

**CORRECTIONAL INSTITUTION INSPECTION
COMMITTEE REPORT:**

**THE PRISON LABOR ADVISORY COUNCIL AND
OHIO PENAL INDUSTRIES OF THE
OHIO DEPARTMENT OF REHABILITATION AND
CORRECTION**

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THE PRISON LABOR ADVISORY COUNCIL AND OHIO PENAL INDUSTRIES OF THE OHIO DEPARTMENT OF REHABILITATION AND CORRECTION

Introduction

The following report provides a summary of issues that received attention at the Prison Labor Advisory Council (PLAC) monthly meetings during the 2005-2006 biennium. The report includes an *Overview* highlighting those issues of frequent or significant discussion and review.

The Prison Labor Advisory Council is an appointed group of individuals who serve in an advisory capacity to the individuals who have responsibilities to fulfill the mission of the Ohio Penal Industries (OPI) division of the Ohio Department of Rehabilitation and Correction (DRC).

Ohio Penal Industries or OPI is comprised of multiple and various businesses or industries that employ inmates in Ohio Department of Rehabilitation and Correction institutions. OPI produces services and products for profit. The purpose of the division is to provide inmates with work and opportunities to learn and develop marketable skills, aid inmates in their process of re-entry, provide goods and services needed for the operation of the Department of Rehabilitation and Correction, other state agencies, local governmental entities, and in some cases, consumers in the private sector.

Historically, inmates have manufactured auto license plates for the state and also produced agricultural products to serve the needs of the state's penal system. The types of products and services that have evolved have been in response to new markets and changes in existing markets. OPI first began inmate work programs in 1834, received some formative basis in the Ohio Use Act of 1906, and has its statutory and legislative foundation in Section 5147.07 (ORC) of 1954, Section 5120.23 (ORC) of 1972, House Bill (HB) 654 of 1981, and House Bill 510 (Omnibus Bill) of 2003.

A variety of business sales components were operated under Ohio Penal Industries in the 2005-2006 biennial period. The following shops were in operation:

- Furniture
- Health-tech products
- Business supplies
- Institutional and jail products
- Signs, flags, and emblems
- Refurbishing Services
- Automotive and Vehicle Services
- Asbestos Abatement
- Construction
- Meat and Beverage Production

The OPI shops and number of employed inmates varies among the institutions. The following table displays the reported number of inmates employed within each shop at each of the adult institutions as of the end of February 2007.

Table. The Number of Inmates Employed by Ohio Penal Industries by Correctional Institution and Shop as of February 2007		
Institution	OPI Business/Shop	Inmates
Allen Correctional Institution	Garment – Institutional Clothing	126
Chillicothe Correctional Institution	Buckeye – fulfillment for 1800BUCKEYE tourism PR pieces	7
	Chair Construction	49
	Mattress Construction	35
	Vehicle Modification	134
Dayton Correctional Institution	Sign Shop	27
Franklin Pre-Release & Education Center	Office Support – data entry, porters, etc. at McKinley showroom	8
	Female Installation of Modular Systems	5
Grafton Correctional Institution	Packaging - fulfillment tasks for product redistribution	6
	Braille Books	8
	Fragrance	2
Lake Erie Correctional Institution	Electric Recycling	54
Lebanon Correctional Institution	IMSAS – data entry	54
	Auto License Tags	114
	Beds – Metal Bed Construction	45
	Auto License Validation	44
London Correctional Institution	Dental Laboratory	37
	Garment – Institutional Clothing	103
	Brushes	106
Madison Correctional Institution	Metal Storage Systems	32
	Modular Furniture / Office Systems	38
Mansfield Correctional Institution	Deflashing – subcontracted work for Honda auto manufacturing processes	164
Marion Correctional Institution	Computer Graphics Imaging Services	21
	Wood Furniture	50
	Metal Furniture	72
North Central Correctional Institution	Computer Graphics Imaging Services	37
Ohio Reformatory for Women	Flags and Socks	33
	Optical Laboratory	25
Pickaway Correctional Institution	Distribution Center	11
	Printing Services	69
	Beverage / Milk Processing	28
	Meat Processing Career Center	83
	Vehicle Service Center	8
	Construction	19
	Modular Installation Services	34
	Asbestos Removal	40
Ross Correctional Institution	Furniture Assembly	119
Southeastern Correctional Institution	Janitorial Products	71
Southern Ohio Correctional Facility	Shoes	45
Trumbull Correctional Institution	Computer Refurbishing / Recycling	50
Toledo Correctional Institution	Plastic Bag	13
Warren Correctional Institution	Metal Furniture	65
TOTAL		2091

PLAC Statutory Language

The Prison Labor Advisory Council (PLAC) is statutorily based in Section 5145.16.2 of the Ohio Revised Code. Per the statute, the CIIC Director serves as an ex officio member. Following the CIIC's restart in October 2003, the CIIC Director or designated CIIC Inspector resumed attendance at the monthly meetings of the Prison Labor Advisory Council. Beginning in September 2005, CIIC Inspector, Carol Robison has served and continues to serve as the CIIC Director's designee to the Prison Labor Advisory Council.

CIIC Staff Commentary

The content of the Prison Labor Advisory Council meetings as summarized in this report, serves as a reminder of the importance of the Council's existence, recommendations and mission. CIIC staff value the opportunity to attend and participate in the Council's monitoring and advisory role. Based on firsthand knowledge of the work of the Prison Labor Advisory Council in the last biennium, it is clear that PLAC members have demonstrated and sustained high levels of interest in their areas of responsibility. Beyond interest, they demonstrate an understanding of the philosophy and components of re-entry relevant to Ohio Penal Industries, such as the provision of marketable job skills for gainful employment on release. Further, the business backgrounds of PLAC members clearly serve as one of their strengths, evidenced in the attention given to marketing and sales from a business perspective, maintaining profits, and business growth. Lastly, the Prison Labor Advisory Council and Ohio Penal Industries serve a legitimate public relations role that helps to cultivate the image of an ex-offender as a rehabilitated individual that has value in the marketplace.

The statutory language regarding PLAC is provided below:

Advisory council of directors for prison labor.

- (A) There is hereby created the **advisory council of directors for prison labor consisting of five appointed members and the director of the office of the correctional institution inspection committee, who shall serve as an ex officio member. Each member shall have experience in labor relations, marketing, business management, or business. The members shall be appointed by the governor.** Within thirty days after April 9, 1981, the governor shall make the initial appointments to the council of directors. Of the initial appointments made to the council of directors, two shall be for a term ending one year after April 9, 1981, two shall be for a term ending two years after that date, and one shall be for a term ending three years after that date. After the expiration of the initial terms, the terms of office for the members shall be for three years, each term ending on the same day of the same month of the year as did the term that it succeeds. Each member shall hold office from the date of appointment until the end of the term for which the member was appointed. Any

vacancy on the advisory council shall be filled by the governor. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of the predecessor's term. Any member shall continue in office subsequent to the expiration date of the member's term until a successor takes office or until a period of sixty days has elapsed, whichever occurs first.

- (B) Each member of the advisory council, while engaged in the performance of the business of the advisory council, shall be **reimbursed for expenses actually and necessarily incurred in the performance of official duties.**
- (C) The advisory council shall meet within two weeks after the initial members have been appointed at a time and place determined by the governor. At its first meeting, the advisory council shall elect a chairperson and shall adopt rules for its procedures. **The advisory council shall elect a new chairperson annually at its January meeting. The advisory council shall meet at least once every January and at least once every two months thereafter, and otherwise shall meet at the call of the chairperson or upon the written request of at least a quorum of the members.** Three of the members constitute a quorum, and **no action shall be taken without the concurrence of a quorum of the members.**
- (D) The advisory council **shall advise and assist** the department of rehabilitation and correction **when the department adopts rules** pursuant to division (B) of section 5145.03 of the Revised Code, **establishes prices for goods, products, services, or labor produced or supplied by prisoners, and otherwise establishes and administers the program for employment of prisoners** established by the department pursuant to division (A) of section 5145.16 of the Revised Code. **The department shall consider the advice and assistance of the advisory council** that is provided pursuant to this section, and **shall cooperate with the advisory council. The advisory council may recommend to the general assembly, any further legislation that it believes is necessary to implement the department's program of employment of prisoners.**

In division (D) above, the advisory council is directed to **advise and assist** the Department of Rehabilitation and Correction when the department **adopts rules** pursuant to division (B) of Section 5145.03 ORC, **establishes prices** for goods, products, services, or labor produced or supplied by prisoners, **and otherwise establishes and administers the program for employment of prisoners.** Further, DRC shall consider the advice and assistance of the advisory council. In addition, the advisory council may recommend to

the Ohio General Assembly any further legislation that it believes is necessary to implement the department's program of employment of prisoners.

