



IPI Newsletter

A Quarterly Newsletter

April / May 2008

IPI Staff Receive National Recognition

Part of IPI's Mission Statement is to employ staff and inmates who are dedicated to providing Exceptional Service, Reasonable Prices and Quality Products. It further states that this commitment will allow IPI to assume a national leadership role in correctional industries. Recently, several of IPI's employees received recognition from the National Correctional Industries Association (NCIA) for their commitment to this mission.

Ann Baughman, Marketing Manager, was the winner of NCIA's 2008 Marketing & Sales Person of the Year Award. This award recognizes "an individual who inspires trust and knows how to build relationships with customers, support and

manufacturing personnel." Ann received the award at the NCIA training conference in New Mexico in March.

The Spring 2008 edition of the NCIA newsletter focused on Shining Stars from correctional industries programs across the country and several IPI employees were recognized (the full article can be downloaded from www.nationalcia.org):

- Scott Darr: for his supervision of the Imaging Shop with an increased productivity of over 100% in the



past three years.

- Bob Manka: for his can-do attitude and the exceptional customer service he provides during furniture deliveries.
- Ken Opatz: for his dedication to the safety of staff and inmates, his 32 years of service to the DOC and IPI and his service with the Iowa National Guard.
- Laura Mendez: for her excellent teamwork as part of the Fort Madison staff as well as the Global Team and her positive, friendly manner everyday.

Congratulations to everyone; your dedication to IPI and our customers is greatly appreciated.

Baysden's Corner

BY ROGER L. BAYSDEN
IPI DIRECTOR



On April 8, 2008, we held our first offender recruiting job fair for the ever expanding industries building at ICIW in Mitchellville. Shawn Preston and his staff organized this event in conjunction with the institution's re-entry team. By all measures, it was an overwhelming success. We had over 120 inmates show up for the three hour event. The industry shop was closed down and temporary workstations were set up in the institution's auditorium. We had experienced IPI inmate workers on hand to discuss the type of work they do, such as the manufacturing of jeans, office panels, chairs, printing, picture

frames, plastic bags and data entry. Having industries inmates share their experience demonstrates to prospective inmate workers the first hand learning opportunities that occur in our shops. IPI staff moved from workstation to workstation assisting in the information sharing and answering specific questions from the prospective inmates.

This group approach to attracting the best offenders will allow prison industries to demonstrate our value in the re-entry arena; and for those offenders that will be released one day, prison industries skill development will help prepare them for their transition back into the community.



Roger Baysden speaks to the female inmates about the benefits of working for IPI at the ICIW job fair.

We believe that this type of job fair can be successful at all of our institutions, as we strive to expand the diversity in our shops and improve our overall inmate workforce. I would urge each of our locations try something similar.

Congratulations to Shawn and his team.

Life isn't about waiting for the storm to pass... it's about learning to dance in the rain.

SALES & MARKETING

IPI: Working Towards A Greener Iowa

Iowa Prison Industries is working to support Governor Culver's Green Initiative. Our focus on the providing environmentally friendly or "Green" products to our customers has expanded. We have increased our focus on the environment, the users of the products and the occupants of the buildings we provide products to. Our offering is expanding to meet the growing demand for products and services that benefit the world in which we live. A few examples are listed below:

- **Green Chemicals:** The Capitol Complex in Des Moines has converted to IPI's "Terra Green" line of Green Seal Certified products that are more environmentally friendly than conventional cleaning products.
- **Plastic Bags:** IPI products meet or exceed the State of Iowa's guidelines

regarding recycled content in the plastic. Additionally, IPI is researching 100% biodegradable bags that will dissolve in the landfill.

- **Computerized Machine Cuts & Fingerjoint:** The amount of scrap lumber is reduced and then most of this scrap lumber is then joined with the fingerjointer to produce larger, more usable pieces. Both processes greatly reduce the amount of scrap sent to the landfill.
- **Novelty Items:** Offal is used to build wood products that are sold at Surplus.
- **Refurbishing / Reupholstery:** Offers our customers an option to reuse old furniture rather than discarding it. Recycled fabrics are available for reupholstery projects.
- **Modular Furniture:** Panels and component parts are reman-

ufactured to like-new condition rather than being disposed of.

