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# State of New Jersey

## Department of Corrections



## BUREAU OF STATE USE INDUSTRIES

# ANNUAL REPORT FISCAL 1986

111 Oak St.  
CN 867  
Trenton, NJ 08625

New Jersey State Library

# **Bureau of State Use Industries**

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*Commissioner*  
*William H. Fauver*

*Asst. Commissioner*  
*Richard Waldis*

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**Annual Report**

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*Annual Message*

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# **ANNUAL MESSAGE**

**1986 proved to be a banner year for New Jersey's Correctional Industries Program. Our sales figures increased slightly over last fiscal year but more importantly we were able to improve the productivity of our operations by obtaining modern production equipment and increased efficiency through the use of our I.B M. System 36 computer. This relates directly to an improvement in the quality of products manufactured and better service to our many customers.**

**The goals of New Jersey's Correctional Industries are:**

- (1) To provide meaningful productive work for inmates incarcerated in the New Jersey Correctional system.**
- (2) To manufacture useful products for use by state agencies, institutions and political subdivisions.**
- (3) To provide a job experience that includes the development of good work habits and job attitudes.**
- (4) To provide a fiscal benefit to the State through the utilization of inmate manpower resources**

**We can attribute much of our success to the cooperation that exists between the Bureau, the Department and other State Institutions and Agencies.**

**The Bureau of State Use Industries was created by the Legislation under the laws of 1918. We operate under legislative power currently vested in the Commissioner of Corrections (R S. 30:4-4 and R S 30 4-92 thru 100) Currently Departmental Standard 610 mandates this Bureau to provide staff, technical services, capital equipment and finances required to maintain a diversified, on the job industrial training operation. All products manufactured by the industries are sold to tax supported agencies in New Jersey. State Use Industries does not receive appropriated funding and is therefore self-supporting. The Industries are operated with the aid of a Revolving Fund (R S 30 4-100) and the program is financed exclusively from earned profits.**

**Although State Use Industries is mandated by law to be self supporting, the benefits derived by inmates and society as a whole cannot be measured in terms of dollars and cents. Inmates must be taught to work with others, and to work with confidence. In many instances they will be taught a trade. Hopefully this will assist them to become self-supporting, responsible citizens when released from prison.**

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*General Highlights*

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## **GENERAL HIGHLIGHTS**

### ***INDUSTRY EXPANSION***

The Bureau has worked diligently during the last fiscal year to expand its production facilities thereby increasing the number of work opportunities for inmates.

### ***ANNANDALE:***

We anticipate that construction will begin during Fiscal Year 1987 on a building to house either a liquid blending soap manufacturing operation or a hard-mill soap plant. Both operations will employ approximately 35 inmates. Final blue prints and shop layouts have been submitted for approval

### ***RIVERFRONT:***

Equipment is currently in place to open an eight man offset printing operation. Full production will begin in July of 1986 We are hopeful that this shop will grow into a larger printing operation when expansion to the institution occurs providing more room for industrial operations.

### ***SOUTHERN STATE/LEESBURG:***

The Bureau has received requests from both institutions to explore the possibility of adding industrial operations to their facilities. Although several programs have been formulated, space for such programs is not readily available We plan to explore a variety of alternatives to costly construction for shop space

Planning is underway to obtain an additional stamping press to increase the production capacity of the tag operation. New dies have been ordered to implement the Division of Motor Vehicles 7 character personalized plate program.

**TRENTON STATE PRISON:**

Due to breaches of security the Bureau was required to close its old letterpress linotype printing operation. With the purchase of new photo-typsetting equipment we are now able to provide inmate training on offset equipment. In addition, the closing of the print shop has led to the creation of a new print shop at Riverfront. The Bureau has plans to expand the mattress and knitting manufacturing program. Expansion of existing industries will replace three-quarters of the jobs lost by the closing of the print shop.

**YCI - BORDENTOWN:**

During August of 1985 the Bureau's soap shop operation was moved from Bordentown and relocated at State Prison Rahway. Since the space available at Rahway is significantly smaller the scope of our operation has been reduced. This is viewed as a temporary move in light of the proposed construction at Annandale.

A scope of work was developed and presented to the Department for the possible expansion of the metal operation. The proposed \$700,000.00 expansion would provide 25 additional work opportunities and allow us to expand our metal shelving and fabrication capabilities. Delivery and installation of a new 135 ton Brake Press will allow for increased capacity in the fabrication of metal products.

**CLINTON.**

A plan has been implemented to renovate the old electrical system at the clothing shop. Existing electrical service is not adequate to supply several new pieces of equipment that would enable us to manufacture a superior quality garment. We are also working with the institution to expand the scope of operations in the South Hall building. With the addition of several security gates we can increase the number of work opportunities from 20 to 45.

**NEWARK:**

The Bureau anticipates moving into the newly constructed Facility in late F Y '87 Our plans are to operate a large clothing shop which would employ approximately 100 inmates with the possibility of more than one work shift

**RAHWAY:**

The Bureau has been approached by the Department and Institution to consider moving it's industrial operations into the vacant regional laundry building. We feel this would be an ideal locale and are anxious to move, pending completion of roof repairs. A building of this type would allow for a greater number of work opportunities and provide us with a loading dock for shipment and deliveries

**COMPUTERIZED OPERATION:**

During the last 6-7 months the Bureau has been implementing its new IBM System 36 computer into the order entry and financial functions of the Central Office operation. The system maintains a real-time inventory allowing us to enter customer orders and ship product, if available, within 24 hours. This has resulted in an increase in our ability to handle a large number of orders quickly and accurately. In turn we have seen an increase in our cash flow since bills are generated automatically once a customer has received the merchandise During the next year we anticipate adding a material resource planning program to help gauge production Several other states have visited the Bureau to view the computer that has become the heart beat of our operation

To provide us with accurate financial information the Bureau tied into the State's Agency Accounts System via the System 36 computer This is the first installation that has connected to Treasury using existing equipment versus renting terminals and printers from the Department of Treasury

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### **MARKETING.**

In an attempt to expand our market and generate a higher sales volume the Bureau attended the N J League of Municipalities convention in Atlantic City. Several hundred contacts were made with State, County and Municipal officials. In addition we manned a display at the N J /ACA Conference in Cranbury, N J. The booth attracted over 200 visitors all of whom are employed by Correctional Agencies throughout the State.