The Ohio Department of Rehabilitation and Correction has Administrative Rules in place that define and give direction to various aspects of OPI businesses, business operations, and inmates as employees of an OPI business. The following rules are found under AR section 5120-3:

5120-3-01	Definitions
5120-3-02	Inmate Labor Assignments
5120-3-03	Work Release for Private Employment
5120-3-04	Private Employment Inside an Institution
5120-3-05	Compensation and Benefits for Inmates Assigned to Ohio Penal Industries
5120-3-06	Work Program Assignments for Inmates
5120-3-07	Special Labor
5120-3-08	Inmate Compensation for Work Program Assignments and Related Matters
5120-3-09	Distribution of Earnings
5120-3-10	Working Conditions for Prisoners
5120-3-11	Prison Employment Committee

OVERVIEW OF PLAC MEETINGS 2005-2006

The Ohio Penal Industries mission was reiterated frequently at PLAC meetings during the biennium. Simply stated, the OPI mission was expressed as training inmates first and making money second. The more comprehensive mission of Ohio Prison Industries is divided into three functions:

1. To provide inmates in Ohio prisons with the opportunity to develop proper work skills and acquire training, which will translate into economic self-sufficiency upon release, thereby reducing recidivism.
2. To assist in the management of Ohio's prisons by keeping inmates occupied and supervised in meaningful work assignments while helping to defray the tax burden of their incarceration through productive labor.
3. To produce cost-efficient quality products in a timely manner for use by institutions and agencies throughout Ohio.

While OPI operations are conceptually somewhat set apart from the other operations of correctional institutions, the variables that impact institutional operations also commonly impact OPI business operations. For example, at one OPI shop, a shakedown took place for contraband, key control techniques, chemical control, and tool storage.

At intervals throughout the biennial period, the Director and Assistant Director of the Ohio Department of Rehabilitation and Correction provided updates to PLAC regarding issues at the agency level that also have some relevance to OPI and the inmate employee of OPI. Some of these topics were brought forward by the executives and include *budget limitations* and their impact on critical components to rehabilitation such as *educational programs* and *required minimal purchases of everything*, the increasing percentage of *short-time offenders, females* as the fastest growing inmate group, overall increases in inmates causing system wide *crowding* (currently at 125%) and *increases in expenses*, new programs under *Intensive Program Prisons*, development of *medical hardship releases*, the numerous aspects of *reentry, inmate levels and flat time* relevant to SB2, the *Ankrom case, recidivism*, and *sex offender employability*. The DRC Director noted in October 2006 that some suggest reclassifying some inmates at Level 1 so that inmates could selectively be moved through the system and reduce population and costs.

It was noted that more staff is needed in the area of workforce development operations, yet a hypothetical three percent cap on budget increases would require institutions to scale back in multiple ways. Nonetheless, at the last meeting of the biennium, a Workforce Development report was provided to update PLAC members. The report included a review of a proposed Comprehensive Offender Employment Strategy.

Other miscellaneous topics of discussion during the biennial period included: the racial mix in OPI industries looks good, two new PLAC members would need to be appointed during the biennium, and the Bureau of Motor Vehicles was playing a key role in providing identification to inmates at release, which would enable them to acquire a temporary driver's license and social services, among other things.

Throughout the biennial period the subject of *Reentry* was dominant in discussions. Reentry interfaces with other subjects of keen interest such as recidivism, education, and workforce development. Beginning with the first meeting in January 2005, there was the suggestion at the PLAC meeting that OPI link with congressional leaders from Ohio to engage with federal plans and programs to reduce recidivism and improve reentry results. The subject of reentry is presented under a separate and subsequent subheading in this report.

Toward the end of the biennial period, it was noted that the products and services that likely hold the greatest potential to benefit OPI are the beverage products due to the collaboration with Ohio State University, new business with the Flag Lady, and new partnerships with other state agencies.

Financial Highlights

Updated financial reports were presented at most of the PLAC monthly meetings during the biennium. Financial reporting had not previously been a standard component of PLAC meetings prior to the 126th General Assembly, but during the biennium it was instituted into the regular monthly agenda. Clarification was made regarding what financial information and format to provide to PLAC members. PLAC financial and

fiscal administrators and a Syteline consultant prepared and provided an OPI fiscal presentation in May 2005 that reflected financial status for each of the OPI operations and a comparative financial analysis of the 42 OPI operations. Monthly updates were provided throughout the biennial period.

It was reported at the July 2005 PLAC meeting, that at the end of the fiscal year in June 2005, OPI had completed inventories and was holding budget meetings in every shop, to include consideration for financial issues training, and the Syteline project.

As stated, financial highlights were presented at each PLAC meeting on a financial summary sheet. In addition, information relevant to sales data and financial operations was offered at meetings. The summary sheet showed, for example, cash balance, revenues per month and revenues year-to-date, outstanding receivables, and gains and losses per product. Verbal presentations included updates on specific projects (such as Syteline 7), changes in financial staff, updates on invoicing operations, collection of receivables, and parameters that might suggest the use of the Attorney General in collecting old debts. Also included were updates on the Niles project regarding monies in escrow and a pending lawsuit. The financial reports had evolved to become more product-based instead of institution-based, yet still showing a profit and loss for each location. It was reported in September 2005, that there was increased monitoring of variances and analysis of where the system had problems in the collection of revenues and in the isolation of product losses. It was also noted that the cost of raw materials is continuously increasing and recently fuel surcharges have made an impact on costs.

There were two financial topics that received the most continuous and engaging attention by the council during the biennium: reduction of outstanding receivables (collections of past due accounts) through improvements to invoicing operations, and the implementation of Syteline 7, which is OPI's internal MRP software. During 2005, the Syteline 7 project and also People Soft, which is a component of the OAKS system, were reviewed, with operations reviewed in May 2005. At the April 2006 PLAC meeting, the estimated live date for Syteline 7 was July 2006. In December 2006, an adjusted go-live date was estimated to be January 1, 2007. It was also noted that the purchase of new equipment brought the Syteline net contribution down due to that one-time expenditure.

The cash balance and other financial highlights were presented at each PLAC meeting. Overall, cash balances continued to climb throughout the biennium. The cash balance was over \$10 million at the end of 2005. By the end of May 2006, the cash balance showed a \$2 million increase over the previous year-to-date. By December 2006, the cash balance started at approximately \$10 million, but was reduced to approximately \$9 million. Between December 1 and 31 of 2006, expenses increased by \$1.2 million due to a new inmate payroll system.

Most of the individual businesses received some review of their gains and losses and the reasons for their biennial performance during monthly meetings. From time to time, representatives of the various businesses presented updated information of interest to

PLAC. Representatives from the beverage plant and the meat processing plant, for example, included copies of their Business Plans as part of their presentation.

The issue of handling invoicing in a timely manner compared to prior years was addressed early in the biennium. It was noted that invoicing should occur as soon as the product is shipped to impact collection of receipts. For example, by March 2006, a surplus of \$1 million was generated from the collection of overdue receipts. It was reported in February 2005 that *invoicing* policy had been revised from 21 days to four days; yet a request was made to shorten it to two days. Offsetting some of the improvements in invoicing, it was noted that in some cases, the payment processing system through OBM causes a delay in monies reaching OPI accounts in a timely manner. Nonetheless, by April 2006, the average number of days to *collect on accounts* was continuously being reduced, reportedly at 37 days average, down from a previous average of 49 days in the prior months.

Education Highlights

Central to the monthly updates to PLAC from the Ohio Central School System (OCSS) is the impact of budget cuts to the delivery of educational programming to inmates. While some of the work-related training that OPI-employed inmates receive comes from the OPI job that they hold, some other knowledge and skills are provided from the school system within the institution. In February 2005, for example, education administration presented information about an education-oriented transitional program, *Providing Transition for Successful Change*, which includes acquisition of skills, participation in distance learning, and web-based instruction. Early in the biennium, it was noted that educational goals include increased use of the Internet by inmates, for example, as part of the IPP program at North Coast Correctional Treatment Facility.

