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STATE OF NEW JERSEY  
DEPARTMENT OF INSTITUTIONS AND AGENCIES  
DIVISION OF CORRECTION AND PAROLE

ANNUAL REPORT

of the  
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BUREAU OF STATE USE INDUSTRIES

Fiscal Year

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1971-1972

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ANNUAL REPORT, BUREAU OF STATE USE INDUSTRIES 1971-1972

July 1972

TO: Mr. Albert C. Wagner, Director  
Division of Correction and Parole

FROM: John C. Bonnell, Chief  
Bureau of State Use Industries



We forward herewith the Annual Report of the Bureau of State Use Industries for the fiscal year ending June 30, 1972.

The mission of the Bureau is to furnish coordinated staff technical services and finances necessary to maintain ongoing, diversified, industrial work on-the-job training programs for the non-minimum custody inmates in the operating units of the Division.

Operating from a revolving fund without appropriations, useful products are made which are sold only to tax supported institutions and agencies in the State of New Jersey.

The line and staff relationship between this Bureau and the operating units requires team work between all correctional programs as a necessity properly to re-program the inmate for his ultimate release. Meaningful work is considered an essential ingredient in the rehabilitation process.

The work program during the past year included continued efforts to modernize the physical plant, renewed emphasis to provide effective, businesslike on-the-job instruction and added incentives in the inmate pay plan.

ADMINISTRATION

The organization continued to direct its activities toward the goal of utilizing efficiency the labor supply in such a manner as to encourage an atmosphere of occupational realism, to afford useful on-the-job skill training, and develop good work attitudes in the inmates assigned to the several shops operated by this Bureau.

Pursuit of the goals cannot be maintained unless the operations show a profit. In the effort to meet the constant requirements of the operations to improve the quality of on-the-job instruction, to improve the quality and design of the products, to develop markets and increase sales of the products, to enhance relations with the customers and to increase the effectiveness of the work program we are forced to recognize and relate to several other considerations brought on by conditions beyond the direct control of this Bureau.

## ADMINISTRATION (continued)

The fiscal year just past was marked by a continuing decline in the number of inmates available for shop assignments. This trend in itself does not necessarily represent a handicap to the operations but, combined as it was, with absences of up to 25% of some details attending school 1/2 days augmented by shorter duration assignments to industrial shop details, time was and is not always available to train replacements in skills necessary to maintain the production levels.

As productivity decreased, quality and deliveries started to run behind and orders necessarily had to be released. Sales declined as a result. Overhead costs rose out of proportion and required trimming. Opportunities to mechanize were sought and some purchases were made. Wage rates were also raised to create additional incentives for the inmate to work better and longer. Training was increased.

It is not now possible to determine exactly what benefit has accrued to the inmates as a result of this but we do know that the industrial operations are hard put to it to show a profit under the circumstances. This, of course, means that the Bureau is close to being unable to put money back into the training program, which is contrary to the course which we have been pursuing for many years.

The skills in certain operations were lost during turn-over in inmate assignments. Tailoring work could no longer be accomplished and this operation has phased out. We no longer retained inmates long enough to train as upholsterers and this industry has been dropped. The Furniture Repairing and Refinishing operation at Rahway could no longer get men to learn this useful occupation because they felt there were more interesting things to do with their time with less effort required; this operation was also discontinued.

The lack of growth capital is felt particularly at this time when the new Auto Tag Shop at Leesburg is being finished and existing contract obligations must be honored.

## ORGANIZATION

Twenty-eight different types of industries located in seven institutions were operated in 24 separate shops. A total of 57 instructors and other operating personnel were employed in these jobs; also 10 correction officers. The Central Office of the Bureau had 21 employees. A total of 119 budgeted salary positions are authorized; 88 positions are filled.

Central Office staff members made 904 institutional visits and other field contacts in 1971-72. The Field Representative made 431 calls to the Using Agencies and also worked one convention and the New Jersey State Fair. Bureau staff traveled 32,528 miles, about 10% less than last year.

In addition to the passenger car mileage above recorded the Bureau operated four trucks for the delivery of products. These traveled a total of 51,178 miles, an increase of about 2.5% from the previous year's total.

STATE USE ADVISORY COUNCIL

Going into the year, Council membership totaled 9 but dropped to 8 with the resignation of Bradford Cochran of Bernardsville. Appointed in 1955 Mr. Cochran represented finances on the council and was a helpful member whose counsel will be missed.

The State Use Advisory Council did not meet during the year.

Council members and their general areas of competency include:

Chairman - Mrs. Maxwell Barus, Montclair - Public

\* Harvey A. Collins, Ridgewood - Small employer & Labor (A.F.L.)

Mrs. Louis Kellogg, Mendham - Public

Malcolm Kirkpatrick, Jamesburg - Management

\* Jack Lamping, Toms River - Public Relations

\* Robert Prull, Jamesburg - Management

Carlton Tillinghast, Burlington - Public

\* Wilbur Vanderslice, Clifton - Labor (C.I.O.)

\*These members terms expired 12/31/71.

