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# ANNUAL REPORT

## JULY 1, 1981 TO JUNE 30, 1982

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### BUREAU OF STATE USE INDUSTRIES

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STATE OF NEW JERSEY  
DEPARTMENT OF CORRECTIONS

CN 867, 111 OAK STREET  
TRENTON, NEW JERSEY 08625

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# ANNUAL REPORT, BUREAU OF STATE USE INDUSTRIES 1981-1982

TO Mr. Herbert B. Blumenthal  
Assistant Commissioner  
Division of Administration

FROM Lucas J. Filipponi, Acting Chief  
Bureau of State Use Industries

The following Annual Report is a summary of the Bureau of State Use Industries activities for the fiscal period ending June 30, 1982.

A "line and staff" relationship exists between this Bureau and the industrial operating units within the Department of Corrections. The cooperation that exists between State Use Industries and other agencies and institutions is a significant factor in the success of the Bureau's industrial program

Department 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. Useful 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.

The Bureau of State Use Industries was created by the Legislature under the Laws of 1918. The Bureau operates under legislative powers currently vested in the Commissioner of Corrections (R.S. 30 4-4 and R.S. 30 4-92 thru 100). State Use Industries was reassigned as a unit within the Division of Administration when the Department of Corrections was established in November 1976.

## ADMINISTRATIVE HIGHLIGHTS AND ACCOMPLISHMENTS

Delivery of the Olivetti BCS 20/30 Computer which replaces and upgrades our obsolete Magnetic Card A-5 computer located in the Central Office. The new system is designed to handle accounts receivable and general ledger for all industries as well as programming of our raw material and finished product inventories. Training sessions were scheduled with staff to implement various phases of our program.

Meetings held between State Use and N.J. Transit Authority to develop and implement a N.J. Transit Bus Stop Sign program.

ADMINISTRATIVE HIGHLIGHTS AND ACCOMPLISHMENTS (continued)

Additions to Central Warehouse included installation of finished product security cage, verticle pallet racking system, and steel plateform deck. Modifications to warehouse included replacement of exterior fiberglass panels, installation of ceiling fans, mercury vapor lamps and additional insulation all geared towards an energy conversation program.

Several meetings during the year were held between representatives from the Division of Motor Vehicles, Attorney General's Office, Purchase Bureau and State Use to determine the feasibility of a non-restrictive specification to detail a reflective license plate program. The issue was tabled and is now under further consideration by the Attorney General's Office.

The Bureau assisted Division of Motor Vehicles in developing specially designed license plates such as Street Rod, Ex-Prisoner of War, Air and Army National Guard and a new Physician plate all of which require special tooling.

John R. Wald Co. completed installation of a new blanking line in the Leesburg Auto Tag Shop. The new line is capable of handling 12" width aluminum coil and replaces the antiquated 6" line. Continuous high production is expected due to the larger coil sizes which require less set-up time. Installation of 12" line will accommodate any future requirement by Division of Motor Vehicles license tag program. In addition the Bureau should recognize savings on the purchase of materials to be utilized in this piece of equipment. Less down time is anticipated due to the high production efficiency of the new line.

An insurance settlement was made for water damage to the Knit and Machine Shops, State Prison, Trenton, as a result of the November 1979 Industrial Building roof renovation. Equipment replacement program is now under way. Knit Shop personnel developed a new Sport/Sweat Sock (V-65). The sock development fills a long standing need by the institutions for this type of footwear. Samples were distributed at the Department Business Managers meeting and to all using agencies. Initial orders received indicated strong customer acceptance.

Bureau met with representatives from the Department of Transportation to redesign the "Men at Work Sign Frame" stands and safety flags. This allows the Department of Transportation to remain in compliance with current Safety and Federal Highway Standards. Subsequent to this the Bureau started production of the modified safety flags. We continue to maintain a good working relationship with the Department of Transportation.

The Bureau was pleased to be able to supply the initial stocking program required for the opening of the Mid-State Correctional Facility. Their requirements extended across our product line to include bedding, clothing, janitorial/maintenance supplies, furniture and printing items. The Bureau is proud that its shops faced the task presented to them and met the challenge with on time deliveries.

ADMINISTRATION HIGHLIGHTS AND ACCOMPLISHMENTS (continued)

A major effort was made to develop a finished product and stocking program which enabled us to meet numerous situations such as The delivery of 500 mattresses to the Hudson County Jail within 24 hours notice. The production of 2000 flame-resistant mattresses in response to a special appropriation of \$200,000 given to the Department of Corrections for the implementation of a mattress replacement program.