With budget cuts, several things have occurred. As teachers leave the system, they are not replaced, thus reducing the number of instructional staff and course offerings, causing longer wait lists for inmates to take courses. During the biennial period, no current teachers were terminated; rather teacher reduction was handled through attrition. Even the rate of attrition, being slower than expected, has impacted the education budget by creating additional deficits. Vacancies are not being filled and some educational programming that has been requested by Wardens has not been delivered. There were reportedly approximately 28 teacher vacancies in the system, and more inmates on waiting lists. An estimated ten additional teachers would have to be eliminated during the year in order for the system to break even financially. Through the use of tutors, the literacy program has remained successful in spite of a reduced budget, but efforts to find funding for the GED program were underway. The GED track continues to be the dominant educational track among inmates. Early in the biennium, it was reported that approximately half of the inmate population has a verified GED or higher education level. PLAC indicated interest in the cumulative percent of inmates who remain illiterate and also requested consideration for an action plan to reduce waiting lists for inmate enrollment in specific programs.

By June 2006, barber schools were on hold and some were closed. Grants and other federal monies have been cut due to the demands from national events like Katrina and the war in Iraq. Special education and Title 1 programs had both been cut. By July 2006, enrollments were reportedly down due to the reduction in staff; therefore there were fewer inmates completing programs.

It was reported in February 2006 that a relatively new instructional need lies in English as a Second Language (ESL) instruction due to the increase in the Hispanic population in the institutions.

Topics of Discussion

The following topics and issues were discussed by PLAC members with some frequency and interest during the biennial period at the PLAC monthly meetings.

- **Prison Industry Enhancement (PIE)**

The Prison Industry Enhancement (PIE) program is a certification program that exempts the correctional department from certain restrictions on sales of prisoner-made goods in an interstate commerce environment. The PIE topic continued into the 126th General Assembly from preceding months. In Ohio, OPI seeks to engage in Prison Industry Enhancement (PIE) operations and provide offenders with real-world jobs. The concept of Prison Industry Enhancement is based on the realization that the first six months of parole becomes a critical time relevant to long-term success and as such, complete communication between parole officer and case manager are essential. During February 2005, OPI was represented in South Carolina to help conduct assessments for the PIE programs there. The topic has gained federal attention as evidenced by a federal certification that must be acquired in order to operate a PIE operation. Inmate insurance is a priority component to PIE operations. While there has reportedly not been an issue with inmate insurance in South Carolina, in Ohio some challenge has been experienced in finding a willing insurance carrier. It has been determined that if the Department of Insurance is unable to fulfill the need for insurance, new legislation would be drafted, meanwhile an inmate insurance and workers' compensation program is under development. As of May 2005, Liberty Mutual was reportedly reviewing this form of policy. A new full-time PIE Coordinator is expected to work with the broker and insurance company to write an applicable policy. By January 2006, DRC Legal Services had taken steps and was drafting language to change ORC so that insurance might be obtained. By September 2006, the Legislative Service Commission was reportedly reviewing language relevant to this acknowledged political issue. The understanding relayed to PLAC was that the language would be placed into the Omnibus Bill to be introduced in the fall of 2006.

- **Interagency and Intradepartmental Communication**

At several meetings, topics related to effective communications, pertinent to OPI businesses within the institutions, were raised for review and discussion. With the

implementation of Monthly Reports and Outcome Measures, OPI found an asset to effective oversight of how OPI businesses are managed. With greater clarity of how institutional operations and inmate routines and participation in OPI jobs interface, OPI administrators are better able to communicate and work with Wardens so as to help increase inmate hours on the job and support the training value of inmate work. Knowledge of how count and chow calls are handled, for example, help OPI administrators understand how work shifts may need to be structured. It was felt that Wardens with the desire to be involved in OPI industry operations within their institutions should be provided with financial and related documents about the industries in their institutions. For example, since OPI shops are to meet ACA standards and performance measurements, Wardens would benefit from receiving shop monthly reports.

- **Ex-Offenders in U.S. Military**

From the perspective that released inmates must find a means of income, the topic of ex-offenders serving in the U.S. military emerged at intervals throughout the biennium. The question regarding permissive rights of ex-offenders bearing arms was raised relevant to that consideration. DRC Legislative Liaison provided information on the topic. The consensus among some PLAC members was that there is value in allowing released inmates to serve, which is currently not the practice.

- **Inmates and Inmate Profiles as OPI Workers**

Approximately 2,000 inmates are employed by the OPI shops across the state at any given time. In the first year of the biennium, attention was paid to topics related to sentencing and collateral sanctions that should be considered, such as allowing an inmate to obtain a license from a state board or commission to practice a licensed trade. Also, considerations should be given to granting tax credits to employers for hiring ex-offenders. Due to anticipated increases in incoming offenders, some thought was given to offender sentencing and the expansion of local judicial latitude and options as well as considerations for early releases, even as opponents argue this would violate truth in sentencing.

In the second year of the biennium, the subject of today's inmate emerged, including the changing nature of inmates from past decades and the impact that OPI work has on inmate demeanor and goals. It was accepted that the perceived 'best' inmates are those who are targeted for OPI jobs because these inmates respond favorably toward becoming pro-social. Discussions on inmates included the rising age of incoming and incarcerated inmates, increase in medical issues related to inmate population, increase in job-related skills demanded by employers, and the challenges of getting inmates through programming and training during short sentences as these topics impact OPI businesses as institutional 'employers.' Further, inmates' reading levels continue to be a variable impacting OPI job training. It was noted that marketable skills include computer and Internet skills, and there was praise for the Life Line computer program at MCI as a model to replicate.

In March 2006, policies about inmate compensation were provided for clarification to PLAC members. As an aside, the Correctional Institution Inspection Committee received some communication from an inmate regarding the issue of inmate compensation for OPI jobs. The correspondence indicated a desire for longevity pay for long-term inmate employees to be extended beyond its current limits. The correspondence pointed out that the cost of commissary and catalog items continues to increase while pay to OPI inmates has not increased. The inmate made the point that the long-term workers who are serving longer sentences and living economically within the system for many years are individuals who may be less likely to receive financial support from any source other than their OPI income, and the longevity pay would serve as an incentive to the experienced worker.

- **ReEntry of Inmates**

Insomuch as the OPI experience for some inmates is likely one of the last experiences prior to release and recognizing the emphasis on re-entry among DRC priorities, the subject has also become a priority of focus within the framework of OPI. Reentry became, therefore, a topic of frequent discussion at PLAC meetings. Early in the biennium, March 2005, an International Association of Reentry (IAR) summit was held in Columbus. Barriers to effective reentry have been identified as (a) an absence of communication vertically to all levels of staff and inmates, (b) ineffective supervision of the goals and ineffective implementation of goals, (c) lack of continuity between prison and parole, and (d) absence of community resources that compliment parole work. A second summit in August 2006 was held to revisit the reentry piece in corrections and to set about developing the infrastructures within the agency in this area.

Information was presented in April 2005 about a Department of Labor federal grant of \$660,000 over three years for reentry programming. This web-based program is to provide job training, mentoring, links to housing, substance abuse help, and mental health support during the reentry period. The DRC Director is reportedly taking the concept into consideration.

A collaborative JFS-DRC program, *Job Linkage*, reportedly continues to help parolees, but without the Ohio Department of Job and Family Services providing timely information to DRC. An update on Job Linkage was provided at the January 2006 PLAC meeting. The presentation included that of all inmates released, nearly 31 percent obtained employment, predominantly through the Ohio Department of Job and Family Services. Using a grant from the National Institute of Corrections, workforce development specialist training is being delivered to community partners and agencies. Offenders may apply for work online and employers may view applications. Employment videos have increased from 12 to 15 per year.

In August 2005, reentry again received considerable attention at the PLAC meeting. It was established that the 'revolving door' that prevents inmates from remaining out of prison is somewhat perpetuated by a lack of life and marketable work skills. Reentry

programming must happen both inside and outside the institution. A 12-month reentry program was mentioned that includes job placement, job training, and job transitioning. Questions were raised about reentry and interventions relevant to sex offenders as a specific group. The suggestion was submitted that reentering inmates ought to be clothed in attire that makes the individual blend into societal norms. Clothing that might include khakis and golf shirt, which could be manufactured in an OPI dothing shop, was suggested. Since recidivism relates to reentry, there was distribution of a paper on the Second Chance Act. In addition, there was mention of a study by the U.S. Department of Education that identified that Ohio's college instruction to inmates has been shown to be the best in reducing recidivism in inmates who are 25 years old or younger.