- **State and Federal Surplus:** The first real "Green Program" from IPI at its inception.

It is through these programs that IPI works to make sure that our State will be a better place for Iowans. What else can taxpayer's expect from their "State Owned Store"? We will continue to develop more products and services that will have a positive impact on the environment.

"Iowa Prison Industries: Partnering With Our Customers For A Greener Iowa"

IPI Donates Items To Iowa Veteran's Cemetery

As a way of saying "Thank You" to the Iowa Veterans Cemetery (IVC) for purchasing office furniture from Iowa Prison Industries for their new facility, IPI has donated a number of items to this worthy cause. The IVC will be the first state-owned and operated veterans cemetery in the State of Iowa.

When IPI learned of IVC's need to for a flag holder and cremation display box for use when interring cremated remains, IPI Director Roger Baysden graciously offered for IPI to build these items for them no charge. Iowa Prison Industries has also donated over 500 gravemarker flags for use in the cemetery.

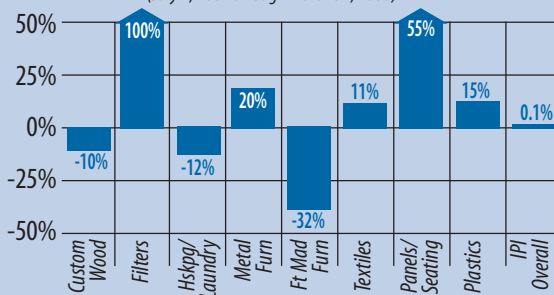
Again, IPI is most appreciative of the opportunity to provide furniture and other items to IVC, which is sure to become a landmark for the State of Iowa.



(L to R) IPI Director Roger Baysden, IPI Marketing Manager Ann Baughman, IDVA Director Patrick Palmersheim and Cemetery Director Steve Young at the presentation of the flag stand.

Sales Report Card

Sales Change From FY 07 to FY 08 (July 1, 2007 through March 31, 2008)



Also showing YTD increases are Sign at Anamosa, Tourism at Fort Madison, Imaging at Mitchellville and the Central Canteen at Newton.

3rd Quarter New Customer / New Project Orders

(For a complete list contact the Des Moines office)

Customer	Products	Sales
AmeriCorps	Residence Furn	\$153,493
2nd Judicial District	Office Furn	\$68,543
Aquin Elementary	Cabinetry	\$52,821
Clear Creek-Amana CSD	Library Furn	\$26,353
Walnut CSD	School Furn	\$20,770
IA Dept of Admin Serv	Green Chemicals	\$14,874
City of Grinnell	Printed Trash Bags	\$14,520
DNR Washington	Park Furn	\$4,676
Osceola Full Gospel	Church Furn	\$2,360
Wapello Co Ambulance	Seating	\$2,167

3rd Quarter New Customer Sales By Sales Rep

Dennis Barry	\$228,000	Scott Klinefelter	\$0	Michael O'Brien	\$159,000
Kevin Peterson	\$4,500	Dino Costanzo	\$0		

YTD Customer Satisfaction Card Results

(July 1, 2007 through March 31, 2008)

	Excellent	Good	Below Average
Sales Representative Knowledge	86.9%	12.8%	0.4%
Timeliness of Delivery	76.3%	19.9%	3.8%
Delivery Service	81.8%	16.9%	1.3%
Quality of Goods	82.9%	16.7%	0.4%
Value for Money	84.6%	14.5%	0.9%
Question/Problems Handled Promptly	85.9%	13.5%	0.6%
Average	82.7%	16.0%	1.3%
	Yes	No	Maybe
Would you recommend us to others?	96.4%	0.5%	3.0%

“New” On Both Fronts



Maria Contreras & Jane Ross

What are these two lovely ladies sharing in common? Both are experiencing something new with

the IPI experience. Jane Ross has recently retired from IPI after serving the State for over 40 years, and Maria Contreras has joined IPI as an Administrative Assistant working directly with Roger Baysden, our Director. We wish both of them the best for the future, knowing that Maria will step right into Jane’s shoes and both will do well on their next venture.