To handle emergency situations that may develop on weekends and holidays the Bureau extended its inventory by locating substantial quantities of its items at the Bates Building, Department of Corrections, Whittlesey Road.

Bureau met emergency requirements from the new Justice Complex for 239 shelving units and from the Division of Taxation for 249 shelving units at the Post Office Annex location.

A considerable amount of time and effort was devoted to the investigation and reassigning of products by studying trends and reassessing the needs of the Department and our customers. Decisions were made to

- (a) develop an additional work pants line at our Leesburg Clothing Shop.
- (b) expand our cloth cutting capabilities to accommodate the increased demand on our clothing line.
- (c) the transfer of jacket production line from Trenton to Clinton.
- (d) transfer of the cotton mop head production line from Clinton to Yardville to consolidate our Janitorial/Maintenance products industries.
- (e) expand the Printing operation at the Oak Street facility through the acquisition of various pieces of printing equipment.
- (f) expansion of our wood products line to include the manufacturing of table tops at Rahway.

A slide program was presented in conjunction with the DuPont Corporation to educate Business Managers in the Division of Mental Health and Mental Retardation to increase their awareness of the value of our flame resistant mattress in their institutions. The program has contributed to an increase in sales of mattresses to the Department of Human Services.

Five State Use employees received Professional Accomplishment plaques from the Department of Civil Service for their roll in the development and production of the Bureau's "Flame Resistant Mattress" for correctional settings. Coverage of the award ceremony on February 6, 1982 by WPVI-TV Philadelphia, The Trentonian Newspaper, The Camden Courier, The Newark Star Ledger and the Associated Press News Service.

ADMINISTRATIVE HIGHLIGHTS AND ACCOMPLISHMENTS (continued)

State Use Field Representative manned our exhibit booth at the N.J. League of Municipalities at Atlantic City. Products displayed were geared toward County and Municipal Governments. Many new contacts were made and a follow-up brochure was developed as a result of the convention and mailed to all our customers. The convention provided State Use with direct exposure to its market.

Irving Seligman, Chief of the Bureau has been named as the 1982 recipient of the "Gib Rodin" Award. This is the major annual award of the Correctional Industries Association. Its purpose is to promote service excellence in the North American Continent by recognizing unique or outstanding achievement in correctional industries by one of its members.

Mrs. Una Lillian Gamane, Supervising Trade Instructor at the Correctional Institution for Women, Clinton has been named as one of the two 1982 recipients of the Correctional Industries Association Achievement Award for "Supervisory Excellence". The award is presented to the supervisor who directly supervises inmates at the line level, effectively utilizes human resources, meets the goals and objectives set by the Bureau and exhibits exceptional service and/or contributions to the industry. Only two awards are presented among nominations received from across the United States and Canada.

Both of the above mentioned awards are the only annual awards presented by the Correctional Industries Association which is an affiliate of the American Correctional Association. Mrs. Gamane and Mr. Seligman accept their awards not only as employees of a Bureau within the Department of Corrections but as representatives of the State of New Jersey and their accomplishments should be noted accordingly.

The Bureau was represented at the Northeast Regional meetings of the Correctional Industries Association. At the present time the Northeast is reviewing State Use Laws within the region for the purpose of recommending changes to the State Use Statutes. Joint purchasing of raw materials that are commonly used by the industries is being pursued.

The Chairman of the Northeast region, Robert Thomas is a member of a Taskforce in Washington funded by NIC which has drafted an Executive Order from President Reagan mandating that State Correctional Industries will be second only to UNICOR in supplying goods and services to Federal Agencies.

We also participated in the development of a Compendium of Industry Programs to aid other states in the expansion of their shops. These meetings put this Bureau in direct contact with its counterparts from the Northeast to discuss and share common problems, solutions, ideas and financial concerns of correctional industries.

ADMINISTRATIVE HIGHLIGHTS AND ACCOMPLISHMENTS (continued)

The Bureau continues to maintain its association with the American Correctional Association through its affiliation and active participation with the Correctional Industries Association.

We are proud of our continuing participation in the Department's 19th Annual Merit Award Program, since it enables us to recognize the accomplishment of deserving personnel. In addition the Bureau felt the need to recognize three of its employees for their outstanding contribution in helping the Bureau attain goals during the past year.

Central Office staff completed 206 visitations during this fiscal year and travelled 28,105 miles during this period. In addition, State Use Industries operated 6 trucks for the delivery of products. These vehicles travelled a total of 66,573 miles. The total mileage of 94,678 is 4,072 miles more than last year.

PERSONNEL ACTION

During the past fiscal year the Bureau hired 19 new employees. Two staff members retired and the Bureau accepted the resignation of 9 employees. Finally three State Use employees were discharged.