In September 2005, the Transitional Educational Program (TEPS) was identified for its provisions to identify skill niches and train offenders for work in specific niche areas. Specific to hiring of ex-offenders, a State Agency Reentry Coalition has been formed to give released offenders consideration for employment in certain jobs. The Ohio Department of Transportation reportedly belongs to the coalition. It was established that ex-offenders need much community support, and should receive the same rate of pay as other employees. Even though some support exists for hiring ex-offenders, as seen through a suggestion that employers could potentially receive a tax credit for hiring an ex-offender, it was felt that consideration should be given to any impact that the hiring of ex-offenders might have on a reduction in hiring union workers and the issues such a scenario might create. Since previously prevalent service jobs are disappearing, training inmates for service positions should be reduced. Open Houses at the individual institutions may play a constructive role in establishing a positive image of an inmate's ability to be a productive employee.

The August 2006 PLAC meeting, held at the McKinley showroom, focused entirely on reentry, specifically employment of ex-offenders. In attendance were representatives from DRC Directorship, OPI, Office of Prisons, Ohio Central School System, PLAC, Religious Services, Adult Parole Authority, Research Division, Office of Policy and Offender Reentry, and Quality and Community Partnerships.

During the session the group collaboratively identified the following issues as important:

1. What are we currently doing and what are we doing well?
2. What do we need to do and what are the means to accomplish that?
3. Formation of an efficient marketing plan.
4. What are our challenges?
5. How do we measure results?
6. Are inmates receiving marketable skill sets?
7. Who is doing reentry employment well?
8. What legislation impacts reentry employment?
9. How can we favorably impact job retention?
10. What lateral sanctions must be considered?

The topics of discussion from the August meeting are shown in the following list, which mirrors many of the topics that have been given consideration at the other monthly PLAC meetings:

- Need for interdepartmental communication.
- Identification of true employable skills.
- Partnering with private entities such as Ohio State University for training.
- Skill training in resume writing, interviewing, job retention, and life skills.
- Transitional education programming for short-term offenders.
- Completion rates for GED.
- Accessing religious services that also have businesses.
- A pilot project for job fairs (Reentry Expo) bringing employers and offenders together.
- Development of an employer database.
- Development of a catalog of data for each offender, to include work status and changes.
- Create awareness of the Job Linkage Program (use of video conference to bring employers and offenders together.)
- Quality service and community service initiatives.
- Workforce Development Workshops to partner with resources in major Ohio cities.
- Provisions for job application and orientation training.
- Bureau of Motor Vehicles agreement for providing identification to offenders giving access to drivers' licenses and state identification enabling receipt of various services.

It was determined that the goals for all efforts in vocational training and employment preparations come down to readiness, retention, and results. These three concepts were to direct the efforts of participants at a two-day summit that commenced following the August meeting at the McKinley showroom.

Returning to the regular format at the September PLAC meeting, the reentry subjects of concern continued and included: employment programming specifically for the short-term and low-level offender, family support, housing issues, and consideration of a pilot program in which parole staff serve as a placement specialist.

The final PLAC meeting of the biennial period continued to consider reentry and it was reiterated that a consultant might be needed to help define unmet needs in making inmates employable. A presentation was provided from a DRC management member working under an Executive Leadership Program on the subject of short-time offenders serving 12 months or less.

- **Marketing and Sales**

While acknowledging that the mission of OPI is to train inmates rather than to make profits, the subjects of marketing and sales emerged at numerous times throughout the biennial period. As early as August 2005, it was noted that work was being completed to document and finalize some processes of Order Entry, Distribution, and Invoicing. These topics continued to be of interest to PLAC members. By September 2006, it was also noted that in order to sustain and grow income, forecasting to five years and beyond must be done. In September 2006, the financial report affirmed that forecasting was becoming more effective.

Throughout the biennium, attention was given to individual businesses relevant to marketing and sales. Among OPI businesses, modular installation received some focused marketing attention during the biennium. A new inside sales representative was reportedly hired as well. It was noted that marketing skills and development of new products for OPI are areas that need attention. Collective thoughts are that improvements should and will be made to marketing plans and operations to create growth in sales. Clarification was sought early in the biennial period regarding how the current OPI sales force fulfill marketing tasks and garner new business for OPI, and also that guidelines and expectations should be developed for the OPI sales force. It was agreed that the issue of sales (and also of pricing) should be reviewed and a presentation was suggested for June 2005. The importance of marketing plans to the success of OPI businesses continued throughout the biennial period. In addition, it was noted that incentives, commissions, and motivation of the sales force likely ought to be addressed. Related to marketing and promotion of OPI products, it was suggested that as a public relations strategy, OPI might attempt to get newspapers more engaged in the stories of OPI and get some positive coverage of purposeful events and agency successes. It was also suggested that OPI consider assigning a person in the field to flush out issues and obstacles to the acquisition of new business as a means of increasing revenues. A review of historical marketing activity could prove to be worthwhile in revealing past successful or failed efforts and suggest possible new or revived methods of marketing.

- **Products and Pricing**

Throughout the biennial period, discussions of various OPI products were brought to the table. Included in most product discussions was pricing as a key component to the degree of success products might see in generating revenue. Among the products that received attention were meat- processing operations, beverage operations, proposed toilet paper production project, production of Braille books, the sign shop, modular offices and furniture, the flag shop, garment shops, and the vehicle service center. The expansion of the shoe/boot business to provide footwear for DYS, as a new customer, was suggested. While it was agreed that sales of OPI products could be increasingly targeted toward the needs of other state agencies, it was also noted that some issues with agencies using credit cards for purchases had become a bit problematic. Agencies' use of credit cards for purchases of chemical products from another supplier had created a purchasing method that bypassed OPI and contributed to a loss of OPI business. It was

agreed that the practice of agencies making purchases from suppliers other than OPI should be prohibited. With OPI product pricing evaluations underway, considerations are being given to the increase in gasoline prices and the advantages of bulk buying to reduce costs, as variables that impact product pricing. Also noted was the distinction between lowest price and most competitive price, and that offering products at the lowest price could potentially be a wise choice, considering the current economy. However, product pricing needs to be sensitive to any market (consumer) perception of product inferiority related to under-priced products. Discussed at intervals during the biennium was the role that *Central Warehouse* has and currently plays. Simply, agencies are required to purchase from Central Warehouse, no matter the cost; thus it was suggested as a cost containment measure to bypass Central Warehouse and save mark-up on foodstuffs. It was explained, however, that OPI has no authority in that regard.

Meat Processing

At the beginning of the biennium, the meat operations reportedly had experienced difficulties due to a power outage. Into March 2005, meat operations were still losing revenue, but plans were in place to increase revenue by the end of 2005. In April 2005, meat production was reportedly rising. By October 2005, the meat processing operation reportedly provided inmates with Certification upon completing training and was realizing 100% job placement after release. It was estimated that by July 2006, meat products would be used in all prisons. Also estimated was that the new meat processing facility was expected to reduce expenses to DRC by \$3.2 million. Meat operations were presented in July 2006. It was noted that partnering with Ohio State University has given inmates an opportunity to complete a certification program and additional continuing education. A marketing plan, under development at that time, included sales of ox tails, neck bones, and internal organs, and the development of a veggie burger. It was noted that the variety of consumer demands are a challenge to meat operations. Deficient and broken equipment has become a threat to the production of meat products. Goals include having all systems operating at 100% by 2007, having all products online by 2008, and supplying products to DYS. Pricing must competitively consider private sector pricing, and the impact of Central Warehouse sales as part of OPI competition. By December 2006, all DRC institutions were reportedly ordering products from the OPI meat processing operations.

Beverage Operations

In July 2006, the milk operation was presented. It was noted that old equipment was to be replaced, a step that would increase current production and allow for expansion of beverage product lines. In addition, the operation needs more workforce training and expansion of the customer base. Future products reportedly may include ice cream, yogurt, flavored milk, low fat milk, and Grade A cream for human consumption. Diesel fuel costs are reportedly driving up costs to deliver products.