Any of you that know Jane are not surprised that although she has officially

“retired,” she still works everyday, Monday through Friday, at her job at a local medical clinic. We do not know if we will ever see the day that Jane slows down enough not to work. She enjoys working with the people and keeping herself busy, although she confided to us that she is OK with not leaving home in the dark hours of the morning and rather enjoys sipping on her coffee and reading her paper at a leisurely pace in the morning. We know she is doing well and hope she stops by to see us once and a while.

Maria comes to us from the Iowa Lottery, where she was employed as an Accounting Tech. Originally from Vail, Colo., Maria came to Iowa seven years ago to work for AFLAC. When not at the office, Maria spends most of her free time keeping track of her daughter Tiffany’s activities and studying; she is currently



Jane takes a break from her retirement party for a quick photo with IPI coworkers.

attending DMACC to supplement her degree in Accounting Informations Systems.

All of us here at IPI think that we were lucky to work with Jane Ross for so many years, and that we know we will enjoy the experience and expertise that Maria will bring to us for years in the future as well. Best of luck to both of you from your friends and coworkers at IPI.

NEWTON

Newton Has A New Look!



Another face can be seen at IPI’s Newton facility. Behind the professional appearance, you will find none other than Sean

Culbertson. Sean joined our ranks on April 4th. He brings 15 years of valuable experience to our operation.

Sean began his career with the Department of Corrections as a technician at Mitchellville. Sean’s main responsibility was in the transportation of product. He has also served well in a number of other capacities over the years. Time served included a brief period right here at Newton. Most of Sean’s tenure has been at the Des Moines Surplus location. His active involvement in our modular office equipment setup was valuable in establishing our name across Iowa.

It is noteworthy to mention Sean has also served our country in the highest manner possible: protecting us by serving

in the military. He has placed his own life in danger by being a part of Operation Desert Storm and most recently the Iraqi Freedom campaign. As a retired veteran in 2006, Sean can now devote more time right here in the “states.”

Three children and a loving wife take much of this native Iowan’s attention. A favorite sport is bow hunting. That trophy shot is but a season or two away.

Sean is already contributing to our business here. The combination of experience, personality and added insight will prove to be a valuable asset. We are pleased to have this energetic person as a part of our team!

A Time To Celebrate

Congratulations are in order for our very own Jim Pinegar. On January 1st, Jim received a new title – husband. Jim and Sherry officially “tied the knot” at Newton’s Maytag Park. The ceremony took place in a log cabin. Unfortunately, it was one of the coldest days of the winter.

Canteen Finds Success With Shoe Offering

The Central Canteen recently offered both a men and women’s tennis shoe to supplement our existing line of footwear. The men could choose from either a low-cut or high-top version of a highly popular Reebok BB series tennis shoe. The women could order Sketcher’s 2250 tennis shoe. This is a repeat offering of this popular product. Full ranges of sizes including half sizes were available. Both brands were available for a limited time. The quality and affordable price proved to be a winning combination.

True to the nature of log cabins, there was no modern heating installed. Needless to say, the excitement of experiencing this milestone easily surpassed the cold conditions.

May you and your family enjoy a lifetime of happiness!

Shop Spotlight: Metal Furniture

This month's spotlight is on the Metal Furniture Division. Metal Furniture is literally spreading out across the state. Beginning in March of 2008, the Rockwell City IPI building is now a part of the Metal Furniture division. This will give us the opportunity to develop new products and expand our offering of current products.



The Anamosa Metal Furniture Team (from left to right): Chris Gillmore, Mark Hollenback, Tim Diesburg, Bob McGrew, Gary Sievers & Rod Schlee.

The inmates are already at work making metal products and with the movement of our upholstery equipment up there, we will be able to complete the chair lines relocated from Mitchellville.

What makes this division work is the staff and offenders that have worked to take on the challenges given them; many times the staff and offenders take an idea from sales and develop it into a sellable product. This is typically done with minimal resources in short timeframes.

The new warehouse has allowed the shop to stock many of our more popular styles of furniture and also allow us to plan our production better in our busiest times of the year.