INDUSTRIAL PROGRAM

State Prison, Trenton

Clothing  
Knitting  
Machine Shop  
Mattress  
Printing

Youth Corr. Inst., Bordentown

Metal Fabrication  
Soap

Correctional Inst. for Women,  
Clinton

Clothing  
Mop

State Prison, Rahway

Clothing/Textiles  
Machine & Bed  
Signs & Industrial Finishing  
Miscellaneous Manufacturing (Furniture)

State Prison, Leesburg

Auto Tag  
Clothing

Youth Reception & Corr. Center  
Yardville

Miscellaneous Manufacturing (Brushes)

Oak Street Facility  
Trenton

Central Office  
Warehouse  
Trucking  
Printing

## INMATE EMPLOYMENT

The industries employed a total of 1619 inmates, approximately 11% of the resident population and worked 247 days during the fiscal year. The Bureau operated 17 industries at 6 institutions.

The average number of inmates employed rose from last year's average of 419 to 461 inmate workers. The turnover rate per job has remained at an annual rate of 3.5 inmates per job assignment. There were 1120 new workers assigned and 1036 inmates dropped during the fiscal year.

The State Prison, Trenton administration implemented the AM/PM Work Program on April 12, 1982 on the premise of building up our inmate work force to fully man our table of organization with a more dependable work force. This change did resolve our need for a full complement of men and has necessitated more training to raise the productivity of the various shops which has been low due to the lack of inmates.

Other institutions are near or above maximum quotas of inmate workers and are still on the standard hourly work program.

<u>Average Full Time Jobs</u>	<u>Inmates Assigned During Year</u>								<u>Average Inmates Per Job</u>			
	<u>79</u>	<u>80</u>	<u>81</u>	<u>82</u>	<u>79</u>	<u>80</u>	<u>81</u>	<u>82</u>	<u>79</u>	<u>80</u>	<u>81</u>	<u>82</u>
Prison	110	103	108	80	221	208	239	356	2.0	2.0	2.2	4.5
Rahway	112	101	89	122	501	288	306	327	4.5	2.9	3.4	2.7
Bordentown	78	63	55	60	325	258	224	257	4.2	4.1	4.0	4.3
Clinton	42	47	48	59	132	144	176	169	3.1	3.1	3.6	2.9
Yardville	20	14	16	22	63	51	64	88	3.2	3.6	4.0	4.0
Leesburg	<u>93</u>	<u>104</u>	<u>103</u>	<u>118</u>	<u>303</u>	<u>327</u>	<u>387</u>	<u>422</u>	<u>3.3</u>	<u>3.1</u>	<u>3.7</u>	<u>3.6</u>
	455	432	419	461	1,545	1,276	1,396	1,619	3.4	3.0	3.5	3.5

Inmate Daily Wage rates are paid in conformance with Administrative Order 1 21-4 and Standard #620. The last increase in these industry base rates occurred July 1981.

	<u>Below Average</u>	<u>Average</u>	<u>Above Average</u>
15% Skilled	\$1.20	\$1.25	\$1.30
45% Semi-Skilled	1.10	1.15	1.20
40% Unskilled	1.00	1.05	1.10

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.

INMATE EMPLOYMENT (continued)

The Hourly Wage rate is in effect at State Use industries located in Clinton, Leesburg, Rahway, Bordentown and Warehouse operation (111 Oak St.). Bureau policy is "NO WORK - NO PAY" regardless of the reason for absence! The following hourly wage rates are currently paid

15% Skilled	"A" rate	52¢ per hour
45% Semi-Skilled	"B" rate	42¢ per hour
40% Unskilled	"C" rate	27¢ per hour
Learner	"D" rate	22¢ per hour

Inmate Instructor Assistant 82¢ per hour. Selection is limited to qualified inmates only. Training is at management level and gradually requires the inmate to accept responsibility for operating the industry.