Toilet Paper

In the spring of 2005, the toilet paper project was reportedly reconsidered for possible inclusion in OPI businesses. In the fall of 2005, the discussion continued with questions raised regarding the proposal for manufacturing and distributing toilet paper. In January 2006, PLAC heard information on market trends, pricing, support for the Buy Ohio concept, operational goals, sources and costs for raw materials and equipment relevant to the toilet paper proposal. Some questions were raised about consideration for used versus new equipment and whether research had been completed regarding competitors in this market. A PowerPoint presentation on the toilet paper proposal was provided in March 2006. By April 2006, it was suggested that some studies be completed of the proposal and by July 2006, the project was reportedly out for bid with a requested report to be forthcoming. In September 2006, requests were made for a re-evaluation of the toilet paper project and in December 2006, the project was reportedly re-bid due to issues of concern.

Braille Books

The biennial period began with a review for expansion of the Braille program at Grafton Correctional Institution, with a scheduled start date of July 1, 2005. Under the program, inmates would create instructional materials for use at the Ohio School for the Blind through a partnership with OCALI and Insight into Braille. Steps are being taken to make Braille production an apprentice program. Under the program, OPI will hold copyrights on the Braille books produced, thus enabling revenue from sales to other schools or businesses.

Signs

It was noted that technology in producing signs has changed, and the current OPI sign equipment cannot keep pace with the needs and demands of current customers. Nonetheless, sign business has been promoted to cities and local public entities. OPI has a sign contract with Cincinnati. Universities were identified as a possible group of sign customers. Encouragement was offered to target local communities for sign contracts.

Modular Offices and Furniture

Early in the biennium, the McKinley Avenue showroom renovations were ready for inspection. OPI modular offices and furniture are shown in the updated showroom to potential customers. Partnerships with private vendors were under development in Spring 2005. There have been multiple government agencies as customers for furniture. Agencies included Department of Taxation, Ohio Department of Job and Family Services, Ohio Information Technologies, Department of Mental Retardation and Developmental Disabilities, and the Rehabilitation Services Commission (RSC), which chose a vendor other than the local Thomas Ruff and Continental, causing a negative response from the local companies and prompting OPI to clarify its neutral position in customer choice matters. Through the biennium, even as late as September 2006, the

large RSC project accounted for revenue to OPI. By January 2006, it was reported that Intensive Program Prison (IPP) boot camp at Southeastern Correctional Institution was being considered to partner with the OPI modular installation business. For the month of June 2006, modular furniture outpaced other products, including auto tags, for generating the most revenue.

Flags

The flag shop at Ohio Reformatory for Women is in a partnership with a locally owned and successful business known as The Flag Lady. Flag Shop operations are reportedly steady, employing 45-50 inmates full time each week. The owner of The Flag Shop has reportedly taken a personal interest in the training of inmates in skills needed to create custom flags, providing that training directly to the inmates.

Garment Shops

The increase in inmate population steadily increases the need to manufacture inmate clothing at the London and Allen correctional institutions. Related to the increase in clothing is the increase in lockers, which is an OPI industry.

Vehicle Service Center

In October 2006, it was noted that the Vehicle Service Center brings value to the DRC by providing vehicle service considerably under market trend costs, yet there has been a slowdown in business. The shop is transitioning to computerized technologies and will offer inmates an opportunity to earn ASE certified mechanic training and credentials. The Vehicle Service Center operates from the McKinley Avenue location and will reportedly begin the certification program with 16 initial inmates, five of whom will serve as trainers to other inmates upon completion of their own certification. This program is projected to begin in the summer of 2007.

Vehicle Modification Center

The vehicle modification center is located at the Chillicothe Correctional Institution. The main customer of the operation is the Ohio Department of Transportation (ODOT). OPI is currently preparing to begin a refurbishing program in conjunction with ODOT. It is expected that ODOT will supply the center with considerable work in refurbishing old ODOT trucks in lieu of purchasing new, thus creating a large cost savings for ODOT.

• Other Products and Possible New Products

Relevant to South Carolina inmate employment operations, that state reportedly has a ten-year contract with Anderson Floors for inmates to make **flooring products**, an operation that employs 1,100 inmates. Ohio's PLAC members relayed interest in such a contract that could employ a large number of inmates. During 2005, a new shoe contract was reportedly closed for **shoes** to be made at SOCF. In April 2005, a company that makes **golf shafts** was suggested for contemplation, but it was recounted that Ohio has no arrangements to ship outside the state and this company serves customers nationally. In September 2006, it was noted that OPI must identify and consider additional consumables in the OPI product mix.

***AGENDA DETAILS OF THE PRISON LABOR ADVISORY COUNCIL'S
MONTHLY MEETINGS***

The following tables provide monthly summaries of the main points of discussion, notable financial and education highlights, and summaries of presentations for each of the monthly meetings held during the biennial period.

Prison Labor Advisory Council (PLAC) – January 15, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • OPI will be represented in South Carolina in February to help conduct assessments for the PIE programs there. • PIE insurance issue is still pending. • In April OPI representatives will attend the NCIA conference in Minnesota, conducting leadership tracks, and staff a booth. • A review for expansion of a Braille program at Gafton Correctional Institution is pending. • Staff changes and additions to OPI Marketing are expected to produce improvements and growth in sales. • McKinley Ave. renovations and showroom are inspection-ready. • Suggestions for improving OPI operations were encouraged. • Recommendations were made for OPI to link with Congressional leaders from Ohio to engage with federal plans and programs to reduce recidivism and improve re-entry results. • OPI Annual Report is being completed and will be distributed. • Meat Processing Center experienced difficulties due to a power outage.
Financial Highlights	<ul style="list-style-type: none"> • Recognition was made that invoicing needs to occur as soon as product is shipped. • Recognition was made that Syteline 7 needs to be implemented, but cannot occur until problems with Syteline are resolved. • Monthly financial report included YTD Balance of 7.3 million with 4.3 million expected, the Niles project is in escrow for \$515,000, and a lawsuit is pending. • New Account Clerk and other staff on loan to OPI will play roles in making OPI financial records up to date and also in getting vendors paid.
Presentations	<ul style="list-style-type: none"> • GED Report was presented, with a request to add a footnote indicating cumulative percent of inmates that were illiterate. • An action plan was requested to show plans for reducing wait lists for inmate enrollment in specific programs.

Prison Labor Advisory Council (PLAC) – February 16, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • Review of the Rehabilitation Services Commission project regarding their selection of a vendor (MW International) for modular products over Thomas Ruff and Continental. • Reference was made and interest shown in a correctional institution in South Carolina that has a 10-year contract with Anderson floors for inmates to make the flooring, an operation that employs 1,100 inmates. • It was noted that the SC operation has no issue with inmate insurance and also that direct shipping is viable since SC is a coastal state.
Financial Highlights	<ul style="list-style-type: none"> • Revenue for end of January was 7.3 million. • A request was made that the Financial Report include Revenue Year-to-Date of Previous Year. • Invoicing policy has been revised from 21 days to four days. A request was made to try to shorten the time to two days. • Syteline 7 project will be reviewed as well as a system, People Soft, that is a component of OAKS system.
Presentations	<ul style="list-style-type: none"> • Education presentation dealt with a transitional education program, Providing Transition for Successful Change. The program includes acquisition of skills, participation in distance learning, and web-based instruction.

Prison Labor Advisory Council (PLAC) – March 15, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • The International Association of Reentry Summit (IAR) meeting took the place of the regular PLAC monthly meeting. • Review of barriers to effective re-entry: thorough communication of goals and objectives to lowest level, effective supervision of goals and implementation, assurance of continuity between prison and parole, assurance of community resources working to compliment parole work. • Meat processing is still losing revenue, but plans are in place to increase by 50% by end of year. • Job Linkage project with JFS continues with some slowness from JFS in providing DRC with information. • Guidelines and expectations should be developed for the OPI Sales Force.
Financial Highlights	None
Presentations	None

Prison Labor Advisory Council (PLAC) – April 20, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • DRC Assistant Director reported on several topics: budget continues to be a major issue, short-time offenders (62%) are a subject of study regarding programming for employment, female population is the fastest growing population in Ohio prisons, Intensive Program Prisons (IPP) have added new programs, a medical hardship release program is under development. • A large medical lawsuit is still reportedly unsettled. • The OPI Annual Report was distributed • Updates on several OPI issues included: partnership with YUSA (truck company at ManCI), hiring of a full time Quality Assurance person, rising production at the Meat Processing Career Center, new shoe contract for shoes made at SOCF, modular sales possibilities to Dept. of Taxation, MRDD, PIE and inmate insurance issue, and recent presentations by OPI at NCIA Leadership Track meeting, the Braille project is moving ahead and scheduled to start on July 1 at Grafton (GCI), the toilet paper project is being reconsidered for possible inclusion as an OPI business. • An interest was indicated in learning how the OPI sales force fulfills marketing and garners new business for OPI.
Financial Highlights	<ul style="list-style-type: none"> • Syteline 7 is moving forward and an operations review is scheduled for completion in upcoming two to three weeks. • Revenue is down due to meat processing online costs, but will see a gain from the modular business. • Questions were addressed regarding the collection of old debts, engaging the Attorney General in collections, and the use of purchase orders that have not had monies encumbered.
Presentations	<ul style="list-style-type: none"> • Videoconference presentation on a Dept. of Labor federal grant for re-entry, which is a \$660,000 grant that may be extended through three years. This Web-based program will provide job training, mentoring, links to housing, substance abuse and mental health support during re-entry. It is a ten-week course. The concept will receive Director review for possible approval.

