ANNUAL REPORT 2023

MICHIGAN STATE INDUSTRIES Building Bridges to Success

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FROM the administrator

It's hard to believe, but we just buttoned up another fiscal year! Time flies when you're having fun! I'm here to report that it isn't always fun, but it's always worthwhile!

This particular year marked my 20th in correctional industries, so I can confirm that they go by quickly! Over the years, I've seen many changes, most importantly, the recidivism rates are half of what they were when I started. I am proud to have come up through the factory ranks and I am grateful to have had a chance to see first-hand the impact our programs have on our offenders.

Speaking of factory ranks, we have included in this report, new pictures of our plant managers and industrial production leaders! They are the heart and soul of Michigan State Industries that keep the manufacturing wheels turning, to allow us to remain self-sufficient and meet our objectives.

Special shout out to our sales and marketing team who worked a robust tradeshow schedule during this fiscal year! Spreading the word across our state, marketing our goods and services. COVID put the brakes on that for a few years, so it's great to see our staff out-and-about again!

Not to mention the rest of our Grand View Plaza office staff who round out our team! We couldn't pull it off without a complete team effort! I am lucky and extremely proud to work alongside all our staff!



To our vendors and customers, thank you for supporting us in our mission! We couldn't do this without you! What we do for our offenders, Michigan Department of Corrections, and the State of Michigan is important! Back when I was a plant manager, I always tried to conduct an exit interview with our offenders. Most would describe their experience with MSI as "life changing." An impactful statement that sums up why we do what we do! Thank you for your continued support of MSI.

Greg Dancer Administrator, Michigan State Industries

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MANAGEMENT Discussion & Analysis

This Annual Report provides an analysis and evaluation of the current and prospective restructuring, cost reductions, asset management and progress towards the financial stability of Michigan State Industries while preparing prisoners for their return to society.

Restructuring

Michigan State Industries (MSI) is continually evolving the organizational plan that will streamline operations and improve efficiency allowing us to better serve MSI customers, the Department, and the Michigan taxpayer. MSI is working to assess current operations as it aligns with the core mission of prisoner success while restructuring the business model and operations to become fiscally solvent. In 2021, we began collecting live shop floor data, during normal production at the license plate factory in Adrian, along with the garment factory at Carson City. During 2022, MSI implemented the remaining factories and is now retrieving live shop floor data at all locations (besides our Dental, Optical, Print and Laundry operations).

Successes

MSI's management team remains committed to working with the Department of Corrections to identify and collaborate with other key stakeholders, and to help meet its mission of protecting public safety and improving parolee recidivism.

Contributions

MSI is an effective management tool for reducing inmate idleness, providing structured training programs, instilling transferrable job skills, a positive work ethic, social management skills and personal responsibility. Approximately 500 prisoners per day are employed with MSI engaged in-12 factory operations to meet the needs of government and select nonprofit organizations. These prisoners are accountable daily for being on time, meeting production goals and working as a team.

Results to Date

In FY 2018 MSI posted its first positive cash position in over 10 years, an \$8 MILLIONdollar improvement. MSI has concluded the last six fiscal years with a positive cash position.

Moving Forward

MSI will continue to use LEAN business processes throughout its organization. MSI staff is involved in the department's EPIC efforts. Collaboration began with Education and Prisoner Success to more fully integrate services relating to preparing prisoners for their return to society. MSI's management team is committed to working with the Department of Corrections and other key stakeholders in utilizing collaborative efforts to refine its operations and utilize assets for the maximum benefit of the State.



MICHIGAN STATE INDUSTRIES Building Bridges to Success

MISSION

"Building Bridges to Success" by providing real employment opportunities for Michigan adults in custody, educating and empowering them to become lawabiding, tax paying citizens through successful work skills training.

VALUES

PERSEVERANCE – to keep working to make things better for our customers, our co-workers and our staff and toward getting the job done!

ACCOUNTABILITY – Both for ourselves, our co-workers, our staff and others to ensure excellence.

RESPECT – In how we treat co-workers, staff, and customers at all times.

TRUST – in our co-workers and staff that we can do this together when we work together in a blame-free environment.