Sometimes We Hit, Sometimes We Miss

We have been assisting an architectural firm in a simple housing unit for third world countries. The structure, called ABOD, is intended to house a family and can be constructed with basic tools in a day. The idea has great potential and IPI has been involved in making a marketable design. The housing unit will be provided in kit form with a floor space of 25 square meters. Right now, representatives of the government of South Africa are interested in several hundred units. This project is going to be shelved for now; factors such as shipping and value of the dollar will have to be overcome to make it work. Not all of our projects get from the design phase to full production, but as in any business, you have to make many casts to catch that prize.



Several popular Metal Shop products that can be produced in bulk are now being manufactured in Rockwell City such as the fire rings shown above.

Metal Furniture Fun Facts

- 64,350 FT of t-molding
- 84,946 SF of laminate
- 34,219 Melamine seat, backs, and tops
- 100,013 FT of rod
- 173,370 SF of sheet metal
- 347,690 FT of tubing, and pipe
- 290,835 pieces of hardware
- We use over 20 miles of one inch round tubing each year.
- If you stack all the chairs and stools that MF manufactures each year it would be as tall as Mt. Everest (29,035 FT).
- We use 23,846 pounds of paint per year, which covers approximately 600,000 square foot or 13 acres.
- The combined years of service of the Furniture Shop Staff is 117 years.

Anamosa Sales Update

Currently we are behind in sales this year compared to last. The effects of a long winter and downturn in the economy affecting car sales have hit the both the Sign and License Plates divisions. At this time overall sales are down 1.7% and sustainable income at \$237,000 compared to \$884,997 at this time last year. Sales are picking up, and we will give our best efforts to have a strong finish to the year.

Welcome New RWC Employee

Doyle Austin is the newest employee at Rockwell City. He previously worked at Ft. Dodge Correctional Facility in the maintenance department. Welcome Doyle and good luck in your career with Iowa Prison Industries. Dave joins State Industries Supervisor Dave London and State Industries Technician Rita Light (shown below, left to right).



Shop Tours & Training Continue

This last quarter we have hosted several groups both for educating our customers and staff training. On January 23-24, six of our staff attended the 10 OSHA safety course. From this meeting we invited OSHA consultation back to evaluate our welding operation. This was completed in April.

Failures are finger posts on the road to achievement.

-- C. S. Lewis

FORT MADISON

Shops Busy With Dorm & Custom Orders

Universities and schools continue to be Fort Madison's largest customers; the biggest growth is with Iowa's community colleges. Unfortunately, Fort Madison Furniture Shop sales are down 32% mostly due to a lack of dormitory furniture sales last summer; we experienced a dramatic decline due to budget issues that several colleges and universities had to face. Things are looking up for this summer with current orders for over 1,000 rooms of dormitory furniture (see chart at right). The reputation of our high quality dormitory furniture and Mission furniture continues to grow each year even to outside state colleges helping to make Fort Madison Furniture a leading supplier of dormitory and lounge furniture.

Fort Madison's Custom Wood shop continues to thrive with orders. We



recently completed and installed new library shelving at Everly Library and a circulation desk at Waterloo Library; we are currently working on a large order of office furniture for Iowa Veteran's Cemetery that will be installed the first of June. The quality of furniture that comes from this shop is just exceptional from library furniture and church furniture to specialty furniture for the Capitol Building. As a result, this new division has been incredibly busy and will surely continue to grow.

Summer 2008 Dorm Orders

- University of Iowa (customer since 2002): 552 rooms
- University of Northern Iowa (customer since 2003): 408 loft beds
- Iowa Western Community College (customer since 2005): 140 rooms plus 124 wardrobes
- Grinnell College (customer since 1989): 69 rooms
- State of Mississippi (new customer this year): 56 rooms
- AmeriCorps (new customer this year): 186 wardrobes

Textiles Expanding Embroidery Operation

Sales in Textile are up 21% thanks to the continued support of our institutions. This division will continue to look for ways to be more economical so this operation can be profitable in this never ending tough market.



Recent embroidery samples produced by FM Textiles.

We are expanding our embroidery operation; a new four-head Brother embroidery machine is being added along with digitizing software that will allow us to provide schools, universities, colleges and state entities a wide variety of embroidered products. More will be coming on the embroidery operation in the coming months.

The addition of the Security-View Mattress with a clear mattress cover is really taking off with most of the institutions switching to this mattress. Not only is it a more economical mattress than our other vinyl covered mattress, but the clear cover greatly enhances the security of the mattresses.