We will continue placing an emphasis on marketing next year by attending the N J School Boards Convention as well as distributing promotional literature on a specific product items. (An intense effort will be made to have a new catalog issued before the end of F Y '87). In addition we will be actively pursuing sales in the County and Municipal Govt Markets, through direct contact with County Purchasing Agents. Price lists and order forms have been developed and issued to our customers. We are currently developing a new catalog which will be issued during the next Fiscal Year.

Our new showroom located at the Central Warehouse has enabled customers throughout the State to view our complete product line. Further marketing efforts have been made through an agreement with OTIS which now displays our line of data processing furniture in their computer showroom.

### **SHELVING**

Due to the issuance of GSA Policy Circular No 86-02 the Bureau has stopped the manufacturing of all shelving units. We are working with GSA to develop a specification which will outline component testing and labeling to insure safety in the construction and assembly of shelving units. We anticipate production commencing in early F Y '87.

The Bureau has obtained two 20ft diesel straight trucks to deliver larger loads of product to customers more efficiently. Delivery is anticipated in July of F Y '87 of new tractor-trailer. The Bureau's growth has required the use of tractor-trailers for movement of raw materials and finished product.

**PERSONNEL ACTIONS:**

During the past Fiscal Year the Bureau hired eight new employees. Nine other employees fit in the categories of resigned, retired or transferred to other State Agencies. Fifteen employees were promoted within the Bureau's operation.

Central Office staff completed 160 visitations during this Fiscal Year and traveled 22,850 miles during this period. In addition, State Use Industries operated 8 trucks for the delivery of products. These vehicles traveled a total of 58,300 miles. The total mileage of 81,150 is 5,766 less than last year. The decrease in mileage is directly attributable to the increased use of tractor-trailers in our trucking operation.

Bureau Chief Filippini, who serves as 3rd Vice President in charge of membership of the Correctional Industries Association, has been on sick leave since January. Sr. Buyer, Len Black, has been asked by the Department to oversee the operation until the Chief returns.

**CAPITAL EXPENDITURES - 1986**

|                         |              |
|-------------------------|--------------|
| Prison, Trenton         | \$ 29,346 35 |
| Prison, Rahway          | 23,836 86    |
| Prison, Leesburg        | 61,621 00    |
| YCI - Bordentown        | 24,542 87    |
| YRCC - Yardville        | 1,400 00     |
| CIW - Clinton           | 27,999 89    |
| Central Office          | 13,154 50    |
| Central Warehouse       | 35,148 50    |
| Central Trucking        | 57,940 00    |
| Central Warehouse Print | 30,863 61    |
| Total Expenditures      | \$305,853 58 |

Total Machinery & Equipment assets as of 7/1/86 \$2,828,087 62

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## **INDUSTRIAL PROGRAM**

**State Prison, Trenton**

**Clothing  
Knitting  
Mattress  
Printing**

**State Prison, Rahway**

**Clothing/Textiles  
Machine & Bed  
Sign & Industrial Finishing  
Misc Manufacturing (Furn )**

**Youth Corr. Inst., Bordentown**

**Metal Fabrication  
Soap**

**State Prison, Leesburg**

**Auto Tag  
Clothing**

**Correctional Inst for Women,  
Clinton  
Clothing**

**Youth Reception & Corr Center  
Yardville**

**Misc Manufacturing (Brushes)  
Mop**

**Oak Street Facility  
Trenton**

**Central Office  
Warehouse  
Trucking  
Printing**

## **FINANCIAL STATISTICS**

**A physical inventory was taken on the last two days of the fiscal year in accordance with statutory requirements (RS 30 4-100)**

**The consolidated Balance Sheet and Operating Statement will be forwarded when they are finalized Preliminary figures indicate another profitable operation for the 1985-1986 Fiscal Year**

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*Inmate Participation*

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## INMATE PARTICIPATION

The Bureau's industries and warehousing operation employed a total of 1,702 inmates during fiscal 1986 which relates to approximately 85% of the total resident population working 248 days. The Bureau operated 16 industries at 6 institutions.

Although the total number of inmates employed has decreased, slightly, the average number of inmates employed has increased from 601 to 619 per month. A significant drop in the number of inmates per job assignment from 3.4 to 2.2 inmates per year indicates a stabilization of the inmate work force. The lower turnover rate explains the drop in the total number of inmates employed since fewer inmates are being assigned to the same job.