INDUSTRIAL INFORMATION

Shops of the Bureau

State Prison, Trenton

Auto Tag  
Clothing  
Knitting  
Machine Shop  
Mattress  
Printing

Youth Corr. Inst., Bordentown

Commercial Laboratory  
Metal Furniture  
Sheet Metal & Screen  
Soap

Corr. Inst. for Women, Clinton

Clothing  
Mops

State Prison, Leesburg

Clothing

State Prison, Rahway

Clothing  
Machine & Beds  
Signs & Industrial Finishing  
Shoe Manufacturing & Repair  
Textile  
Miscellaneous Manufacturing  
a. Patient Aid Equipment

Youth Reception & Correction Ctr.  
Yardville

Miscellaneous Manufacturing  
a. Brushes  
Woodworking

Youth Corr. Inst., Annandale

Feed Mill  
Snow Fence

Ed. R. Johnstone Training Center  
Yepsen Unit

Miscellaneous Manufacturing

EMPLOYMENT

Average inmate employment increased 6% at the Prison, decreased 8% at Rahway, decreased 8% at Bordentown, decreased 21½% at Annandale. The detail decreased slightly at Clinton; Yardville remained the same and Leesburg Clothing stayed around the 77 jobs. Total employment dropped 9% to 767 this year against 830 in Fiscal Year 1970-71.

For the Prison Complex 1532 inmates were assigned to 552 full time jobs for a turn-over of 2.8.

For the Reformatory Complex 1216 inmates were assigned to 154 jobs for a turn-over of 7.9.

For the Correctional Institution for Women, Clinton 204 inmates were assigned to 55 full time jobs for a turn-over of 3.7 inmates per job.

The average turn-over rate for all industries in both groups of institutions was 3.9, up from last year's figure of 3.7. The following table shows pertinent figures for each institution for 2 past years and this year.

<u>Average Full Time Jobs</u>				<u>Inmates Assigned During Year</u>			<u>Average Inmates Per Job</u>		
	<u>70</u>	<u>71</u>	<u>72</u>	<u>70</u>	<u>71</u>	<u>72</u>	<u>70</u>	<u>71</u>	<u>72</u>
Prison	346	315	295	709	686	729	2.1	2.2	2.5
Rahway	232	216	183	573	617	565	2.5	2.9	3.0
Bordentown	98	86	67	554	509	468	5.7	5.9	7.0
Annandale	76	52	50	506	470	369	6.7	9.0	7.4
Clinton	44	58	55	191	174	204	4.4	3.0	3.7
Johnstone	7	8	6	28	30	25	4.0	3.8	4.2
Yardville	56	56	37	383	464	379	6.8	8.6	10.2
Leesburg		41	74		131	238		3.2	3.2
	<u>837</u>	<u>830</u>	<u>767</u>	<u>2,944</u>	<u>3,081</u>	<u>2,977</u>	<u>3.6</u>	<u>3.7</u>	<u>3.9</u>

FINANCIAL STATISTICS

The Balance Sheet and Operating Statement will be supplied in August as final results of the year's work must wait until inventory is priced and extended. Physical inventory was taken this year on the last two working days of June as required by statute. Preliminary inventories of high use items were taken at end of first 1/4 of this calendar year.

### SALES

Preliminary estimates indicate sales volume will be about \$2,411,285. or approximately 10% less than last year's \$2,671,781.

Distribution of sales was 64% of the Department of Institutions and Agencies, 26% to other State Departments and 10% to Counties and Municipalities. Comparison in \$ M for 2 years is:

	<u>1970-71</u>	<u>1971-72</u>	<u>Net Change</u>
Department of Institutions & Agencies	1,645.	1,534.	- 6.8%
Other State Departments	814.	638.	- 2.2%
Counties and Municipalities	209.	239.	+ 1.4%
	<u>2,668.</u>	<u>2,411.</u>	

### INMATE WAGES

Inmate wages are paid per Administrative Order 1:21-4 Rev.

For the first 11 months of the year at the Prison and its branches and the Correctional Institution for Women, Clinton rates were 46¢, 50¢, 55¢, 60¢ and 68¢/day.

For the first 11 months of the year at the Youth Correctional Institution, Annandale the daily rates were 35¢, 40¢ and 45¢. At Bordentown and Yardville the rates were 41¢, 43¢ and 45¢.

Effective June 1, 1972 a new inmate pay plan was placed in force as follows:

#### Industry Base Rates:

	<u>Below Average</u>	<u>Average</u>	<u>Above Average</u>
15% Skilled	.95	1.00	1.05
45% Semi-Skilled	.80	.85	.90
40% Unskilled	.65	.70	.75

For June average daily wage was 82¢ and average pay for that month was slightly over \$19.00. All jobs are evaluated and manning tables established.

Total wages paid to inmates were \$108,710.26 up 1% from last year's \$107,534.20.

Average working hours have changed substantially from previous years, being 20 hours/week at Prison, 20½ at Rahway and 25 at Leesburg; 35 at Clinton and Annandale; 30 at Bordentown. Working hours at the Youth Reception and Correction Center, Yardville average about 27 hours a week. The reduced work hours in the adult correctional institutions at Rahway and Trenton contributes substantially to the decreased production from the shops.