Prison Labor Advisory Council (PLAC) – May 18, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • A potential company that makes golf shafts was mentioned as a business that is looking for inmate labor. It was explained that the above company ships goods outside Ohio, and that OPI industries are not currently structured to handle that shipping arrangement. • An update on PIE was offered. The relevance of PIE was explained inasmuch as OPI cannot insure inmates; OPI is waiting to obtain insurance. Currently, Liberty Mutual is reviewing this form of policy. • It was reiterated that the mission of OPI is about training inmates, rather than to make profits. • It was noted that the issues of pricing and sales were to be included in the items on the agenda. It was agreed that these topics would receive presentation at the next meeting in June. • It was noted that meat processing just began in January 2005 and that it would be July 2006 when these operations would be in all prisons. • Partnerships with private vendors on modular workstations are still in progress. • The desire to have Wardens involved in the OPI industries within their institutions would indicate that Wardens should receive copies of financial or other related documentation about the industries within their institutions. • It was reiterated that shop monthly reports reflect ACA standards and measurements of performance. • An OPI project to create instructional material in Braille for the School for the Blind is still underway.
Financial Highlights	<ul style="list-style-type: none"> • It was noted that financial reports would be offered at PLAC meetings, whereas they had not been a prior component of the meetings since the preceding September.
Presentations	None

Prison Labor Advisory Council (PLAC) – June 15, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • Updates to current issues included that Grafton is scheduled to open a shop that relies on a partnership with OCALI and Insight into Braille, OPI customers using modular products include Dept. of Taxations, Rehabilitation Services, Commission, Ohio Job and Family Services, and Ohio Information Technologies. • Use of credit cards for purchases by some agencies has caused some sales of chemical products to bypass OPI. • Sales of OPI signs were discussed, with the comment that since technology has changed, OPI equipment cannot keep up with the needs/demands for orders.
Financial Highlights	<ul style="list-style-type: none"> • Clarification was sought regarding what the financial report should display for PLAC members. • Questions regarding the collections of past due accounts were addressed. Indications were made that the amount of accounts receivable has been coming down. When accounts are turned over to the Attorney General for collection, the AG's office takes nine percent of the recovery.
Presentations	

Prison Labor Advisory Council (PLAC) – July 20, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • Discussion commenced on the issue of institutions using credit cards to order chemical products from another supplier, and not from OPI. This practice was held in disdain and should be prohibited. • The status of the PIE program was discussed, with agreement that if the Dept. of Insurance cannot fulfill insurance need, then new legislation and language would have to be drafted. • The institution of Monthly Reports/Outcome Measures regarding OPI operations and details of inmate participation has become an asset in OPI being able to communicate and work with Wardens so that OPI worker hours are maximized on the job and not compromised due to the overriding operations within the correctional institution, for example, how count and chow call are handled.
Financial Highlights	<ul style="list-style-type: none"> • With end of fiscal year on June 30, 2005, OPI has completed inventories and holding budget meetings in every shop. Included in meetings, are figures, financials, issues, training, and Syteline.
Presentations	<ul style="list-style-type: none"> • Education report included a quarterly and year-end report. • Goals the coming year for educational programming included continuation of inmates using the Internet as part of the IPP program at North Coast Correctional Treatment Facility.

Prison Labor Advisory Council (PLAC) – August 17, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • Reentry issues were discussed as a priority. • PIE still struggles with the insurance issue, with possible language to be introduced in a bill to provide insurance options. • The perspectives of society and federal government were relayed based on media publications. Core concept of reentry is the need to stop a revolving door that inmates get trapped in, and the need for life and marketable work skills was identified as one of the most essential necessities for reentry success. • It was acknowledged that re-entry programming must take place both inside and outside the correctional institution. • A recidivism/reentry paper (on the Second Chance Act) was distributed. • Questions were raised regarding the reentry measures and interventions for sex-offenders. • Acknowledgement was offered about the reality of a 12-month reentry cycle that includes job placement, job training, and job transitioning. • A study by the U.S. Dept of Education reported that Ohio's college instruction to inmates has been shown the best in reducing recidivism in inmates 25 years old or under. • It was noted that a re-entering inmate's clothing should allow him to blend more appropriately into society, and that the OPI clothing shop could make those clothing items, something like khakis and golf shirt.
Financial Highlights	<ul style="list-style-type: none"> • The Accounts Receivable summary and the 90 days late policy were discussed. • Work is being completed to document and finalize the processes of Order Entry, Distribution, and Invoicing.
Presentations	None

Prison Labor Advisory Council (PLAC) – September 21, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • Reduction of barriers to ex-offenders getting a successful restart. • Need for personnel assigned to handle public relations effort. • Community support is needed for ex-offenders. • Old OPI service jobs are disappearing. • Ex-offenders in military and the issue of ex-offenders bearing arms. • Open houses at each institution help improve a positive image. • Marketable labor skills include computer and Internet skills, which presents a dilemma for DRC and inmates due to security issues. Consideration for duplicating MCI's Life Line computer skill lab has merit. Program is grant funded, not part of DRC education division. • TEPS (Transitional Educational Program) is a concept at core of re-entry programming --- to identify skill niches and train offenders for work in those areas. • State agencies historically have not hired ex-offenders; yet now a State Agency Re-Entry Coalition exists. (Example: ODOT belongs to such a coalition.) • Intensive Program Prison (IPP) stresses education in boot camp setting.
Financial Highlights	<ul style="list-style-type: none"> • Increased monitoring of variances and analysis of where system has problems in collection of revenues and in isolation of product losses. • Inmate insurance and workers' compensation program is under development. Finding a willing insurance carrier is a difficult task. • Cost of raw materials for products is continuously going up; now fuel surcharges are making an impact.
Presentations	None

Prison Labor Advisory Council (PLAC) – October 19, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • Legislative Liaison updated PLAC regarding ex-offenders being permitted to enlist in military and bear arms. DRC Legislative Liaison to provide presentation at November PLAC meeting. • Reiteration was made of the value in allowing released inmates to serve in the military, which currently is not the practice. • DRC is reviewing legislation to offer tax credit for employers who hire ex-offenders. The Second Chance Act is being suggested. • Meat Processing Career Center was reported as providing inmates with Certification upon completion of training, and having 100% job placement after inmate release. • New meat processing facility should reduce costs to department by \$3.2 million. • Sign shop has a contract with Cincinnati and is discussing work with other cities and local public entities. Consideration could be made to universities as sign customers. • PIE update included that insurance remains an issue. A new full time PIE Coordinator will work with broker and insurance company to write an applicable policy.
Financial Highlights	<ul style="list-style-type: none"> • Cash balance on hand was approximately \$7 million. Open receivables were at \$3.5 million. • Niles project is still pending (\$500,000). • Product pricing evaluations are underway, with consideration given to <u>increases in gasoline prices having an impact on product price structures.</u>
Presentations	<ul style="list-style-type: none"> • Education presentation included that about half of inmate population has a verified GED or higher education level. • Braille production continues at Grafton with steps taken to make it an apprenticeship program. OPI will 'own' the Braille books that it produces, thus enabling future revenue from OPI sales to other schools or businesses.