State Prison, Trenton-State Use inmate work force was on the hourly wage program but effective April 12, 1982 to conform with Prison administration request for elimination of hourly wages for all inmate work forces the following AM/PM Work Program was instituted. Pay scale for the AM/PM work force is as follows

	<u>Below Average</u>	<u>Average</u>	<u>Above Average</u>
15% Skilled	\$2.05	\$2.15	\$2.25
45% Semi-Skilled	1.55	1.65	1.75
40% Unskilled	1.05	1.15	1.25

Learner - \$1.00 for (2) months only (when necessary)

Inmate Instructor Assistants - \$3.00

INMATE EMPLOYMENT SUMMARY

TOTAL EMPLOYED . . . . .	1619
% of Population .. . . .	11%
Number of Working Days .. . . .	247
Average Number Employed . . . . .	461
Number of Inmates Per Job Assignment . . . . .	3.5
Number of New Inmates Assigned to Payroll ..	1120
Number of Inmates Dropped from Payroll .....	1036

BUREAU OF STATE USE INDUSTRIES

	Units Mfd.	Inmates Working	Inmates Assigned	Inmates Dropped	Inmates Short
<u>State Prison, Trenton</u>					
Clothing	31,407 ea.	399	105	83	321
Knit	7,297 doz.	107	22	20	123
Machine	74 jobs	2	0	1	9
Mattress	15,770 ea	99	22	15	41
Print	8,739,763 Impressions	241	46	38	118
Storeroom, Office, Runners		14	5	3	16
Central Warehouse - Printing	6,573,560 Impressions	23	6	6	25
"    "    Shipping & Receiving		99	31	39	69
		<hr/> 984	<hr/> 237	<hr/> 205	<hr/> 722
<u>State Prison, Rahway</u>					
Clothing	(Clothing) 42,878 ea. (Textiles) 331,284 ea.	429	60	58	56
Machine & Bed	2,475 ea.	249	42	36	0
Miscellaneous	5,741 ea.	283	42	50	0
Paint & Sign	(Signs) 28,371 ea. (Posts) 20,380 ea.	390	47	42	0
Storeroom, Office, Runners		147	31	30	1
		<hr/> 1,498	<hr/> 222	<hr/> 216	<hr/> 57
<u>State Prison, Leesburg</u>					
Auto Tag	2,893,167 ea	485	93	106	7
Clothing	39,832 ea.	938	206	190	11
		<hr/> 1,423	<hr/> 299	<hr/> 296	<hr/> 18
<u>Youth Corr. Inst., Bordentown</u>					
Metal Industries	10,938 ea.	531	117	102	124
Soap	329,121 lbs. 39,277 gals.	199	61	56	101
		<hr/> 730	<hr/> 178	<hr/> 158	<hr/> 225
<u>Corr. Inst. for Women, Clinton</u>					
Clothing and	67,732 ea.	710	110	107	4
Mop	29,357 ea.				
<u>Youth Recept. &amp; Corr. Ctr., Yardville</u>					
Miscellaneous (Brush)	17,856 ea.	264	74	54	6
		<hr/>	<hr/>	<hr/>	<hr/>
+ Represents grand total of working inmates reported on each monthly payroll.	TOTALS	+ 5,609	1,120 * 499 <hr/> 1,619	1,036	1,032

\* Add average inmate work force available 7/1/81.

## 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).

A Balance Sheet and Operating Statement will be forwarded when the inventory is priced and extended. This will indicate the fiscal results of our industrial program for the past year.

## SALES

The Bureau's total sales volume in Fiscal Year 1982 reached \$4,647,372.35.

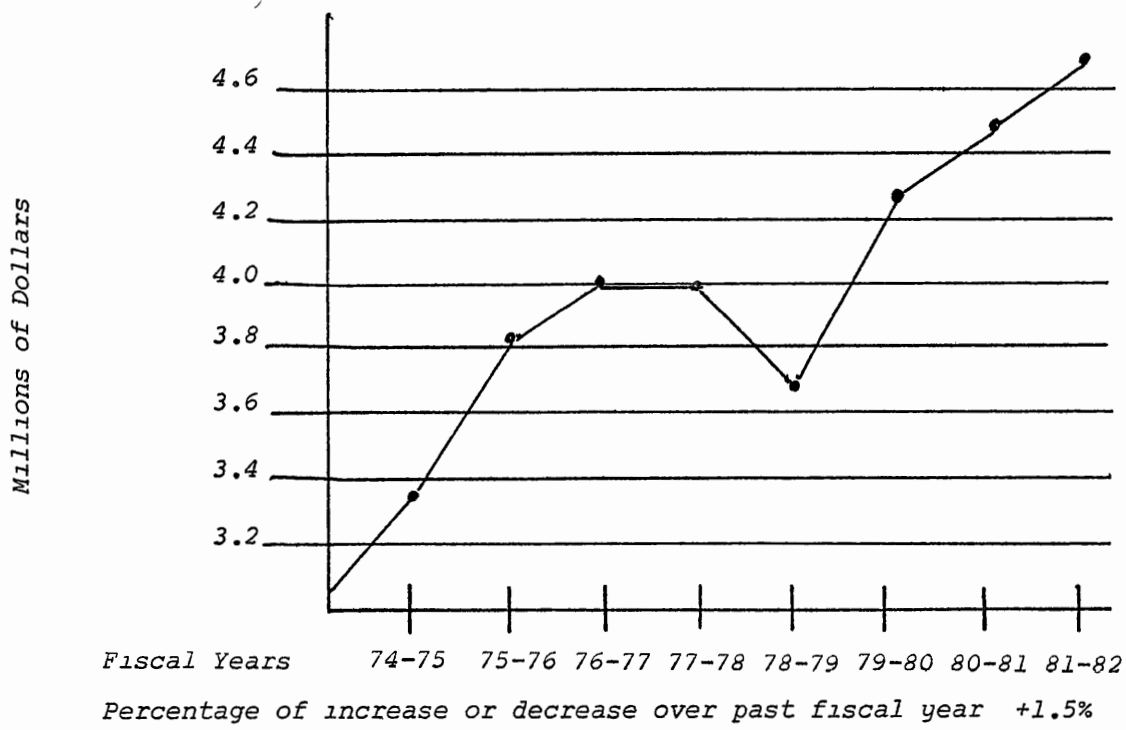
Total productive output is slightly improved over last year's figures. Our net sales indicate that the industrial program will record another profitable operation for the 1981-1982 fiscal year.