A lower turnover rate in a job assignment provides for greater consistency in production and allows the inmate an opportunity to develop fully his skill at the assigned position.

| Average Full Time Jobs | Inmates Assigned During Year |     |     |     | Average Inmates Per Job |       |       |       |     |     |     |     |
|------------------------|------------------------------|-----|-----|-----|-------------------------|-------|-------|-------|-----|-----|-----|-----|
|                        | 83                           | 84  | 85  | 86  | 83                      | 84    | 85    | 86    |     |     |     |     |
| Prison                 | 100                          | 114 | 114 | 112 | 489                     | 505   | 428   | 231   | 4.9 | 4.4 | 3.7 | 2.0 |
| Rahway                 | 135                          | 145 | 135 | 135 | 436                     | 405   | 363   | 178   | 3.2 | 2.8 | 2.6 | 1.3 |
| Bordentown             | 54                           | 71  | 80  | 55  | 236                     | 228   | 217   | 96    | 4.4 | 3.2 | 2.7 | 1.7 |
| Clinton                | 58                           | 56  | 110 | 110 | 190                     | 210   | 230   | 199   | 3.3 | 3.8 | 2.0 | 1.8 |
| Yardville              | 22                           | 30  | 27  | 26  | 94                      | 119   | 98    | 57    | 4.3 | 4.0 | 3.6 | 2.1 |
| Leesburg               | 119                          | 111 | 110 | 110 | 402                     | 597   | 567   | 315   | 3.4 | 5.4 | 5.1 | 2.8 |
| Annandale              |                              | 23  | 25  | 25  |                         | 48    | 114   | 94    |     |     | 4.5 | 3.7 |
|                        | 488                          | 550 | 601 | 573 | 1,847                   | 2,112 | 2,017 | 1,170 | 3.8 | 3.9 | 3.4 | 2.2 |

Inmate Daily Wage rates are paid in conformance with Administrative Order 1.21-4 and Standard #620. The last increase in industry base rates occurred November 1, 1983 and remains as follows:

|                  | Below Average | Average | Above Average |
|------------------|---------------|---------|---------------|
| 15% Skilled      | \$1 40        | \$1 45  | \$1 50        |
| 45% Semi-Skilled | 1 30          | 1 35    | 1 40          |
| 40% Unskilled    | 1 20          | 1 25    | 1 30          |

Those industries at Yardville utilize the daily wage rate and receive a bonus of 25¢ per day to inmates working a minimum of 5 hours daily

The Hourly Wage rate is in effect at State Use Industries located in Clinton, Leesburg, Rahway, Bordentown and the Warehouse operation (111 Oak St )  
The following hourly wage rates are currently paid

|                  |          |   |
|------------------|----------|---|
| 15% Skilled      | "A" rate | 56¢ per hour                                |
| 45% Semi-Skilled | "B" rate | 46¢ per hour                                |
| 40% Unskilled    | "C" rate | 31¢ per hour                                |
| Learner          | "D" rate | 26¢ per hour (only 2 months when necessary) |

Inmate Instructor Assistant 86¢ per hour \*

\*(This position is limited to qualified inmates only Training is at management level and gradually requires the inmate to accept responsibility for operating the industry )

The AM/PM rate is paid to the inmate work force at the State Prison, Trenton.  
 Pay scale for the AM/PM work force is as follows. (3 hrs per Shift)

|                  | Below Average | Average | Above Average |
|------------------|---------------|---------|---------------|
| 15% Skilled      | \$2 25        | \$2 35  | \$2 45        |
| 45% Semi-Skilled | 1 75          | 1 85    | 1 95          |
| 40% Unskilled    | 1 25          | 1 35    | 1 45          |

Learner - \$1 20 (for 2 months only when necessary)

Inmate Instructor Assistant - \$3 20

Note: The Bureau policy in all shops is "NO WORK - NO PAY" regardless of the reason for absence!

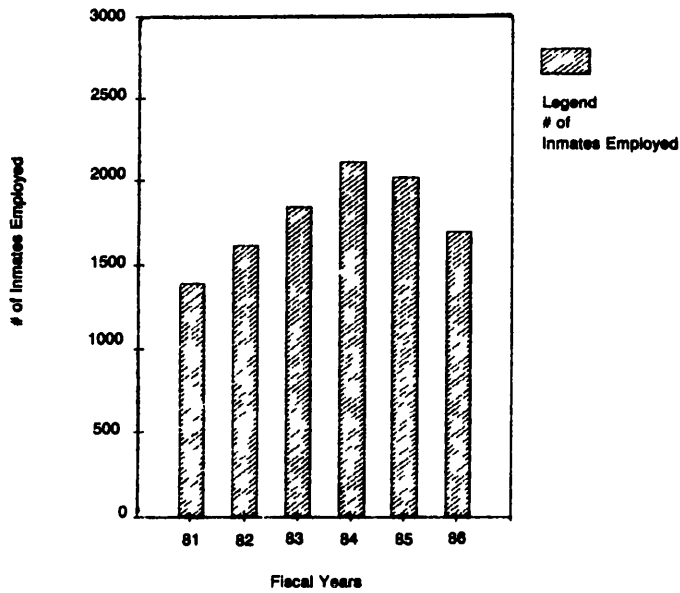
### INMATE EMPLOYMENT SUMMARY

|   |       |
|---|-------|
| Total Employed . . .                      | 1,702 |
| % of Population                           | 8 5%  |
| Number of Working Days .                  | 248   |
| Average Number Employed                   | 619   |
| Number of Inmates Per Job Assignment      | 2 2   |
| Number of New Inmates Assigned to Payroll | 1,170 |
| Number of Inmates Dropped from Payroll    | 1,165 |

