michael Moore, Director
 - Joe Buttross
 - Scot Floyd
 - Kacie Henderson
 - Danny Hoover
 - Vickii Melius
 - Michelle Montalbano
 - Kristie Sigrest
 - Misty Stagg
4. Mr. Ardoin thanked everyone for attending the meeting and asked that the three guests attending the meeting introduce themselves.
5. Ms. Emily Dixon stated that she and her colleagues were with the Louisiana Legislative Auditors office and were observing the board meeting for the performance audit they are conducting at PE. She introduced herself as the manager of the project, Ms. Irina Hampton as the auditor in charge, and Ms. Lauren Pendas whom was assisting with the audit.
6. Mr. Ardoin turned the meeting over to Director Moore.
7. Director Moore welcomed the Board members and the guests. He explained that Undersecretary Bickham was unable to attend the meeting, although he had planned to.
8. Director Moore reiterated that the auditors were conducting a performance audit. When asked the scope of the audit by Director Moore, the auditors explained that the scope had yet to be determined.
9. Next, Director Moore provided a brief summary of the Department of Corrections (DOC) Annual Employee Memorial Service and Awards Program held on November 9, 2017. He announced that PE Relief Industries Supervisor, Mark Kilgore and PE Accountant 3, Megan Broom were selected as the DOC Supervisor of the Year and DOC Support Employee of the Year, respectively. Ms. Broom was introduced to the Board and commended for her six (6) years of service to DOC and PE. Although Mr. Kilgore was unable to attend the meeting, he was recognized for his dedication and commitment to DOC and PE for more than eleven (11) years.

10. Continuing, Director Moore discussed the importance of obtaining American Correctional Association (ACA) accreditation. He asked PE's ACA Manager, Kacie Henderson for an update on recent ACA audits.
11. Mrs. Henderson stated that she conducted C-05-003 ACA audits on three (3) PE plants at Dixon Correctional Institute (DCI). She found in her audit of the Chair Plant, the Embroidery Plant, and the Wakefield Meat Plant that they are in compliance with all mandatory and non-mandatory standards with no deficiencies noted.
12. Next, Director Moore reminded the board members that the Louisiana Code of Governmental Ethics requires all public servants to take one hour of ethics training each calendar year.
13. Director Moore opened the floor for suggestions on dedicating Conference Room 244 in Building 10 in memory of Mr. Henry Clarendon Peck.
14. Several ideas were presented and discussed in detail. It was determined that a Dedication Ceremony would be held following the January Board Meeting. Mr. Floyd presented a sample of material that can be engraved to make a plaque.
15. Mr. Oliveaux noted that he spoke with Mr. Peck's son regarding naming the conference room in his father's honor and that PE would contact him when the details are finalized.
16. Continuing, Director Moore referenced a memo in the board folders to Warden Hooper thanking him for hosting PE's October 10th Board Meeting at Elayn Hunt Correctional Center (EHCC).
17. Lastly, Director Moore discussed the re-established relationship between PE and Allen Correctional Center (ALC) as a state managed facility.
18. Director Moore asked Deputy Director Stagg for her comments.
19. Mrs. Stagg reported on the Livingston Parish Literacy and Technology Center tour she conducted of PE industries at EHCC. The Literacy and Technology program allows college credit to participating high school students interested in pursuing a Criminal Justice degree.
20. Director Moore then asked Mr. Buttross for the administrative update.
21. Mr. Buttross began with an update on PE's participation in the Louisiana Workforce Commission (LWC) Apprenticeship Program. After several meetings with the Office of Reentry and LWC personnel, it was determined that it would be most advantageous for PE to initially develop a Welding Apprenticeship Program. With the assistance from the Office of Reentry and the LWC, PE has begun the Apprenticeship Program application process.
22. Mr. Ardoin inquired as to how the program will be managed.
23. Mr. Buttross explained that PE's Metal Fabrication Shop at Louisiana State Penitentiary (LSP) would provide the "hands on training" for the welding program and the classroom training would coincide with the certification DOC currently offers through the National Center for Construction Education and Research.
24. Mr. Oliveaux questioned the benefit of providing job skills and employment readiness training to LSP offenders serving long term and life sentences.
25. Mr. Buttross explained that some offenders serving long terms and/or life will be trained as mentors and will assist in training other offenders. PE intends to utilize the program developed at LSP as the model for programs PE plans to establish at other facilities.
26. Mr. Oliveaux reiterated that B.B. "Sixty" Rayburn Correctional Center (RCC) would like PE to establish an industry at their facility.