NET INCOME – achieving the objective to provide quality goods and services to our customers at zero cost to the taxpayers of the State of Michigan and high-quality job skills for our co-workers and staff.

EXCELLENCE – In how we train our staff and co-workers, in our work, our products and services.

RESOURCEFULNESS - to try something new, to do something different, to think outside the box, to seek solutions.

SERVANT LEADERSHIP – ensuring management exists to support staff in accomplishing the objectives of the organization.

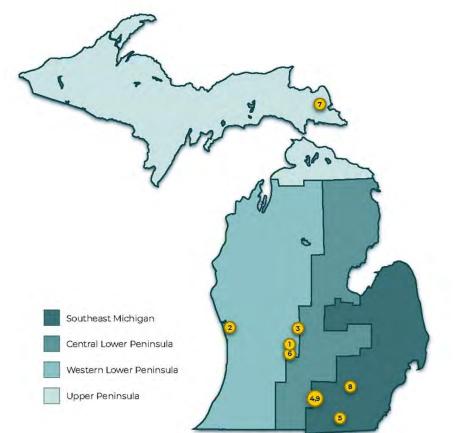
HONESTY – Being truthful in all our endeavors.

INTEGRITY – Doing the right thing, not necessarily the easy thing.

PROFESSIONALISM – Conducting business in advance, openly, always seeking solutions to problems, respecting others' time and business confidentiality, communicating timely using oral or written means, utilizing appropriate language, grammar and spelling to best represent MSI and MDOC.

LOCATIONS

Michigan State Industries operates 12 factories at 9 locations across the state. Logistics and resource availability play a significant role in the location of each factory. Each factory is supervised by a plant manager, operates either one or two shifts, and employs prisoners as required to meet customer demands.



Our Facilities

1. Bellamy Creek Ionia, Michigan

- Shoes - Sign Shop

- 2. Brooks Muskegon, Michigan - Laundry
- 3. Carson City Carson City, Michigan - Garment

4. Cotton Jackson, Michigan - Print Shop

- Mattress

5. Gus Harrison

Madison Charter Twp, Michigan - License Plate - Optical Lab

6. Ionia Maximum Ionia, Michigan - Garment

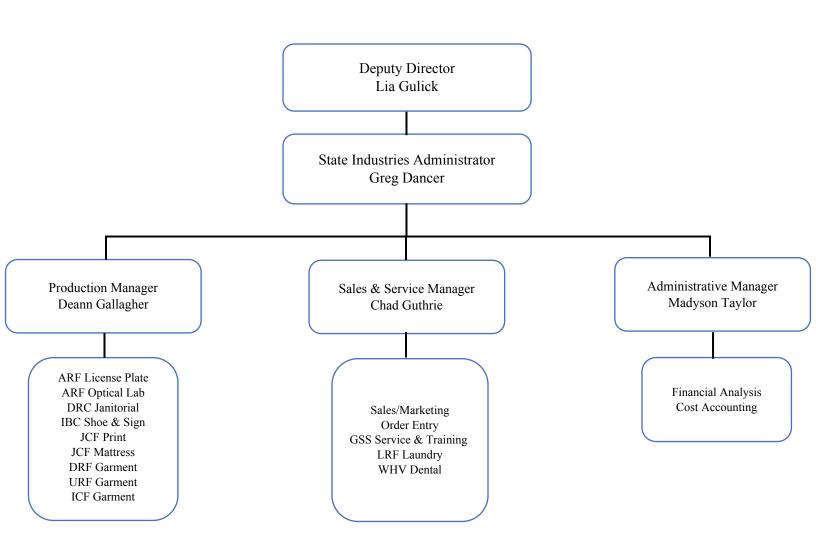
7. Chippewa

Kincheloe, Michigan - Garment

8. Huron Valley Pittsfield Twp, Michigan

- Dental Lab

9. Parnall Jackson, Michigan - Janitorial Michigan Department of Corrections Budget and Operations Administration Michigan State Industries Administration / Operations



The Carson City Garment Factory

Located at the Carson City Correctional Facility (DRF) 10274 Boyer Road in Carson City, Michigan 48811. DRF houses Level IV, II and I prisoners, with a net operating capacity of 2,226 beds and supervised by Warden Randy Rewerts. This factory operates 5 days per week and inmates are scheduled to work from 6:30am to 1:42pm. The Carson City Garment Factory employs Level I prisoners only and manufactures all Michigan correctional officer uniform pants, Emergency Response pants, new officer employee school PT wear, various custody belt device holders such as radio, personal protection device, handcuff cases, etc... It also manufactures prisoner purchased athletic wear (shorts, sweatshirts, sweatpants) prisoner uniform shirts and pants and prisoner pajamas.