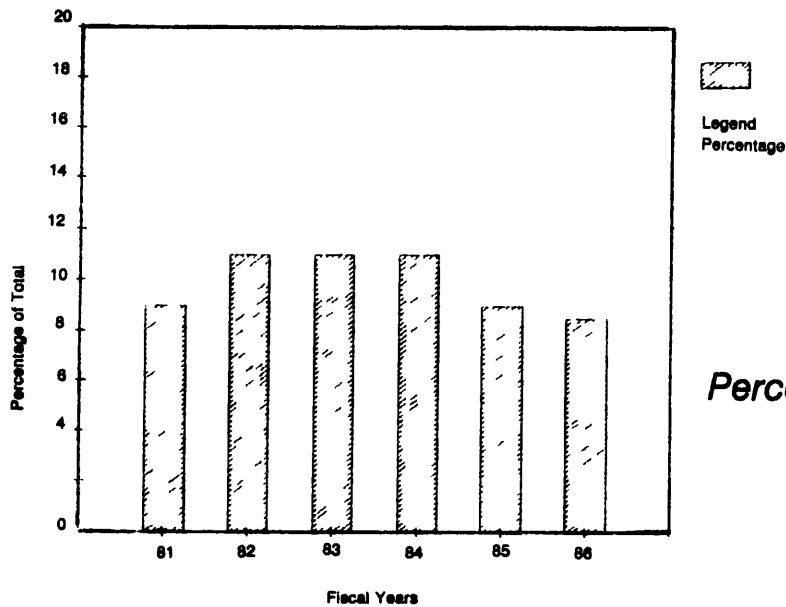
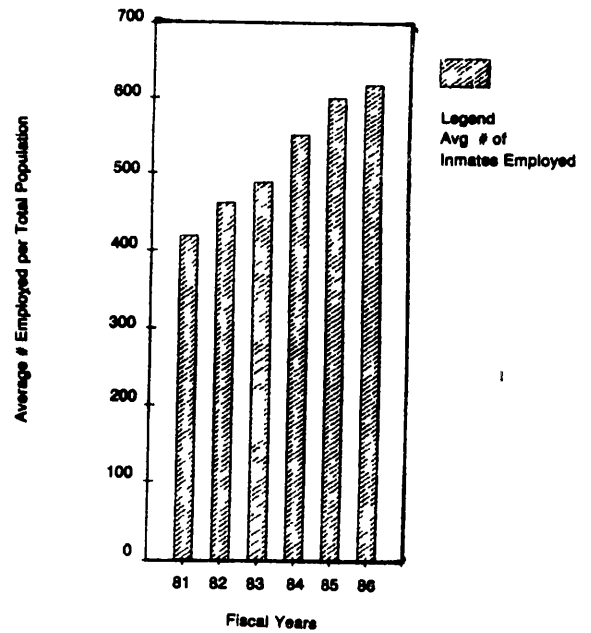
BUREAU OF STATE USE INDUSTRIES

|  | AM<br>Inmates<br>Working | PM<br>Inmates<br>Assigned | AM<br>Inmates<br>Dropped | PM<br>Inmates<br>Short |
|--|--------------------------|---------------------------|--------------------------|------------------------|
| <u>State Prison, Trenton</u>   |                          |                           |                          |                        |
| Clothing   | 622                      | 602                       | 90                       | 76                     |
| Knit   | 163                      | 140                       | 15                       | 15                     |
| Mattress   | 105                      | 111                       | 8                        | 6                      |
| Print  | 216                      | 185                       | 12                       | 8                      |
| Storeroom, Office, Runners   | 36                       | 21                        | 0                        | 1                      |
|  | 2 201                    | 231                       | 277                      | 325                    |
| <u>YCI ANNANDALE</u>   |                          |                           |                          |                        |
| Central Warehouse Printing   |                          | 76                        | 26                       | 21                     |
| " " Receiving & Shipping   |                          | 185                       | 68                       | 54                     |
|  | 261                      | 94                        | 75                       | 29                     |
| <u>State Prison, Rahway</u>  |                          |                           |                          |                        |
| Clothing/Textile   | 680                      | 81                        | 64                       | 38                     |
| Machine & Bed  | 341                      | 30                        | 28                       | 1                      |
| Miscellaneous  | 179                      | 24                        | 23                       | 8                      |
| Paint & Sign   | 351                      | 43                        | 43                       | 45                     |
| Soap   | 1 551                    | 178                       | 158                      | 92                     |
| <u>State Prison, Leesburg</u>  |                          |                           |                          |                        |
| Auto Tag   | 376                      | 89                        | 92                       | 10                     |
| Clothing   | 1 148                    | 226                       | 223                      | --                     |
|  | 1 524                    | 315                       | 315                      | 10                     |
| <u>Youth Corr Inst, Bordentown</u>   |                          |                           |                          |                        |
| Metal Industries   | 677                      | 86                        | 82                       | 16                     |
| Soap   | 41                       | 10                        | 22                       | 47                     |
|  | 718                      | 96                        | 104                      | 63                     |
| <u>Corr Inst for women, Clinton</u>  |                          |                           |                          |                        |
| Clothing   | 935                      | 199                       | 193                      | 399                    |
| <u>Youth Recept &amp; Corr Ctr, Yardville</u>                                |                          |                           |                          |                        |
| Miscellaneous (Brush)  | 176                      | 46                        | 31                       | 38                     |
| Mop  | 66                       | 11                        | 12                       | 6                      |
|  | 242                      | 57                        | 43                       | 44                     |
| + Represents grand total of working inmates reported on each monthly payroll |                          |                           |                          |                        |
| * Add average inmate work force available 7/1/85                             |                          |                           |                          |                        |
| TOTALS + 7 432   |                          | * 1 170                   | 1 165                    | 962                    |
|  |                          | 632                       |                          |                        |
|  |                          | 1 702                     |                          |                        |