Recent Customer Testimonial:

"I just want to convey my appreciation to IPI for coming up with the security view mattresses... These mattresses make it near to impossible for inmates to hide contraband and they allow staff to conduct searches of inmate's living quarters much easier and quicker. Eventually all of our cells will have these mattresses. Besides, the price is right. Thanks again."

— John Ault, Warden, Iowa State Penitentiary - February 2008

Mt. Pleasant Facility In Full Operation

Mt. Pleasant now has a traditional industries program that is part of Fort Madison Furniture Division. The last traditional industries operation at Mt. Pleasant was from 1975-1983. This new operation will help manufacture dormitory furniture such as beds, safety rails, ladder and wardrobes. Additional furniture will be added in the future. Mt. Pleasant is working on the U of I bed order and summer wardrobe orders. Currently we have 18 offenders working in this operation and each week we will continue to add additional workers.

Please welcome Jeff Bailey, State Industries Supervisor, and Laurie



Cochran, State Industries Technician, to this new operation. Both of these individuals come from the Mt. Pleasant Correctional Facility with very high recommendations and both will be great assets to our operation.

Computer Tech Department Opens

Our new tech department was introduced at the recent IPI job fair at ICIW earlier this month.

This department utilizes computers sent from State Surplus. The Central Processing Units (CPU's) are put through various diagnostic tests to determine if they are operational or if hard drive repairs are needed. Repairs to the hardware consist of parts such as hard drive, memory sticks, processor, cd-rom and basically every piece that makes up the computer.

Once the CPU is operational, it is plugged into a monitor and powered up in preparation for software to be installed. The software installed for the operating systems is Windows 2000 or XP. It is then finished with virus protection and a comprehensive office program provided free of charge by Windows called Open Office.

When the repairs and software installations are complete, each computer is tagged with its make, model, hard drive



A female offender runs diagnostics on a computer in the new Computer Tech Department.

capacity and memory. The computers are then sent back to Surplus for pricing and sale. The PC is now functional and ready to perform just about any task. For instance, all of the computers are Internet ready, and can do basic operations such as spreadsheet and word processing.

It is IPI Mitchellville's mission to make these machines functional in this evolving industry. In addition, offenders get valuable hands on experience to take into a dynamic and competitive workforce. These are skill sets that readily transfer to the private sector and marketplace.

MV Welcomes Two New Employees

With the expansion of offender work opportunities at Mitchellville, IPI welcomes two new staff members.

Carl Eggermont

Filling the position of Transport Driver for MV, Carl Eggermont comes to IPI with an extensive transportation background. After graduating from Newton High School in 1997 and attending a short inspection training school for



Ruan Transportation, Carl started his career in transportation including being a fourth generation owner/operator having owned four trucks. His experience ranges from linehaul to multiple stop local delivers. Carl's excellent customer service and transportation experience will prove to be a great addition to IPI MV plant.

Dennis Piotraschke

Dennis Piotraschke is the new State Industries Technician in the Panels & Seating division, and he brings to IPI many years of manufacturing experience. After graduating high school, Dennis served in the U.S.



Navy for seven years as a Hull Maintenance Technician. Since leaving the Navy, Dennis has worked in skilled trades for Toyota Manufacturing (Fremont, California), J.I. Case Corp., Maytag Corp. and The Des Moines Register. He has also trained skilled tradesmen in various welding processes as an adjunct welding instructor for Des Moines Area Community College. Dennis' experience in manufacturing and teaching is already greatly benefiting the operations here at IPI.

Textile Division Upgrades Complete

Our textiles division began in February 2007 as a subcontractor for Fort Madison IPI Textiles. Mitchellville made the more common size jeans, which consist of sizes 34, 36, 38, and 40-inch waist. All male institutions in the State of Iowa currently purchase these jeans. During the first six months, the department made 150 to 200 pairs of jeans a week.

In January 2008, the complete Textile blue jean division was moved to Mitchellville. Since the expansion, the division is currently sewing approximately 350 pair a week. Additional new machinery has been ordered, and the shop will soon begin cutting and sewing all sizes of jeans to fill orders received by customers. When Textiles is fully functional, the goal is to produce 1,700 pair of jeans per month, or 20,000 pair annually.