## AUDIT

An audit report covering the period from July 1, 1969 to March 31, 1971 was received in May. Three recommendations were made, one dealing with the inventory control procedures, one with accounts receivable practices and one with accounts payable. The first is being worked on, the second and third are currently complied with.

## STAFF TRAINING

The 8th Annual State Use Workshop was held November 5, 1971 at the Ramada Inn, E. Brunswick, N.J. 58 staff members participated in this workshop.  
Topic: "Improving Individual Manager Performance"

Six Central Office staff attended training sessions dealing with the new Merit Rating Program.

(a) Bureau supervisory personnel attended similar programs at their institutions.

Assistant Chief participated in 2 day Executive Training Program at the Nassau Inn. Also attended conference on Grievance Procedures at Institutions and Agencies Training Office.

Staff attendance at various trade exhibits in Atlantic City, Philadelphia, New York including Clothing, Knitting, Shoes, Mill Supplies, School Administrators, Hospital Equipment, Machine Tools, Packaging, Plastics and Printing, etc.

## GOALS

The Governor's Management Commission and the Commission on Vocational Education in Correctional Institutions have both been sources of recommendations, which are goals. Comprehensive modernization is stressed, increasing emphasis on service industries, redirection of sales emphasis. Not recommended was apportioning some share of the rehabilitation dollar to help achieve these goals.

## HIGHLIGHTS OF PROBLEMS AND CONCERNS

- For the third consecutive year, productivity in most areas has not increased in proportion to costs of operations. Prices for materials and services are growing regularly with the inflation of the dollar, as are salaries and wages.
- Product lines continue to be scrutinized for simplification. Increased diversification is deferred in favor of production of more standard units of popular styles or types. Combination of operations to save supervisory expense continues wherever possible.

### HIGHLIGHTS OF PROBLEMS AND CONCERNS (continued)

- o Plans to make stocks of finished goods for distribution through new Purchase Fund Distribution Center are still considered. Production in most items agreeable to stock-piling is, at this time, hard put to maintain deliveries from shop to using agency and frequently partial shipments are made to afford relief.
- o Last year it was stated that one concern was paying inmates during school time. The institutions now bear this cost.

### ANNUAL GIFTS AND GRANTS, STDS. 947

During the Fiscal Year 1971-72 the Sherwin-Williams Co. again contributed paint to the State.

This consisted of approximately 3,605 gallons of material which is basically obsolete automotive finishes. Rahway continued to serve as a receiving point from which distribution to the operating units was made. In each case the operating units came for the paint in exchange for the donation.

Total value of material contributed amounted to \$16,222.50 using an average price of \$4.50 per gallon established by the donor. A small amount of the paint remains on hand at the close of the fiscal year. Formal report on standard department form is attached to this report.

### CAPITAL EXPENDITURES

Total equipment purchases during the year amounted to \$84,868. This capital equipment was for continued modernization of the industries as well as expenses incidental to the construction of the new Tag Shop.

### Log of Significant Events

July 1971	Training commenced to enable implementation of the Employee Performance Evaluation and Improvement System.
August	Shoe Industry at Rahway commenced producing cemented shoes. Beneficial occupancy of Leesburg Industrial Bldg. #2 was granted; union men still on job.  Industrial Manager Thomas Byrnes left Bordentown to go on extended sick leave.
September	Bureau products exhibited at State Fair. Rahway Assistant Industrial Manager Richard VanLenten promoted to Industrial Manager.

Log of Significant Events (continued)

October 1971 Rush of schooling at Rahway involving 20% of the shop details; industrial operations adversely affected.

November Annual State Use Training Seminar held at Ramada Inn, East Brunswick.  
Lost 1½ weeks work at Rahway due to riot.

December Production dropping with decrease in number of inmates assigned to the details; drop in one year, equals about 15%.  
Print Shop deliveries are delinquent.  
Supervising Industrial Manager John Sheridan left on extended sick leave.

January 1972 New Catalog (D) being delivered. Prison Shops down 1 week for custodial reasons. Work started building new Tag Shop.

February A new Revised Federal Sign Manual released, the first since 1961. Many new "symbol" signs included - increased sign orders for Bureau followed a series of 4 seminars held by State Safety Council in cooperation with Traffic Engineers of the Department of Transportation to instruct Municipal and County officials and technical personnel.

March Sign Shop on Saturday/Sunday overtime.  
Prison Bakery closed due to phasing-in of new State operated Bakery at Leesburg. Baker Instructor Mottola transferred to the new shop. Leather prices increased 25% this month.

April Skills disappearing in Print, Tailor and Upholstery trades due to lack of replacements for men transferred out of these shops.

May Most new equipment in place in Leesburg Tag Shop. Utilities being connected. Audit Report received.

June Rahway inmate problems - lost a weeks work; see comments November 1971. Annual physical inventory taken last 2 days of fiscal year.

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