**Inmate Employment  
Total Employed  
FY 81 - 86**



**Average Number of  
Inmates Employed  
FY 81 - 86**



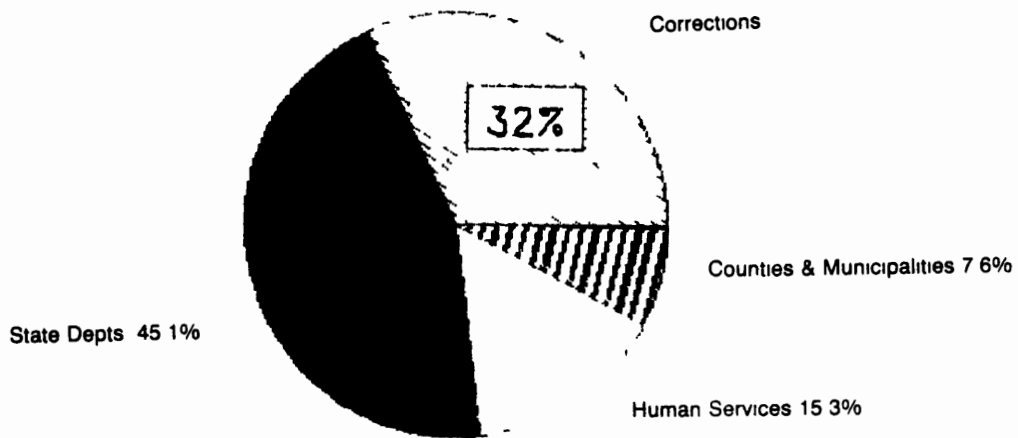
**Inmate Employment  
Percentage of Total Population  
FY 81 - 86**

*Sales*

## **SALES**

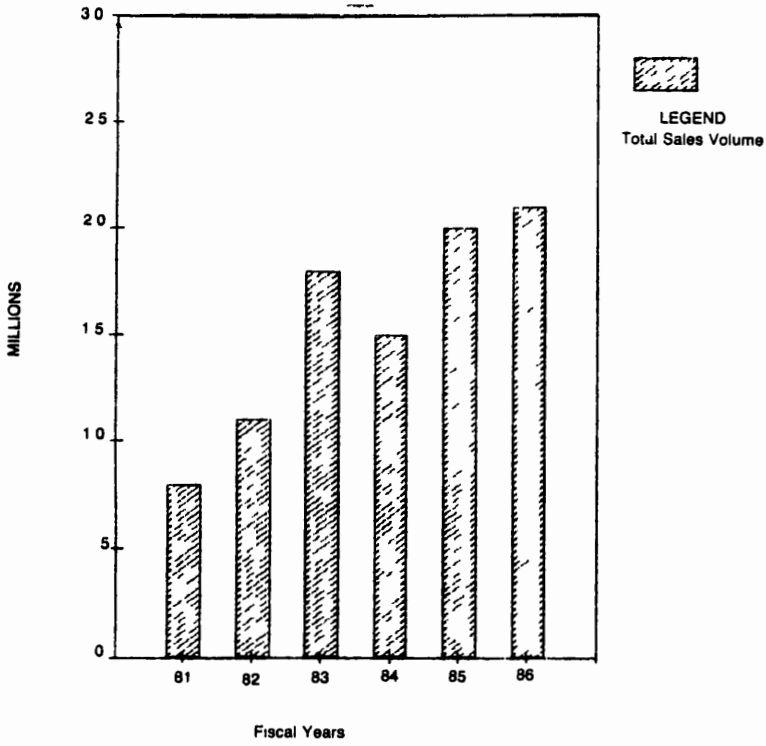
**The Bureau's total sales volume in Fiscal 1986 reached a total of \$6,516,615.24. This reflects a .63% increase over last years figures. The accompanying charts indicate the direction of Sales to Department of Corrections, Human Services, Counties and Municipalities. In addition we have charted the sales volume of product in our industrial shops. These graphs identify trends in product group and help us to plan production and inventory levels for the upcoming year.**

