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
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
## Traditional Industries

<table>
<thead>
<tr>
<th>Industry</th>
<th>Beginning Cash Balance 07/01/2020</th>
<th>FY 21 Revenue</th>
<th>FY 21 Expenditures</th>
<th>Cash Balance as of 03/31/2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non Project Operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management &amp; Support *1</td>
<td>2,537,200</td>
<td>0</td>
<td>472,200</td>
<td>2,065,000</td>
</tr>
<tr>
<td>Distribution Center</td>
<td>165,200</td>
<td>111,000</td>
<td>381,800</td>
<td>(105,600)</td>
</tr>
<tr>
<td>Transition Program</td>
<td>0</td>
<td>0</td>
<td>26,100</td>
<td>(26,000)</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>2,702,400</td>
<td>111,000</td>
<td>880,100</td>
<td>1,933,400</td>
</tr>
<tr>
<td><strong>Project Operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>*<em>Furniture <em>2</em></em></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>System Furniture</td>
<td>(14,077,100)</td>
<td>2,448,700</td>
<td>2,566,700</td>
<td>(14,195,100)</td>
</tr>
<tr>
<td>Upholstery</td>
<td>533,100</td>
<td>1,674,600</td>
<td>876,400</td>
<td>1,331,300</td>
</tr>
<tr>
<td><strong>Furniture Sub-Total</strong></td>
<td>(13,544,000)</td>
<td>4,123,300</td>
<td>3,443,100</td>
<td>(12,863,800)</td>
</tr>
<tr>
<td>Laundry</td>
<td>(1,133,800)</td>
<td>1,263,800</td>
<td>1,251,800</td>
<td>(1,121,800)</td>
</tr>
<tr>
<td>Textiles</td>
<td>(7,908,300)</td>
<td>1,387,000</td>
<td>931,900</td>
<td>(7,453,200)</td>
</tr>
<tr>
<td><strong>Metal Stamping</strong></td>
<td>27,980,400</td>
<td>1,763,100</td>
<td>1,079,700</td>
<td>28,663,800</td>
</tr>
<tr>
<td>Canteen</td>
<td>(431,900)</td>
<td>998,800</td>
<td>479,400</td>
<td>87,500</td>
</tr>
<tr>
<td>Printing</td>
<td>(4,462,800)</td>
<td>251,800</td>
<td>440,500</td>
<td>(4,651,500)</td>
</tr>
<tr>
<td><strong>Signs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Custom Signs Shop</td>
<td>687,800</td>
<td>684,600</td>
<td>728,900</td>
<td>643,500</td>
</tr>
<tr>
<td>Road &amp; Trail Signs Shop</td>
<td>(1,620,200)</td>
<td>626,800</td>
<td>985,700</td>
<td>(1,979,100)</td>
</tr>
<tr>
<td>Sign Hydrostripping Shop</td>
<td>(1,015,600)</td>
<td>52,100</td>
<td>446,200</td>
<td>(1,409,800)</td>
</tr>
<tr>
<td><strong>Signs Sub-Total</strong></td>
<td>(1,948,000)</td>
<td>1,363,500</td>
<td>2,160,800</td>
<td>(2,745,400)</td>
</tr>
<tr>
<td>PDC</td>
<td>0</td>
<td>0</td>
<td>39,700</td>
<td>(39,700)</td>
</tr>
<tr>
<td>Durable Medical Equipment</td>
<td>(193,500)</td>
<td>19,500</td>
<td>32,700</td>
<td>(206,700)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,060,500</td>
<td>11,281,800</td>
<td>10,739,700</td>
<td>1,602,600</td>
</tr>
</tbody>
</table>

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 $ 2,819,700
Subtotal $ 16,472,200

Plus beginning Cash Balance $ 1,060,500
Projected Cash Profit (Loss) - June 30, 2021 $ (219,200)
Projected Cash Balance June 30, 2021 $ 841,300

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 $ 16,678,100

Projected Accrual Basis Operating Profit (Loss) - June 30, 2021 $ (425,100)