Textiles began with a team of 10;



Female offenders learn valuable sewing skills in Mitchellville's textiles operation.

currently we have 17 employees working in that department.

This division is valuable to the inmate employees. Many leave with skills that they would not have otherwise learned. We are pleased to have this new addition at the Mitchellville Plant.

In the near future, all IPI jeans will be manufactured at Mitchellville. Our goal is to be able to meet agency jean requirements.

BUSINESS OFFICE

Job Duties Shift In Business Office

The Business Office has made several job responsibility changes in order to better serve IPI, our vendors and customers.

Grace Kurt (formerly the financial accountant) is now responsible for developing a formal Internal Control Review and Operational process at all locations and functional areas of IPI. This includes:

- Development of processes and procedures
- Development of forms, checklists, flowcharts

- Development of Business metrics
- Conducting reviews and maintaining the review system
- Providing analysis to management

These processes will be essential in ensuring that IPI continues to achieve growth and excellence.

Ann Noska (formerly in accounts payable) is now doing the financial accounting.

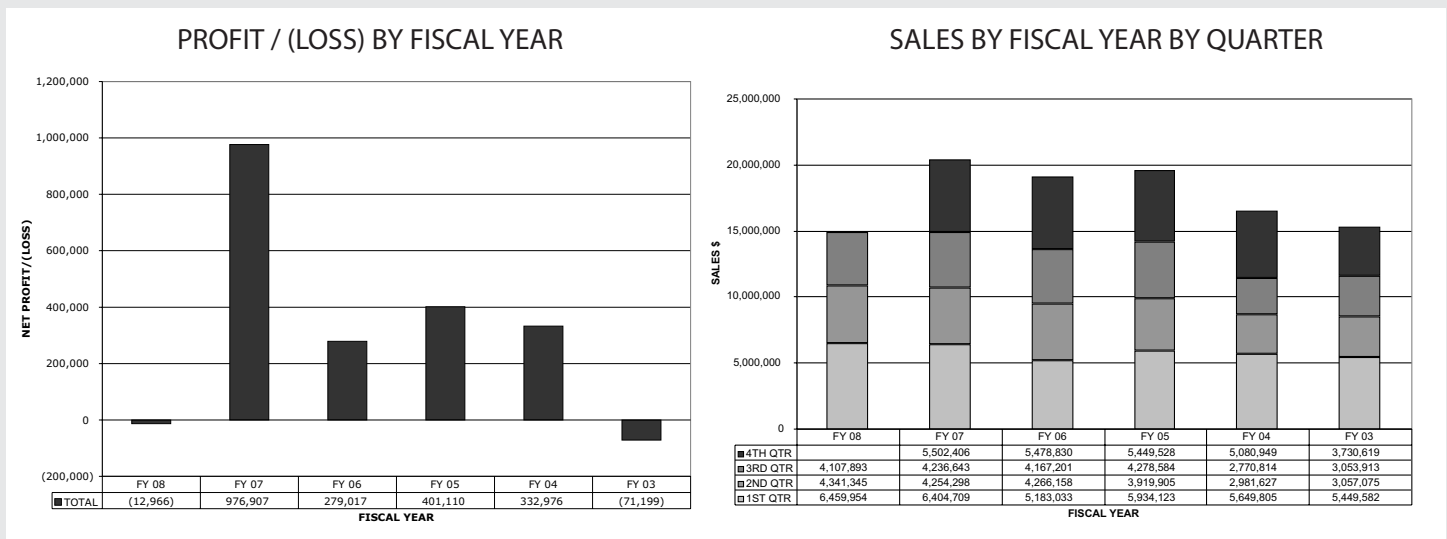
A new Accounting Technician position has been filled by Jim Conmey. Jim joined the staff in February and his job responsibilities include accounts payable,

payment of non-purchase order expenses and accounts receivable. Originally from Anamosa, Jim graduated in December 2004



from the University of Iowa with a BBA in finance. He was previously a 401(k) Account Consultant / Retirement Plan Specialist. Jim lives in Anamosa with his wife Stephanie and dog Daisy. Welcome Jim!

