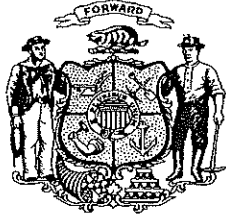


STATE OF WISCONSIN

SENATE CHAIR
Howard Marklein

316 East, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-0703



ASSEMBLY CHAIR
Mark Born

308 East, State Capitol
P.O. Box 8952
Madison, WI 53708-8953
Phone: (608) 266-2540

JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Howard Marklein
Representative Mark Born

Date: December 22, 2023

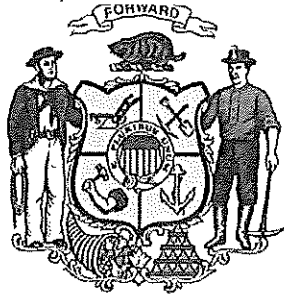
Re: DOC Report to JFC

Attached is a report on prison industries from the Department of Corrections, pursuant to s. 303.019, Stats.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

HM:MB;jm



Wisconsin Department of Corrections

Governor Tony Evers | Secretary Kevin A. Carr

December 22, 2023

Senator Howard Marklein
Co-Chair, Joint Committee on Finance
Room 316 East
State Capitol
P.O. Box 7882
Madison, WI 53707

DEC 22 2023

J. F. FINALE

Representative Mark Born
Co-Chair, Joint Committee on Finance
Room 308 East
State Capitol
P.O. Box 8952
Madison, WI 53708

Dear Senator Marklein and Representative Born:

Attached is the report on Prison Industries for the quarter ending September 30, 2023 as required by §303.019 of the Wisconsin Statutes. This report includes the cash balances of the Bureau of Correctional Enterprises (BCE) through the end of the first quarter of FY24.

Traditional Prison Industries

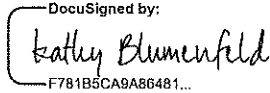
For the period July 1, 2023 through September 30, 2023, BCE had gross revenues of \$5,877,900 and cash expenditures of \$5,449,600. The first quarter ended with revenues above expenditures by \$428,300. The Department currently projects a net profit of \$393,000 on a cash basis for FY24, and a projected profit of \$152,300 on an accrual basis.

With a beginning cash balance of \$5,608,000 and year-to-date gain of \$428,300 the cash balance at the end of the first quarter reflects a surplus of \$6,036,300.

Sincerely,



Kevin A. Carr, Secretary
Department of Corrections

DocuSigned by:

F781B5CA9A86481...

Kathy Blumenfeld, Secretary-designee
Department of Administration

Attachments

cc:

Sarah Cooper, DAI
Stephanie Hove, DAI
Paul Kemper, DAI
Wes Ray, BCE
Tie Fleming, BCE
Wendy Monfils, DAI
Ann Marie Wuest, DAI
Andy Potts, DOA
Nick Richter, DOA

Doug Percy, DMS
Shannon Butcher, DMS
Steve Krallis, DMS
Dawn Woeshnick, DMS
Tim Reneau-Major, DMS
Linda Ellefson, DMS
Jere Bauer, LFB
Shannon Huberty, LFB

**BUREAU OF CORRECTIONAL ENTERPRISES
CASH BALANCE SUMMARY
AS OF SEPTEMBER 30, 2023**

INDUSTRY	TRADITIONAL INDUSTRIES			CASH BALANCE AS OF 09/30/2024
	BEGINNING CASH BALANCE 07/01/2023	FY 24 REVENUE	FY 24 EXPENDITURES	
NON PROJECT OPERATIONS				
MANAGEMENT & SUPPORT ^{**1}	0	0	0	0
DISTRIBUTION CENTER	75,700	38,100	110,000	3,800
TRANSITION PROGRAM	400	0	400	0
SUB-TOTAL	76,100	38,100	110,400	3,800
PROJECT OPERATIONS				
FURNITURE ^{**2}	0	0	0	0
SYSTEM FURNITURE	(11,807,500)	2,280,500	1,172,200	(10,699,200)
UPHOLSTERY	2,713,700	1,189,700	1,471,300	2,432,100
FURNITURE SUB-TOTAL	(9,093,800)	3,470,200	2,643,500	(8,267,100)
LAUNDRY	(726,500)	469,600	776,100	(1,033,000)
TEXTILES	(6,962,000)	206,600	390,300	(7,145,700)
METAL STAMPING	30,153,300	1,046,000	413,200	30,786,100
CANTEEN	2,200	0	2,200	0
PRINTING	(4,898,000)	7,100	22,100	(4,913,000)
SIGNS				
CUSTOM SIGNS SHOP	804,500	306,800	493,700	617,600
ROAD & TRAIL SIGNS SHOP	(1,607,000)	154,200	313,600	(1,766,400)
SIGN HYDROSTRIPPING SHOP	(1,542,600)	169,000	225,100	(1,598,700)
SIGNS SUB-TOTAL	(2,345,100)	630,000	1,032,400	(2,747,500)
PDC	0	0	0	
DURABLE MEDICAL EQUIPMENT	(598,200)	10,300	59,400	(647,300)
TOTAL	5,608,000	5,877,900	5,449,600	6,036,300

Footnotes:

1: Management & Support costs represent overhead and non-project operations. Transition program costs are substantially allocated to the appropriate industries in the current fiscal year. Any remaining costs will be allocated in next fiscal year operations.

2: System Furniture sales are derived from products manufactured by the other Industries: Wood & Laminating, Metal Furniture, and Upholstery. Costs for those products are retained by the originating shop.

BUREAU OF CORRECTIONAL ENTERPRISES
June 30, 2024 Projected Cash Profit and Loss Statement
As of September 30, 2023

TRADITIONAL INDUSTRIES

Cash Accounting

Projected FY2024 Revenue		\$ 19,650,000
Projected Cost of Goods Sold	\$ 16,309,500	
Projected Administrative Expense	\$ 2,947,500	
Subtotal		<u>\$ 19,257,000</u>

Plus beginning Cash Balance	\$ 5,608,000
Projected Cash Profit (Loss) - June 30, 2024	\$ 393,000
Projected Cash Balance June 30, 2024	<u><u>\$ 6,001,000</u></u>

June 30, 2024 Projected Accrual Profit and Loss Statement
As of September 30, 2023

Accrual Accounting

Projected FY2024 Sales		\$ 19,650,000
Projected Accrual Cost of Goods Sold	\$ 16,513,400	
Projected Accrual Administrative Expense	\$ 2,984,300	
Subtotal		<u>\$ 19,497,700</u>
Projected Accrual Basis Operating Profit (Loss) - June 30, 2024		<u><u>\$ 152,300</u></u>