Significant sales increases were recorded with Counties and Municipalities and the Department of Corrections. The Bureau expects this trend to continue due to the increased emphasis on expansion within the Department of Corrections and a more aggressive sales campaign with Counties and Municipalities.

The accompanying charts indicates a steady increase in total sales volume since 1979.

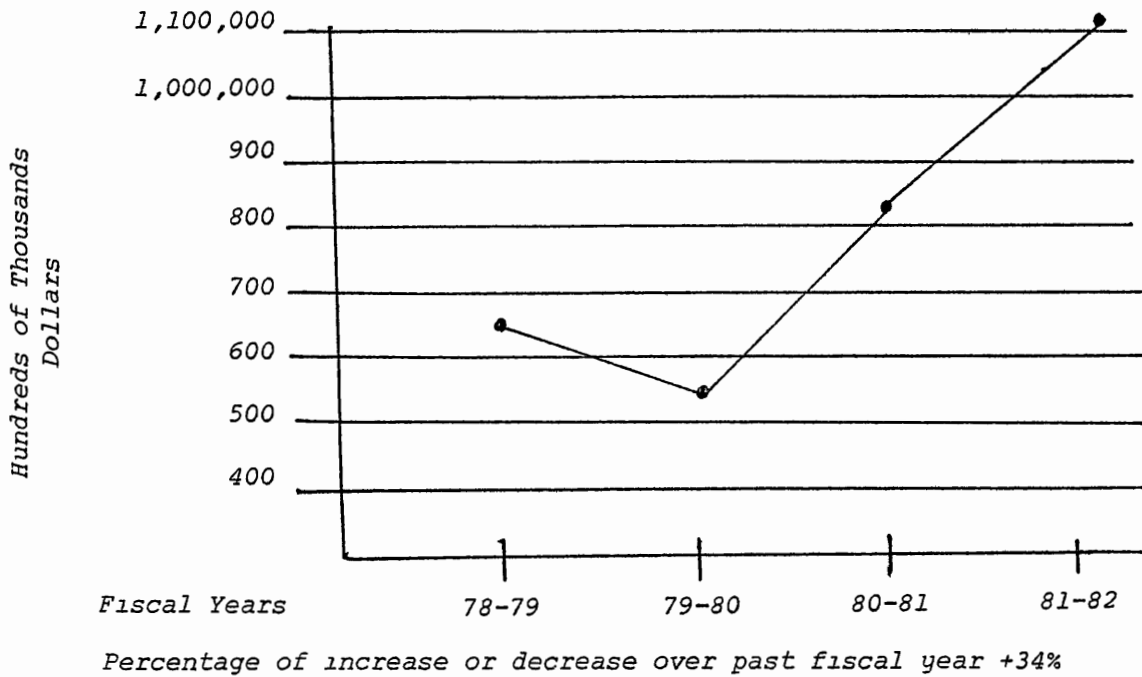
HISTORY F Y. 1975-1982

DOLLAR VOLUME IN SALES



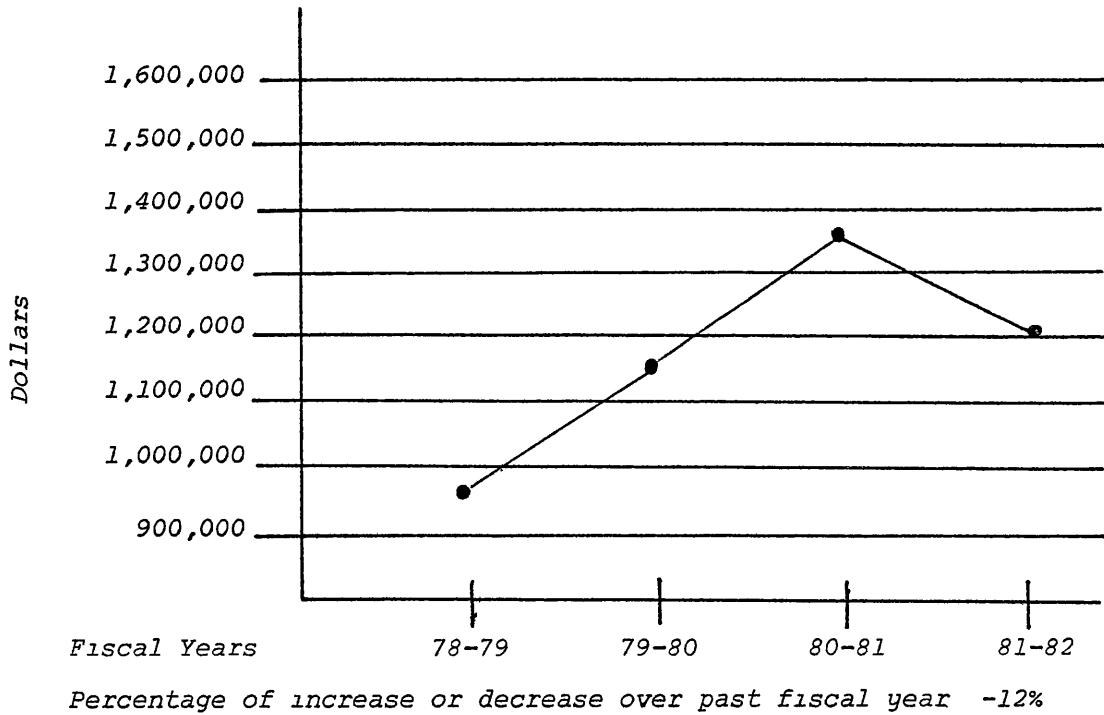
