



Wisconsin Department of Corrections

Governor Tony Evers | Secretary Kevin A. Carr

June 4, 2021

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

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 March 31, 2021 as required by §303.019 of the Wisconsin Statutes. This report includes the cash balances of the Bureau of Correctional Enterprises (BCE) Industries through the end of the third quarter of FY21.

Traditional Prison Industries

For the period July 1, 2020 through March 31, 2021, BCE had gross revenues of \$11,281,800 and cash expenditures of \$10,739,700. The third quarter ended with revenues exceeding expenditures by \$542,100. The Department currently projects a net loss of (\$219,200) on a cash basis for FY21, and a projected loss of (\$425,100) on an accrual basis.

With a beginning cash balance of \$1,060,500 and year-to-date profit of \$542,100, the cash balance at the end of the third quarter reflects a surplus of \$1,602,600.

Sincerely,



Kevin Carr, Secretary
Department of Corrections



Joel Brennan, Secretary
Department of Administration

Attachments

cc:

Sarah Cooper, DAI
Stephanie Hove, DAI
Paul Kemper, DAI
Wes Ray, BCE
Julie Schaus, BCE
Wendy Monfils, DAI
Brigette Smith, DAI
Andy Potts, DOA
Ryan Hutter, DOA

Doug Percy, DMS
Ray Woodruff, DMS
Steve Krallis, DMS
Dawn Woeshnick, DMS
Jordyn Rosario, DMS
Cynda Solberg, DMS
Linda Ellefson, DMS
Jere Bauer, LFB
Shannon Huberty, LFB

**BUREAU OF CORRECTIONAL ENTERPRISES
CASH BALANCE SUMMARY
AS OF MARCH 31,2021**

TRADITIONAL INDUSTRIES				
INDUSTRY	BEGINNING CASH BALANCE 07/01/2020	FY 21 REVENUE	FY 21 EXPENDITURES	CASH BALANCE AS OF 03/31/2021
NON PROJECT OPERATIONS				
MANAGEMENT & SUPPORT *1	2,537,200	0	472,200	2,065,000
DISTRIBUTION CENTER	165,200	111,000	381,800	(105,600)
TRANSITION PROGRAM	0	0	26,100	(26,000)
SUB-TOTAL	2,702,400	111,000	880,100	1,933,400
PROJECT OPERATIONS				
FURNITURE *2				
SYSTEM FURNITURE	(14,077,100)	2,448,700	2,566,700	(14,195,100)
UPHOLSTERY	533,100	1,674,600	876,400	1,331,300
FURNITURE SUB-TOTAL	(13,544,000)	4,123,300	3,443,100	(12,863,800)
LAUNDRY	(1,133,800)	1,263,800	1,251,800	(1,121,800)
TEXTILES	(7,908,300)	1,387,000	931,900	(7,453,200)
METAL STAMPING	27,980,400	1,763,100	1,079,700	28,663,800
CANTEEN	(431,900)	998,800	479,400	87,500
PRINTING	(4,462,800)	251,800	440,500	(4,651,500)
SIGNS				
CUSTOM SIGNS SHOP	687,800	684,600	728,900	643,500
ROAD & TRAIL SIGNS SHOP	(1,620,200)	626,800	985,700	(1,979,100)
SIGN HYDROSTRIPPING SHOP	(1,015,600)	52,100	446,200	(1,409,800)
SIGNS SUB-TOTAL	(1,948,000)	1,363,500	2,160,800	(2,745,400)
PDC	0	0	39,700	(39,700)
DURABLE MEDICAL EQUIPMENT	(193,500)	19,500	32,700	(206,700)
TOTAL	1,060,500	11,281,800	10,739,700	1,602,600

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

Traditional Prison Industries

**June 30, 2021 Projected Cash Profit and Loss Statement
As of March 31, 2021**

Projected Revenue		\$ 16,253,000
Projected Cost of Goods Sold	\$ 13,652,500	
Projected Administrative Expense	<u>\$ 2,819,700</u>	
Subtotal		<u>\$ 16,472,200</u>
Plus beginning Cash Balance		\$ 1,060,500
Projected Cash Profit (Loss) - June 30, 2021		<u>\$ (219,200)</u>
Projected Cash Balance June 30, 2021		<u>\$ 841,300</u>

**June 30, 2021 Projected Cash Profit and Loss Statement
As of March 31, 2021**

Projected Sales		\$ 16,253,000
Projected Cost of Goods Sold	\$ 13,823,200	
Projected Administrative Expense	\$ 2,854,900	
Subtotal		<u>\$ 16,678,100</u>
Projected Accrual Basis Operating Profit (Loss) - June 30, 2021		<u>\$ (425,100)</u>