*Percentage of Total Sales  
by Major Customer Groups*



*Fiscal Year 1986*

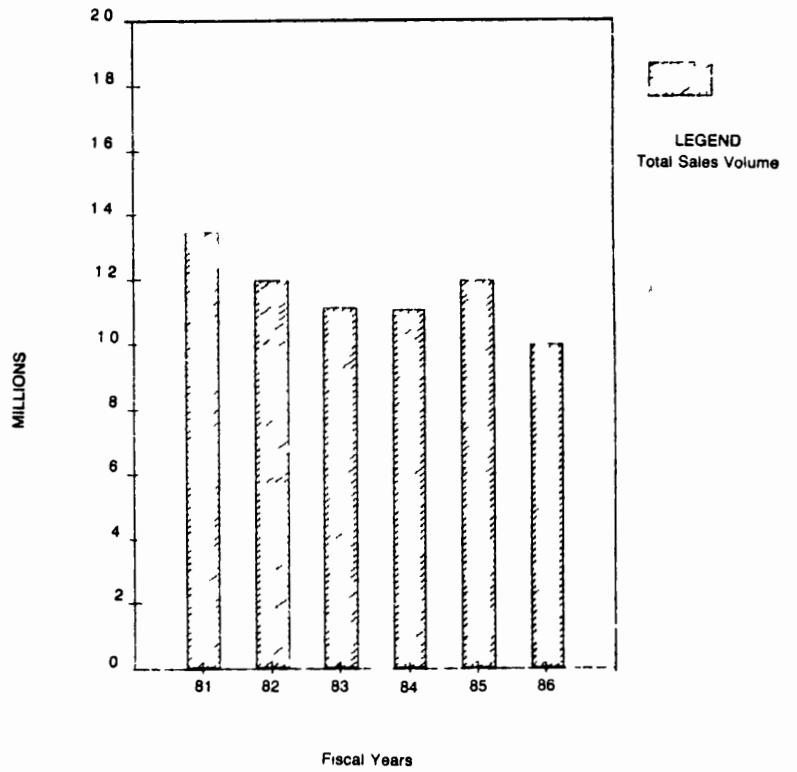
### Corrections



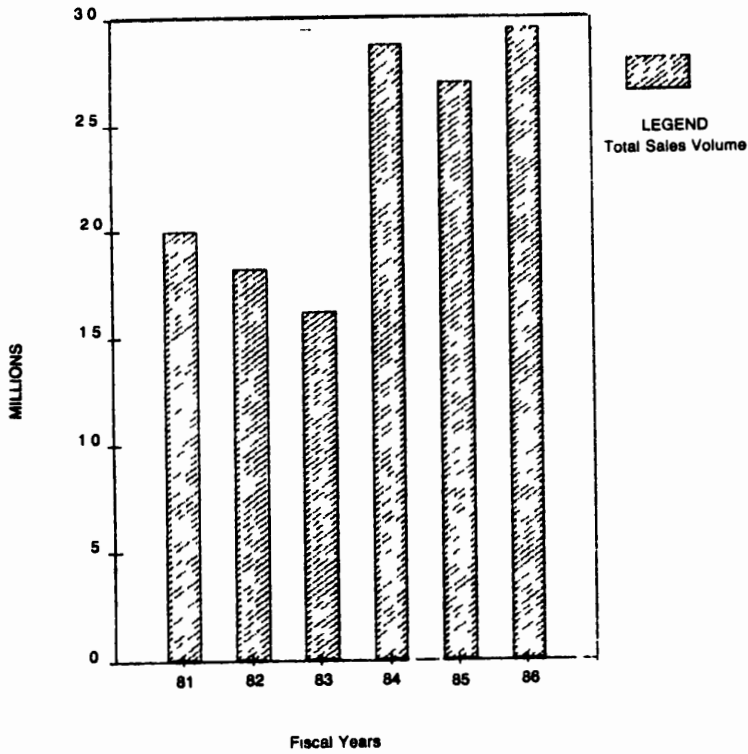
### Annual Growth in Sales

FY 81 - 86

### Human Services



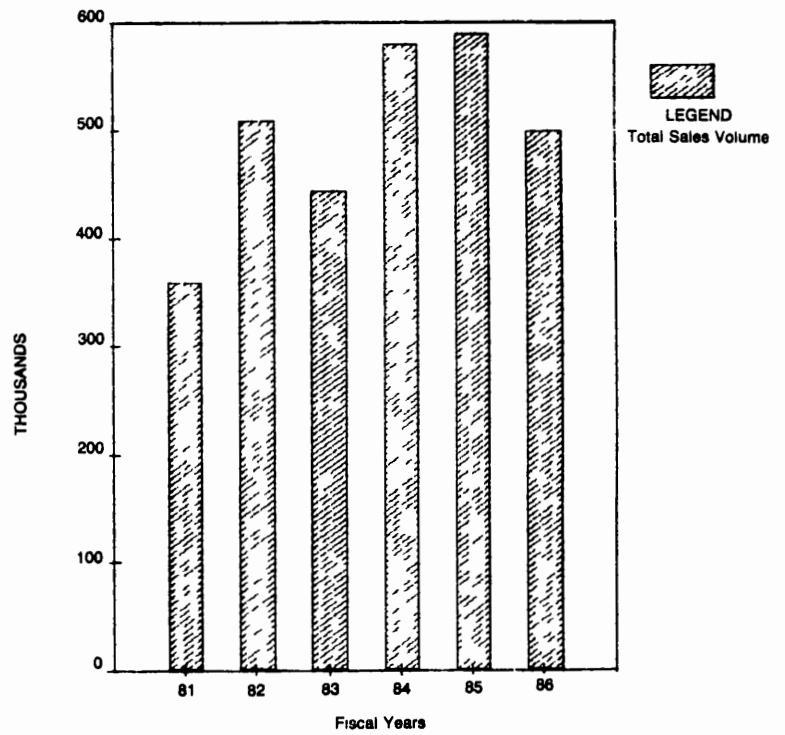
**Other State Agencies**



**Annual Growth in Sales**

*FY 81 - 86*

**Counties & Municipalities**



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*Production*

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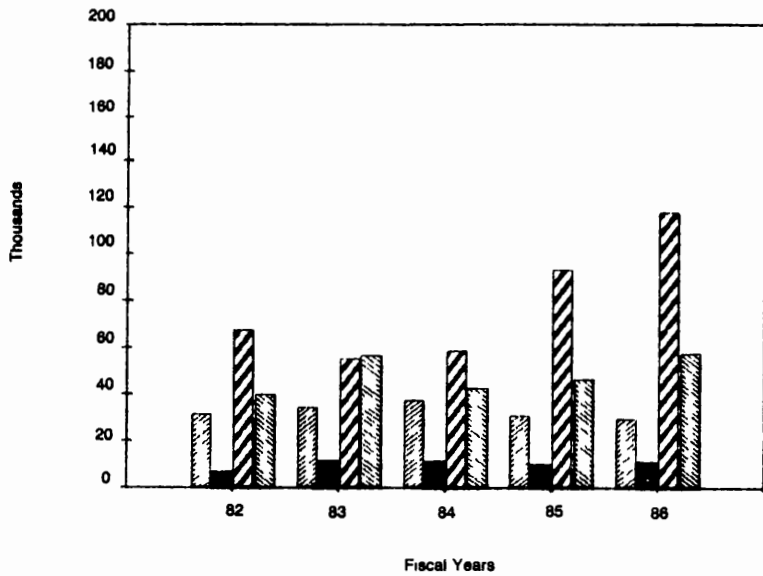
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## ***PRODUCTION***