HISTORY OF SALES

DEPARTMENT OF CORRECTIONS



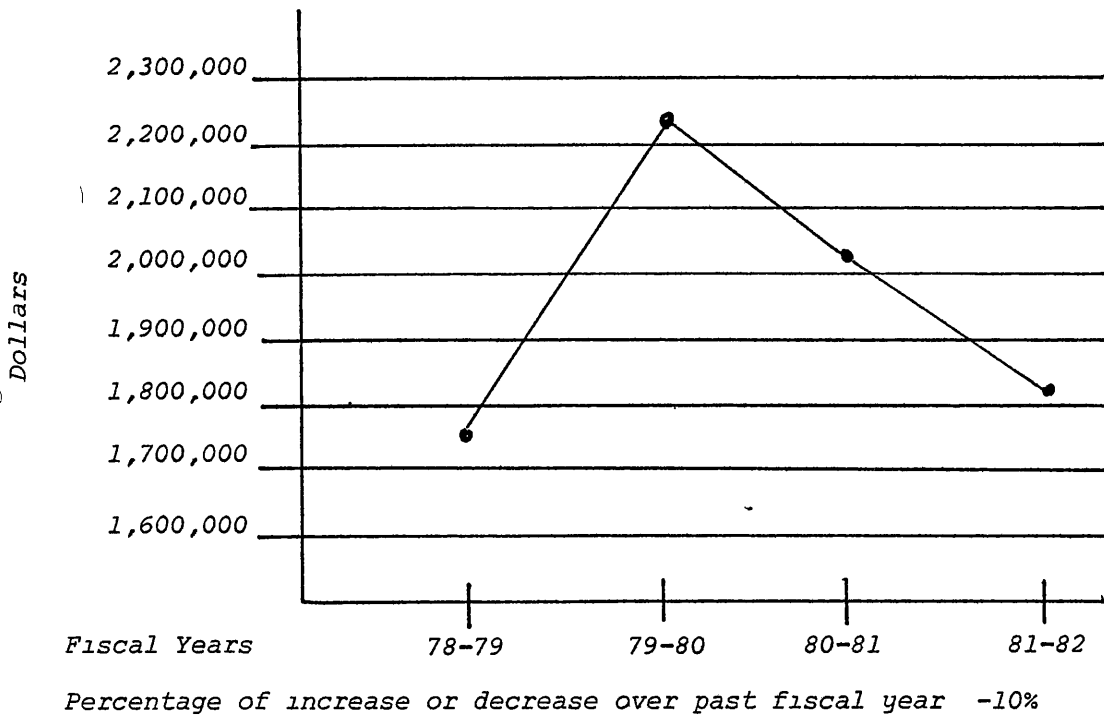
HISTORY OF SALES

DEPARTMENT OF HUMAN SERVICES



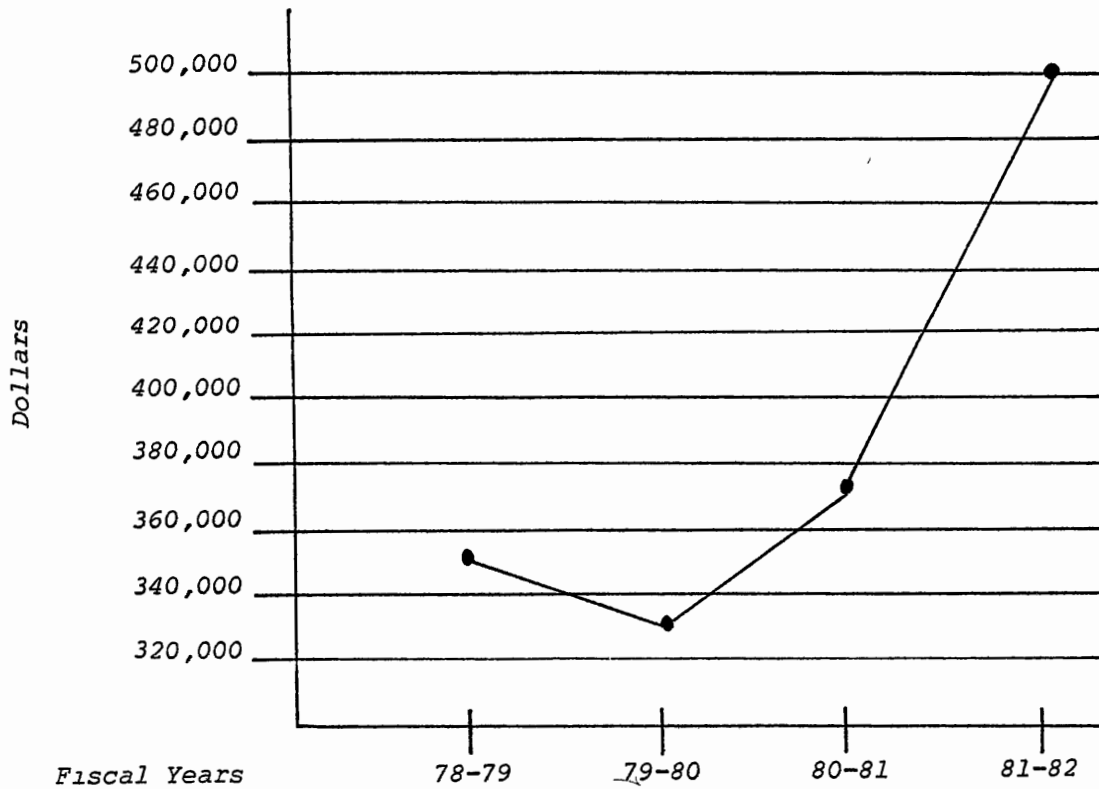
HISTORY OF SALES

OTHER STATE DEPARTMENTS



HISTORY OF SALES

COUNTIES AND MUNICIPALITIES



Percentage of increase or decrease over past fiscal year +35%

CAPITAL EXPENDITURES - 1982

Prison, Trenton	\$ 12,723.09	
Prison, Rahway	\$ 17,905.66	
Prison, Leesburg	121,242.00	
YCI-Bordentown	3,094.40	
Corr. Inst. for Women, Clinton	4,494.65	
YRCC - Yardville	2,265.00	
Central Office	19,275.15	
Trucking	9,900.00	
Warehouse	45,977.11	+ ordered (\$ 12,500.00)
Print (Oak St.)	20,809.00	+ ordered (\$ 89,907.20)
	<u>\$257,686.06</u>	<u>(\$102,407.20)</u>

GRAND TOTAL · \$360,093.26

To be added to total Machinery & Equipment asset as of 7/1/81 of \$1,654,645.16

STATE USE MARKETING

The Bureau has made a concerted effort to promote its products to State, County and Municipal agencies. Below is a compendium of significant promotional efforts put forth by the Bureau during the past year.