27. Mr. Ardoin noted that the Plumbers and Steamfitters Local 198 offers released offenders that have participated in DOC skills training and have the proper documentation an opportunity to participate the Local 198 training programs.
28. Continuing, Mr. Buttross stated that PE continues to work with the Office of State Procurement (OSP) on a regular basis and is still working to renew/reestablish existing contracts and bid out new contracts.
29. Lastly, Mr. Buttross reported job orders for October 2017 were more than \$823,000 compared to October 2016 job orders of more than \$242,000. November 2017 job orders to date are nearly \$158,000 and for the entire month of November 2016, job orders totaled more than \$2.4 million. He noted the OMV license tag orders from last fiscal year relating to the 2016 Flood continues to significantly skew the monthly comparison of job orders.
30. Director Moore then asked Mrs. Sigrest to provide the financial update.
31. Mrs. Sigrest reported that September 2017 finalized year to date (YTD) sales were \$7.3 million compared to September 2016 YTD sales of \$6.4 million, an increase of \$878,000. YTD net income for the month of September 2017 was \$179,000 compared to a YTD loss of \$480,000 for September 2016, an increase of \$659,000. The October 2017 preliminary monthly sales decreased by \$162,000 compared to October 2016 monthly sales however the preliminary YTD sales showed an increase of \$716,000 as compared to October 2016 YTD sales.
32. Lastly, Mrs. Sigrest referenced the Cash Report in the meeting folders. She reported that PE's cash balance at September 30, 2017 was \$2.7 million compared to September 30, 2016 balance of \$1.3 million, an increase of \$1.4 million. She explained that July through September 2017 PE's cash increased by \$1 million compared to a \$316,000 decrease in cash from July through September 2016.
33. Director Moore noted that the supplemental bill approved during the special legislative session generated an abundance of year-end orders that subsequently improved PE's cash.
34. Continuing, Director Moore asked Mrs. Melius to provide a sales and marketing update.
35. Mrs. Melius began by reporting that PE received three (3) significant DOC sales orders. An order from ALC for offender clothing, janitorial supplies, officer uniforms, and linens totaling \$54,935, an order from LSP for metal locker boxes totaling \$52,500, and an order from David Wade Correctional Center (DWCC) for offender clothing, janitorial supplies, and linens totaling \$31,581.
36. Continuing, Mrs. Melius reported two (2) other significant job orders were received. An order from the Office of Motor Vehicles for license tags totaling \$555,395 and an order from Pinecrest Support Services for metal benches and mattresses totaling \$15,829.
37. Lastly, Mrs. Melius reported that a significant job quote was submitted to the Pinecrest Support Services for two hundred (200) metal beds and totaled approximately \$82,000. Additionally, the Sales and Marketing staff are preparing a quote for the Office of Juvenile Justice/Acadiana Center for Youth for outdoor metal items and furniture for offices, dorms, and day use areas.
38. Director Moore asked Mr. Floyd for the industries update.
39. Mr. Floyd stated that all LSP industries were operating at full capacity and maintaining adequate inventory levels other than a few raw material items that are on backorder from the manufacturer due to the hurricane.

40. Next, Mr. Floyd provided an update on the Soap Dispenser pilot program. He stated that four (4) heavy duty/tamper proof soap dispensers will be installed in the EHCC Transition dormitory and two (2) will be installed in the EHCC administrative areas. He noted that two (2) soap dispensers are currently installed at DOC Headquarters.
41. Director Moore noted that the Soap Dispensers are made from heavy-duty stainless steel and supposedly indestructible.
42. Continuing, Mr. Floyd reported that the soap/janitorial qualified products list (QPL) was being updated and expected to be completed soon.
43. Director Moore provided a detailed explanation of the QPL and its significance.
44. Mr. Floyd discussed the formulations, the active ingredients, and the importance of maintaining quality control of the products.
45. Director Moore asked Mr. Hoover for an agriculture update.
46. Mr. Hoover announced that all the cows were worked and the calves were properly placed. The ryegrass was up and plentiful. DWCC has approximately three hundred twenty-eight (328) steers to be sold. Two (2) loads of one hundred twenty (120) steers are scheduled to be sold on the video livestock auction on November 30th.
47. Next, Mr. Hoover reported on the row crops. He reiterated that the 2017 corn yield was the highest in PE history at two hundred ten (210) bushels per acre. The yield on soybeans was fifty-one (51) bushels per acre and the cotton yielded six hundred seventeen (617) pounds per acre, which was less than expected due to the August rains. He added that the grade on cotton was exceptionally good and that the price was up, compared to last year.
48. Mr. Ardoin inquired on the status of the combine.
49. Mr. Hoover stated that he was waiting for several dealers to submit quotes on the cost of repairing the combine and on purchasing a new combine.
50. Mr. Oliveaux suggested leasing a combine as an alternative to purchasing.
51. Mr. Hoover explained that all options are being explored, including leasing.
52. Director Moore concluded PE's update.
53. Mr. Lane voiced his concern for PE and the adverse publicity created by the media's erroneous report of an assault at the Angola Rodeo. Discussions ensued on the media's incompetence with regard to reporting verified information. Although a retraction was published it was ineffective and of little significance to the integrity of the Angola Rodeo.
54. As the meeting concluded, Mr. Oliveaux motioned to forgo the December Board Meeting. Mr. Lane seconded the motion and it passed unanimously.
55. Mr. Ardoin set the next meeting for 10:00 AM at PE Headquarters on Tuesday, January 23, 2018. He noted that during the meeting, an election for a chair and vice-chair will be held. Immediately following the meeting, Conference Room 244 will be dedicated to Mr. Peck, provided the necessary information and commemorative remembrances can be obtained timely. Updates will be provided as the details are finalized.
56. Mr. Ardoin adjourned the meeting at 10:53 AM.