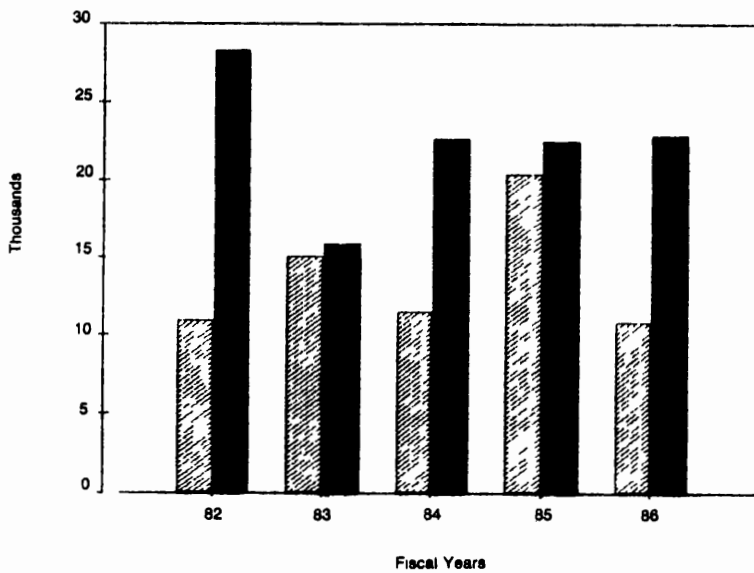
**The accompanying charts provides an overview of the production output of the Bureau's various industries over the last five years. Due to an increase in capital equipment investment and a dedication to utilize current technological advances in manufacturing, we have been able to provide a better quality product with greater efficiency.**

**Using the graphs as a guide we are able to forecast trends in production which help us project our raw material requirements for the next fiscal year.**