Prison Labor Advisory Council (PLAC) – November 16, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • Report given on offender sentencing, expansion of local judicial latitude and options, considerations for early release. • Opponents argue this would violate truth in sentencing. • ~ 7,000 non-violent offenders could be affected by not being placed into DRC system. • Consideration possible for employers to receive tax-credits for hiring ex-offenders. • Collateral Sanctions should be considered – allowing ex-offender to obtain license from a state board or commission to practice a licensed trade. • Distinction should be made to the public about determinant and indeterminate sentences and the impact on the local community of each. • New legislation should be considered. • Comments were shared regarding a recent shake down in an OPI shop for contraband, key control techniques, chemical control, and tool storage. • Discussion and questions were entertained regarding the proposed production of toilet paper manufacturing and distribution as a potential new OPI business.
Financial Highlights	<ul style="list-style-type: none"> • Discussion and review of the previous month's financials included comments that old unpaid invoices are being targeted for collection. • Sales data are to be added to the monthly financial reports.
Presentations	<ul style="list-style-type: none"> • Meat processing operations were presented. • Education update included that there still remains a teacher shortage due to budget cuts.

Prison Labor Advisory Council (PLAC) – December 14, 2005	
Topics of Discussion	<ul style="list-style-type: none"> • Warden Beightler at Marion Correctional Institution gave an overview of Marion's operations, programs, population, etc.
Financial Highlights	<ul style="list-style-type: none"> • Report included acknowledgement that a large portion of revenue is forthcoming from Ohio Job and Family Services; winter expenses will consume much of the revenue.
Presentations	<ul style="list-style-type: none"> • <i>Possum Gulch</i> play/musical was performed by the MCI inmates for PLAC members.

Prison Labor Advisory Council (PLAC) – January 18, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • Presentation on toilet paper proposal included market trends, pricing, supporting Buy Ohio concept by becoming an Ohio company, goals of the operation, product pricing structure, sources for raw materials and equipment, costs of raw materials and equipment. Questions asked about the proposal dealt with research of competitors and new versus used equipment. • PIE update was provided and included reference to a meeting regarding the insurance issue. DRC Legal Services is drafting language to change ORC so that insurance may be obtained. • The Intensive Program Prison (IPP) boot camp at SCI is being considered to partner with OPI modular installation business. • Marketing updates included continuation of modular installations, hiring of a new inside sales representative, expansion of shoe/boot business for DYS as a new customer.
Financial Highlights	<ul style="list-style-type: none"> • Cash balance was over \$10 million for end of December and 2005 revenue might reach \$36 million. Receivables are improving. Monthly shop reports reflect \$1.8 million positive. Meat operation is still growing and expanding, equipment issues being resolved, and projected to reach all institutions by October 2006, with online to be fully implemented by July 2006.
Presentations	<ul style="list-style-type: none"> • Job Linkage update was presented: Of all inmates released, 30.9% obtained employment. Using a grant from NIC, workforce development specialist training to community partners and agencies is being delivered. Offenders may apply for work online and employers may view applications. Employment videos have increased from 12 to 15 per year. Currently, jobs constituting the 30.9% are nearly all obtained through ODJFS. • Education report included a second quarter report for the Ohio Central School System. Reference was made to the need to look at a full year to get a sense of GED completion rate and success.

Prison Labor Advisory Council (PLAC) – February 15, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • Racial mix in OPI industries looks good. • Two PLAC members will need to be appointed; nominations are being considered. • BMV is playing a key role in providing identification to inmates at release. • Marketing plans are of importance to success of OPI businesses. • Sex offender, sexual assault in prison, and PREA issues were discussed.
Financial Highlights	<ul style="list-style-type: none"> • Financial report included that plans for improving invoicing and updates on several of the OPI businesses.
Presentations	<ul style="list-style-type: none"> • Presentation by Terry Collins, Deputy Director of DRC. Reviewed staff levels, inmates levels relevant to SB 2 and inmate releases, the Ankrom cases, the flat time provisions under SB 2, Ohio's recidivism rate of 38% compared to national average of 50%, sex offender is the biggest social and recidivism issue. • Education report included that ESL is a current issue due to increase in Hispanic population, and that teacher layoffs are being prevented through collapsing of maintenance portion of budget.

Prison Labor Advisory Council (PLAC) – March 15, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • Issue of inmate population increase was addressed by Dir. Wilkinson and Dep. Dir. Collins. • Policies about inmate compensation were provided for clarification. • Toilet paper proposed project was discussed through a PowerPoint presentation. • Various OPI industries were discussed regarding their profitability.
Financial Highlights	<ul style="list-style-type: none"> • Financial report showed OPI with approximately \$1,000,000 surplus due to improved methods of collections on overdue receipts.
Presentations	<ul style="list-style-type: none"> • Education report indicated that the education budget is in the deficit due to a lower than expected rate of attrition. No employees will be hired to fill vacancies. Wardens have requested educational programming, which cannot be delivered due to budget cuts.

Prison Labor Advisory Council (PLAC) – April 19, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • New DRC Director Terry Collins provided goals of hands-on directorship: ethics, safety and security, meeting needs, being straightforward, doing what is right all the time, and accountability. • New Assistant Director DRC Mike Randall was introduced, provided that he wants effective programs, and proper preparation of inmates. • New directorship preparing transition documents for new governor in fall. • OPI modular offices and furniture shown in updated showroom on McKinley Drive for potential customers to view. • Discussion on incentives, commissions, motivation for sales force. • Bulk buying of raw materials should drive down our costs. • Concern relayed about ex-offender not being able to enter military. • Toilet paper project discussed with goal of some studies of the proposed project to be completed.
Financial Highlights	<ul style="list-style-type: none"> • Syteline 7 (OPI's internal MRP software) update offered. Plan for going live on July 1, 2006.
Presentations	<ul style="list-style-type: none"> • Sign business projected toward local entities and communities for work. • Education situation has no new teachers being hired and student/teacher use increased.

Prison Labor Advisory Council (PLAC) – May 17, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • Discussion of the perception of today's inmate and profile as an OPI employee. Discussion of the impact of OPI work on inmate's demeanor and goals, also on the changing nature of inmates from past decades. Comment made that the best inmates should be placed into OPI jobs. Part of OPI goal is to move inmates over to the pro-social side. • Discussion and suggestion for research/study of hiring of inmates and obstacles to inmates being hired after release. • Discussion of recidivism and job linkages and employer incentives to hire ex-offenders.
Financial Highlights	<ul style="list-style-type: none"> • Cash balance at end of April was up \$2 million. • The average number of days to collect on accounts continues to reduce, now to 37 days, down from 49 days a few months ago.
Presentations	<ul style="list-style-type: none"> • Education budget is still flat. No new hires.

Prison Labor Advisory Council (PLAC) – June 21, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • Discussion of agency issues regarding inmates and programming included rising age of incoming and incarcerated inmates, rising medical and educational costs, an increase in job related skills demanded by employers, getting inmates through programming during short sentences, rising cost of intake relevant to short sentence inmates. • More study should be done of hiring ex-offenders. A reentry summit, including mayors, in the fall of 2006 should provide more information. • The larger number of low level offenders forced into the system are driving up costs at the greatest rate. • PIE Prison Industry Enhancement – aware that the first six months of parole is critical to long-term success. There is a need to keep the inmate's parole officer and case manager in touch and linked regarding the inmate's post-release and to eliminate current gap in communication. • OPI should have a marketing plan. • Ex-offenders should receive same pay as other employees. • Consideration must be given to any impact that hiring ex-offenders would have on reduction in hiring of union workers. • A federal certification must be acquired in order to operate a PIE (Prison Industry Enhancement) operation
Financial Highlights	<ul style="list-style-type: none"> • End of May cash balance still at \$2 million increase over previous year.
Presentations	<ul style="list-style-type: none"> • Education reported that barber schools on hold, and closing shops. Vacancies not being filled. Grants and other federal monies were cut due to demands from Katrina and Iraq. Special education and Title 1 were both cut.