Sales & Profit/Loss History - FY03 Through FY08*



*Through March 31, 2008

Recent Customer Testimonials:

Governor's Mansion (Terrace Hill): Refinishing

"A big thank you for the furniture refinishing. The pieces turned out even better than I expected. They look new and are beautiful. Please extend our thanks to the craftsman who did the project!"

– First Lady Mari Culver - April 2008

Custom Bedroom Furniture

"The custom made bedroom furniture from Prison Industries exceeded our expectations. The designers came up with great ideas and we used them in all the furniture pieces. This furniture is built solid with awesome craftsmanship. The people that built our furniture have our appreciation. Thanks and great job."

– Richard Brus - April 2008

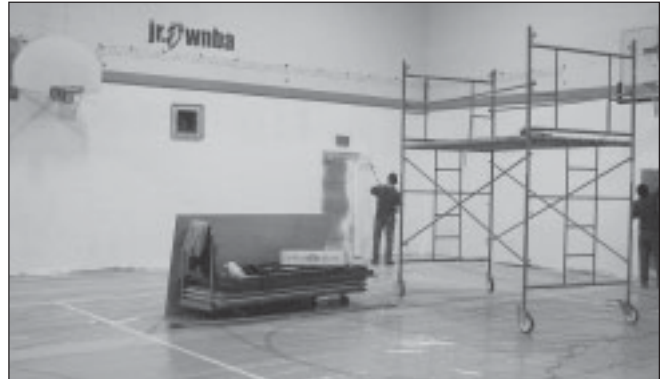
DES MOINES

Move & Install Inmates Paint Gymnasium

In early January 2008, Dawn Narcisse with the Logan Boys and Girls Club of Iowa contacted Moving and Install regarding possibly repainting their gymnasium. The gym had been painted several years earlier and had started to peel away, and we all know that kids cannot leave peeling paint alone! So needless to say, the gym looked a mess. After settling on a quote the Moving and Install team did some research and found some paint and primer that would stand up to the heat and moisture of the summer and the year-round kid abuse. On the March 3, Moving and Install went to work in the gym taping and prepping the gymnasium. The preparation took two days. On the third day we started painting with the primer; we were able to prime the whole gym in the morning and started with our first coat of paint in the afternoon. On March 6, we were able to spray and roll our last coat of paint and then remove all

tape and plastic.

After all work was completed Dawn walked through and was very impressed with the job Moving and Install had done. On the satisfaction survey she filled out, Dawn stated, "I would recommend this to anyone. They did an exceptional job. The skill level was professional without the professional price. I definitely will be mentioning it to all coworkers in the field. Thanks for the great job." Dawn also stated that the kids were very excited to get back into the gym so they could also see the work M&I had done.



Recent Customer Testimonial:

Iowa Board of Pharmacy: Move & Installation Project

"Your crew did a great job and I have heard nothing but good about their manners and how quietly and industriously they worked. Thank you very much. I realize it was a tough job on a tight budget but they did great!"

ON THE LIGHTER SIDE



Birthdays

Make sure you jot down these upcoming birthdays so you can make sure they have a great day!

May

- 4 – Jeff Otting (AN)
- 10 – Dan Luensmann (AN)
- 13 – Michael O'Brien (DM)
- 15 – Dennis Barry (DM)
- 17 – Kathy Jaeger (AN)
- 18 – Chad Squires (NW)
- 25 – Bob Carlson (Farms)
- 28 – Bill Gehl (Farms)

June

- 4 – Ron Heckenberg (FM)
- 6 – Ann Baughman (DM)
- 6 – Clint Schmidt (DM)
- 7 – Bob Mesecher (DM)
- 9 – Ann Noska (AN)
- 10 – Mike Nye (FM)
- 19 – Jamey Klostermann (AN)
- 24 – Pam Kray (AN)
- 26 – Laura Mendez (FM)

July

- 10 – Dale Koopman (FM)
- 12 – Shari Long (FM)
- 12 – Mike Spooner (MV)
- 14 – Chris Gillmore (AN)
- 20 – Jeff Bailey (MP)
- 22 – Laurie Cochran (MP)

Please submit any personal news you would like included in the IPI Newsletter to your plant manager or to Ann Baughman at the Sales Office.