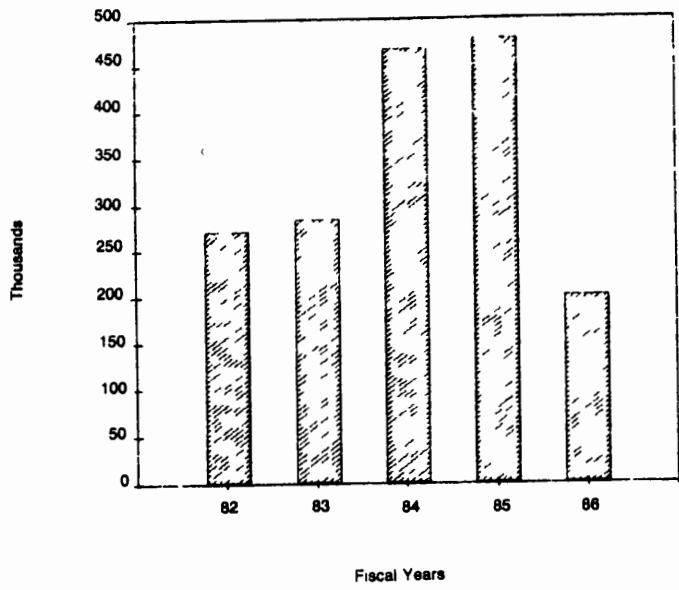
LEGEND  
 PCL  
 PKN  
 CCL  
 LCL

*Prison Industries  
 Clothing  
 Units of Production  
 FY 82 - 86*



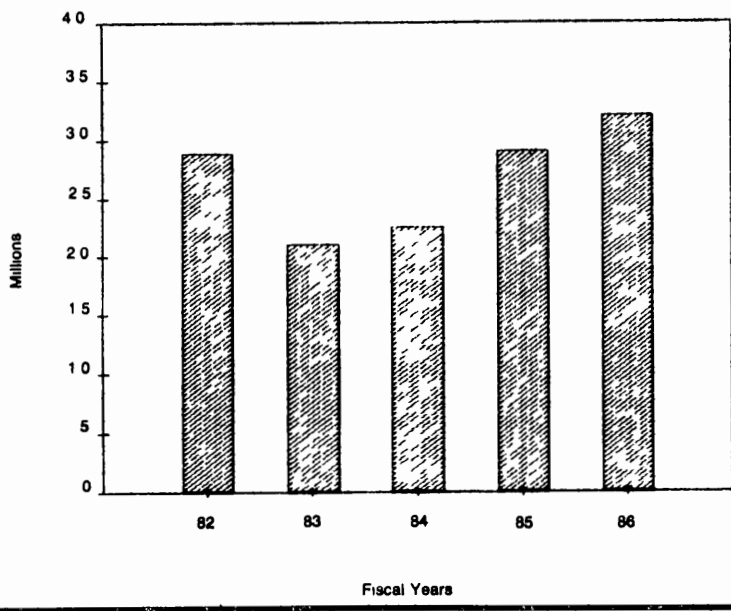
LEGEND  
 BMI  
 RSS

*Prison Industries  
 Metal & Sign  
 Units of Production  
 FY 82 - 86*



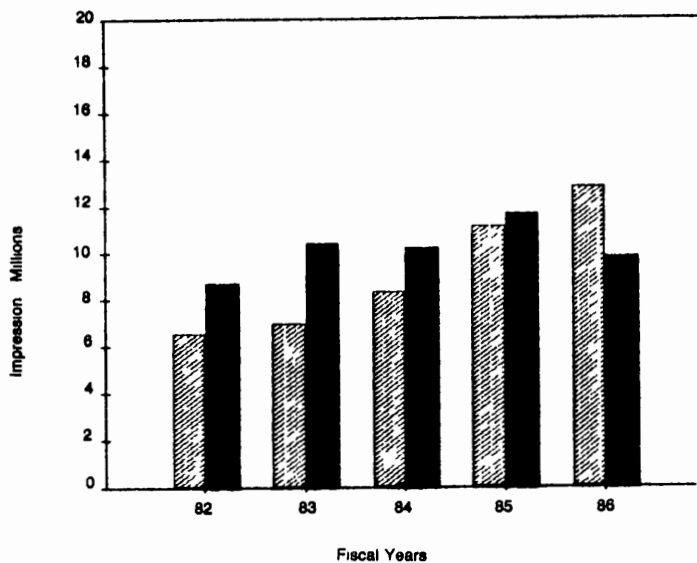
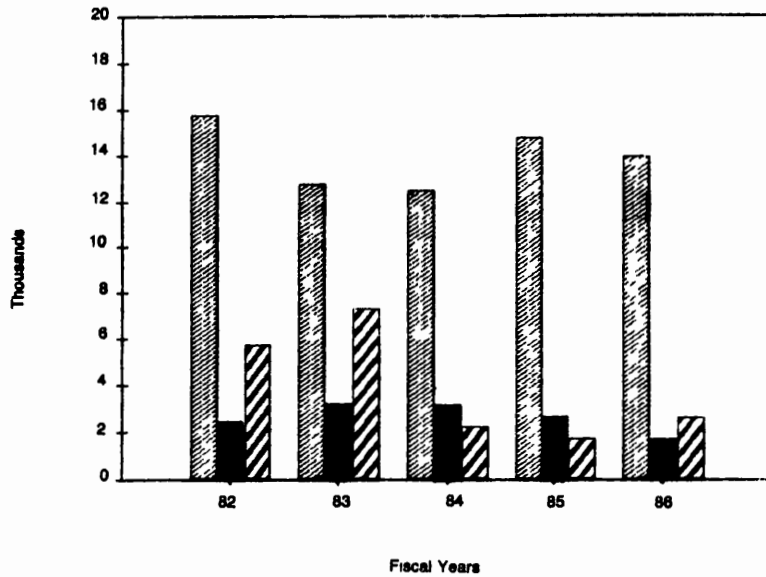
LEGEND  
 PSI & RSO

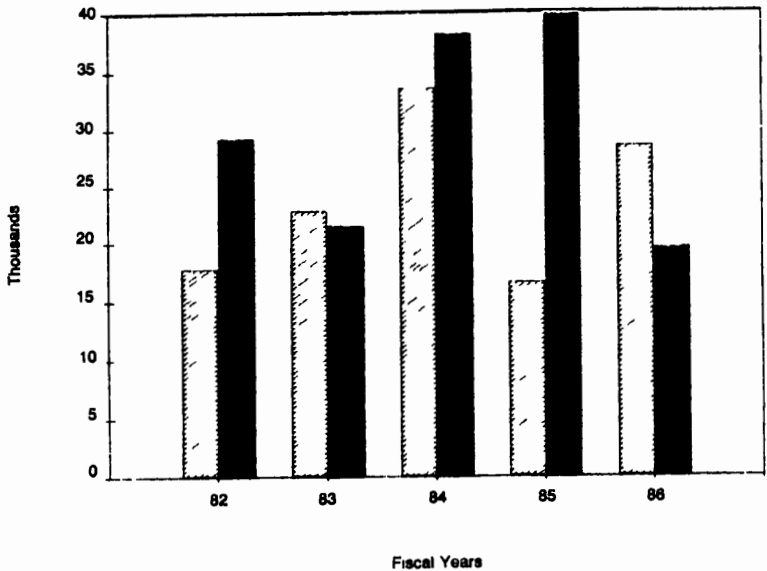
*Prison Industries  
 Soap  
 Units of Production  
 FY 82 -86*



LEGEND  
 LAT

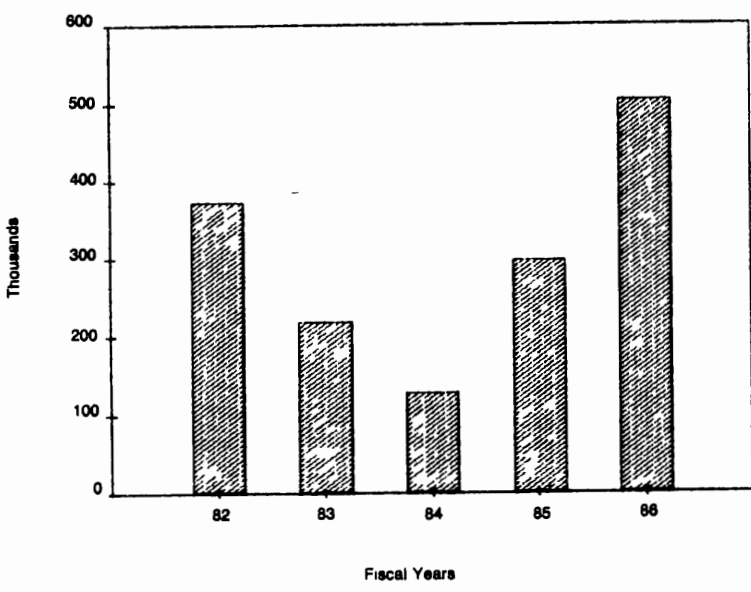
*Prison Industries  
 Auto Tag  
 Units of Production  
 FY 82 -86*





LEGEND  
 YMM  
 YMU

*Prison Industries  
 Mop & Misc  
 Units of Production  
 FY 82 - 86*



LEGEND  
 RCL

*Prison Industries  
 Rahway Clothing  
 Units of Production  
 FY 82 - 86*

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## ***MOVING AHEAD***

**State Use Industries has continued its commitment to modernization and expansion by spending over 300,000 dollars in new equipment and machinery, thereby creating additional work opportunities. Through the continued cooperation of the Department and Institutional Superintendents we plan, through the development of new industries, to provide innovative and practical products for our customers while offering inmates the opportunity to learn useful skills and work habits.**

**The past year has initiated a new and hopefully fruitful era in the Bureau's life. Our conversion to automated systems will allow us to continue our dedication to quality and service for years to come.**