- Bureau of State Use Industries promotional brochure sent to all State, County and Municipal agencies as a follow-up to the Annual League of Municipalities Convention. The brochure also serves as an introduction to State Use Industries and enables agencies who were previously unaware of the Bureau to contact us and obtain a copy of our catalog. The objective of the brochure is to generate sales and draw in new customers to the Bureau.
- Promotional flyer and samples of our reflective sheeting for sign faces. The flyer announces the availability of engineering and hi-intensity grade traffic sign faces. The Bureau has mailed over 100 flyers and samples to municipalities and agencies that have access to vacuum applicators.
- Development of master customer mailing list generated via new computer located in Central Office
- State Use continues to develop its relationship with the Parole Board by publishing its Annual Report on short notice. This report was distributed to the Governor, Legislature and Administrative Office of the Courts.

## STATE USE MARKETING (continued)

- Development of State Use Contact Card. This is a business card which includes a listing of our product line and information on ordering from State Use. Contact Card will be given to all customers and contacts made at the N.J. League of Municipalities Convention.
- Reorder Reminder - This Reorder flyer will be placed in all our boxes of envelopes, name cards and letterheads as a reminder to the using agency that their supply is low and it's time to reorder. Hopefully this will encourage using agencies to place their orders before the supply has expired.
- Promotional Flyer - This flyer will be sent to all shore communities as a reminder to place their orders for traffic signs and maintenance materials before the summer tourist season begins.
- Printed promotional flyer announcing the availability of "No Smoking and Smoking Area" signs in accordance with the policy instituted by Governor Byrne to designate smoking areas in State agencies.
- State Use promotional calendar is sent out to all of our customers prior to the start of each calendar year. Calendar contains listing of our product line and ordering information.
- The Bureau plans to release several other promotional flyers throughout the year promoting the Bureau's product lines. We are also developing a computerized mailing list that will enable us to target and segment certain market areas.

## PLANS FOR FUTURE INDUSTRY DEVELOPMENT

The Bureau sees the feasibility of developing new industrial programs. We are currently investigating the possibility of implementing the following industries: (1) Paint Brush and Roller operation, (2) Glove manufacturing, (3) Three Ring Binders and (4) Car Wash. All of these programs are dependent upon the available space and manpower provided by an institution.

### PRISON, TRENTON

- Plans are in motion to develop a 4,000 sq. ft. shop, employing 20 inmates involved in the production of Validation Stickers to accommodate a new program for the Division of Motor Vehicles pending their approval.
- Replacement and upgrading of equipment in Knit Shop.
- Storeroom for storage of raw materials for industries.
- Upgrading of Print Shop equipment.

PLANS FOR FUTURE INDUSTRY DEVELOPMENT (continued)

PRISON, TRENTON

- Upgrade and purchase of additional equipment for Clothing Shop to increase production in clothing line.
- Evaluation of equipment in Mattress Industry with possible upgrading.

PRISON, RAHWAY

- Expansion of metal bed line due to increased demand and renovation of building to accommodate production.
- Expansion of Miscellaneous Manufacturing Shop to include development of new furniture products.
- Upgrade and expansion of Clothing line.

PRISON, LEESBURG

- Expansion into reflectorized license plate program if and when approved by Division of Motor Vehicles.
- Pilot project to implement a centralized cloth cutting operation for multiple shop production in conjunction with the pants line which is currently being added to the Clothing Shop. Procurement for equipment has been initiated.

YCI - BORDENTOWN

- Expansion of present product line to include hard mill soap and liquid formulations of Janitorial/Maintenance/Laundry products. Expansion is contingent upon renovation and disposition of existing building.
- Plans for expanding Metal Machine Shop to increase production of lockers and metal furniture dependent upon the availability of increased space in the institution.

YRCC - YARDVILLE

- Expansion of Mop production to include a new Dry Mop line.

PLANS FOR FUTURE INDUSTRY DEVELOPMENT (continued)

CORRECTIONAL INST. FOR WOMEN, CLINTON

--- Anticipate expansion of product line to include other personal clothing items.

YCI - ANNANDALE

--- Installation of Tire Recapping, Pallet Reconditioning and Snow Fence operation to begin when sufficient space is secured for these shops by the institution.

WAREHOUSE

--- All equipment currently on order for expansion of pallet racking system.

--- Packaging system in conjunction with consolidating customer orders.

CONCLUSION

This Annual Report has attempted to provide the reader with an overview of the accomplishments the Bureau made during the past year. In addition we have spent a great deal of time and effort in developing plans for the future expansions of its industries. These plans as stated will serve as a guideline for the Bureau's future growth. State Use looks forward with enthusiasm to the challenges it will face in the next fiscal year.