Prison Labor Advisory Council (PLAC) – July 19, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • ReEntry continues to be a big issue with DRC Director and Assistant Director. • JFS is working with DRC to help parolees. • BMV has approved acceptance of a release ID card that will enable acquisition of temporary driver license, social services, etc. • We in Ohio need more staff in workforce development operations. • Toilet tissue machine is out for bid and a report on that was requested.
Financial Highlights	<ul style="list-style-type: none"> • Financial reports will evolve to become more product based instead of institution, while still providing a profit and loss for each location. Wardens should receive OPI reports. • For end of June, the most money was made in modular furniture, rather than auto tags, historically the most profitable.
Presentations	<ul style="list-style-type: none"> • Education reported enrollments are down because there is less staff and fewer completers of programs. There are more teacher vacancies this year (~28). There are more inmates on wait lists for educational programs. Ten more teacher positions must be eliminated this year to break even financially. Efforts to find funding for GED are underway. • Milk operations were presented. Old equipment to be replaced, which will increase production and product lines. Business needs include the new equipment, more workforce training, and expansion of the customer base. Future products to include ice cream, yogurt, flavored milk, low fat milk, Grade A cream for human consumption. Diesel fuel costs are driving up costs to deliver product. • Meat operations were presented. Partnering with OSU to give inmates a certification program and continuing education. Marketing plan is underdevelopment to sell ox tails, neck bones, internal organs, etc. Consideration for development of a veggie burger. Various demands of consumers are a challenge to OPI meat operations. Deficient and broken equipment become a threat to production. Goals of meat operations include having all systems 100% operational by 2007 and to have all products online by 2008, and start to supply product to DYS. Pricing must consider pricing in the outside market, and also the Central Warehouse selling direct to institutions.

Prison Labor Advisory Council (PLAC) – August 23, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • Meeting held at McKinley Avenue location. • Agenda focused on discussion around the subject of ex-offenders gaining sustainable employment. • Goals for the day-long session included addressing the following questions and concepts relevant to reentry employment: <ol style="list-style-type: none"> 1. What are we doing? 2. What do we need to do? 3. How do we get there? 4. What are we doing well? 5. Efficient marketing plan. 6. Identify challenges. 7. How do we measure results? 8. Are we preparing inmates for correct skill sets? 9. Who is doing reentry employment well? 10. What legislation impacts reentry employment? 11. How can we favorably impact job retention? 12. What lateral sanctions must be considered? • Spokespersons from areas of corrections spoke regarding what is currently being done in reentry employment. Spokespersons represented DRC Directorship, OPI, Office of Prisons, Ohio Central School system, PLAC, Religious Services, Adult Parole Authority, Research Division, Office of Policy and Offender Re-Entry, and Quality and Community Partnerships. • Included among the topics discussed were the need for intradepartmental communication, identifying true employable skills, availing private partnerships for training (i.e. Ohio State University training in meat processing), resume writing, job retention skills, life skills, transitional education programming for short term offenders, completion rates for the GED, tapping religious services that have businesses, interviewing skills, a pilot project for job fairs (Reentry Expo) to bring employers and offenders together, development of an employer database, catalog of data on each offender including work status and work changes, creating awareness of the Offender Job Linkage Program (use of video conferences to bring employers and offenders together), quality service and community service initiatives, Workforce Development Workshops to partner with the resources in major Ohio cities, provisions for job application and orientation training, BMV agreement for providing identification to offenders giving access to drivers' licenses and state identification enabling receipt of various services. • Identified as the goals for an upcoming two-day summit were readiness, retention, and results. All efforts in the areas of vocational training, employment readiness preparation and training must point to readiness, retention, and results.
Financial Highlights	None
Presentations	Included in Topics of Discussion

Prison Labor Advisory Council (PLAC) – September 20, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • Budget cuts will require minimal purchases of everything. • Product pricing perspective taken, due to the economy, is to sell product at lowest price, (but not below cost) not necessarily at the most competitive price. • To sustain OPI industries, OPI must maintain focus on its mission to train offenders. • OPI must identify and consider additional consumables in the OPI product mix. • Forecasting to five years and beyond must be done to maintain income. • A hypothetical three percent cap on budget increase for the next biennium would require institutions to scale back in multiple ways. • OPI seeks to get PIE off the ground, provide offenders with real-world jobs, and identify what constitutes real-world jobs. • Increase in inmate population is causing some reopening of units, with crowding at 125 percent currently. • Suggested as a cost containment measure - bypass Central Warehouse and save the mark-up on foodstuffs. OPI responded that it does not have authority in that regard. • Suggested as a public relations strategy - get the newspapers more involved and get coverage of good events and agency successes. • Re-entry and ex-offender employment issues discussed: targeting the short-term low-level offender, employment, family, housing, and consideration for a pilot program whereby parole staff serve as placement specialist. • Concepts and proposals are relatively easy to prepare, but actual programming take time, would have to be created from scratch. • Sales of OPI products could be increasingly targeted toward other state agencies. • Request for status of re-evaluation of the toilet tissue project. • Update on PIE included that LSC is reviewing language; it is a political issue, to be introduced this fall in the Omnibus bill.
Financial Highlights	<ul style="list-style-type: none"> • A large project for Rehabilitative Services Commission still accounts for revenue. • In some cases, revenue is due but pending processing through OBM payment system; thus, causing a delay in reaching OPI accounts. • The garment business at London and Allen institutions is up primarily due to increase in inmate population. • The forecasting system is becoming more effective.
Presentations	<ul style="list-style-type: none"> • Presentation of the latest positive outcomes from OPI operations was provided quantitatively. • Looking ahead to products and services holding greatest potential benefit to OPI: collaboration with OSU and beverage operations, new jobs at Mansfield, new business with the Flag Lady operations, new partnerships with Ohio Dept. of Natural Resources.

Prison Labor Advisory Council (PLAC) – October 18, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • Marketing skills and the development of new business for OPI appears to be an area in need. • Some attention should be given through the Attorney General's office to collection of old debt. • OPI should clarify mission. Response: Training inmates comes first and making money is second. • Product pricing should be evaluated regarding competitive or below market pricing. Sensitivity must be exercised regarding market perception of inferiority of under-priced products. • Agencies are required to purchase from Central Warehouse, no matter the cost. • Inmate job issues of skill development, job maintenance skills/behaviors, training needs of short-term inmates, and reading levels were discussed. • Wait lists continue for inmates to take programming due to teacher shortages due to budget cuts. • Through use of tutors, the literacy program is successful.
Financial Highlights	<ul style="list-style-type: none"> • The preceding month saw significant increases in receivables, with a 56 percent increase over the same month 2005. • The Flag Shop at ORW is under partnership with The Flag Lady (private business). • Vehicle Service Center (VSC) brings value to DRC by providing vehicle service at considerably under costs that would otherwise be incurred; yet there has been a slowdown in volume of business causing concern. Yet, the shop is going to be computerized and offers ASE certified mechanic training for inmates.
Presentations	<ul style="list-style-type: none"> • DRC Director suggested looking at reclassifying inmates at level 1 so that inmates could selectively be moved through the system to reduce population and costs.

Prison Labor Advisory Council (PLAC) – November 2006 (NO November meeting)	
Topics of Discussion	
Financial Highlights	
Presentations	

Prison Labor Advisory Council (PLAC) – December 13, 2006	
Topics of Discussion	<ul style="list-style-type: none"> • Noted were the upcoming dates of June 18-20, 2007 for an OPI conference in Columbus. The conference plans include participation by correctional industry folks nationally with sessions on key topics, vendor presentations, and displays of manufactured items. • Vehicle Service Center at McKinley Ave. will be site for ASEE certification program for 16 initial offenders, to include five long-term inmates who will then serve as trainers to other inmates. • Refurbishing of ODOT trucks (instead of purchasing new trucks on a shorter schedule) through VSC services would create large cost savings to ODOT and provide good work for the center. • OPI needs to go after more business, assign a person to be in the field and flush out issues and obstacles to acquiring more business. • Syteline 7 to go live on January 1, 2007. • Increase in inmates is creating greater demand for bunks, lockers, and clothes – adding to OPI business. • Toilet paper machine project still under consideration. Project was re-bid due to special issues that caused concern. • PIE operations in Ohio are not up and running as in some other states; insurance is a sticky is sue. • Worthy of analysis is the history and analysis of marketing activity relevant to OPI products. • Consideration could be given to hiring consultant to help define needs in making inmates employable. • The unmet need to make male inmates employable is being increasingly identified by a variety of organizations, groups, research houses, and agency divisions. The employability of male inmates is a frequent topic. • “Short Timers” summary provided, which offered the core recommendations for offenders serving 12 months or less. The recommendations were the product of a group of DRC management assigned under the Executive Leadership Program. • Distinctions were clarified among the forms or releases that inmates may receive.
Financial Highlights	<ul style="list-style-type: none"> • Purchase of new equipment brought the Syteline net contribution down due to the one-time expenditure. • Flag shop operations are steady and employ 45-50 inmates full time each week. • All DRC institutions are now ordering from OPI meat operations.
Presentations	<ul style="list-style-type: none"> • Work Force Development report/update was provided, which included a review of the proposed Comprehensive Offender Employment Strategy.