This factory employs a total of three civilian employees and 91 prisoner workers.

Marketable Skills:

Job skills such as sewing machine operators, machine repair and maintenance, patternmakers, cutters, physical and raw goods clerks, shipping and receiving duties, trimmers, order fulfillment, crew leaders.



The Chippewa Garment Factory

Located at the Chippewa Correctional Facility (URF) W. M-80 in Kincheloe, Michigan 49784 which houses Level IV, II and I prisoners, with a net operating capacity of 2,339 beds and supervised by Warden Jamie Corrigan. This factory operates five days a week and inmates are scheduled to work from 6:42am to 1:45pm. The Chippewa Garment Factory employs Level II prisoners only and manufactures all Michigan correctional officer winter wear (coats, bib overalls, vests, caps) and officer shirts, prisoner purchased winter coats, food service chef shirts, ANSI safety wear and various other items.

This factory employs a total of three civilian employees and 101 prisoner workers.

Marketable Skills:

Job skills such as machine operators, machine repair and maintenance, office clerks, crew leaders, shipping and receiving duties. Specialty skills to the garment industry includes pressers, sewing machine operator, patternmakers, cutters, trimmers, and embroidering skills.



The Ionia Garment Factory

Located at the Ionia Correctional Facility (ICF) 1576 W. Bluewater Hwy. in Ionia, Michigan 48846. ICF houses Level V and II prisoners only, with a net operating capacity of 643 beds and supervised by Warden John Davids. This factory operates 5 days per week and inmates are scheduled to work from 7:15 am to 2:15 pm. The Ionia Garment Factory Incubator employs Level II prisoners only and manufactures American flags and scrub suits for MDOC staff, as well as thermals, sweats, t-shirts and ride out clothing for prisoner issue.

This factory employs a total of three civilian employees and 79 prisoner workers.

Marketable Skills:

Job skills such as sewing machine operators, machine operators, machine repair and maintenance, office clerks, shipping and receiving duties, pattern- makers, inventory control, crew leaders, quality control inspectors.



The **Mattress** Factory

Located at the G. Robert Cotton Correctional Facility (JCF) 3500 N. Elm Road in Jackson, Michigan 49201. JCF houses Level I, II and IV prisoners, with a net operating capacity of 1,811 beds and supervised by Warden Kim Cargor. The factory operates five days a week and inmates are scheduled to work from 6:35 am to 2:15 pm. Only level I and II prisoners are employed in the Mattress Factory. This factory produces mattresses, pillows, laundry bags, shower curtains, jumpsuits, prisoner shirts, dog beds, and non-custody outerwear for the MDOC. Its customer base also includes many of the State's County jail programs, DNR campgrounds, and has been exploring the non-profit hospital markets.

This factory employs two civilian employees and a total of 47 prisoner workers.



Marketable Skills:

Job skills such as machine operators, machine repair and maintenance, office clerks, shipping and receiving duties, quality assurance managers, stock clerks, order fulfillment, crew leaders, sewing machine operators, stock clerks, order fillers, quality control inspectors.

The License Plate Factory

Located at the Gus Harrison Correctional Facility (ARF) 2727 East Beecher Street in Adrian, Michigan 49221. ARF houses Level IV, II and I prisoners, with a net operating capacity of 2,203 beds and is supervised by Warden Sherman Campbell. The License Plate Factory operates four days a week and inmates are scheduled to work from 6:15 am to 3:25 pm. The License Plate Factory employs Level I prisoners only and provides both license plate manufacturing services for the Michigan Secretary of State and custom fund-raising plates for individual groups. It also produces acrylic awards, a large array of custom vinyl products, a variety of laser cut wood products such as cutting boards, mitten clocks, lazy susan and of course the famous license plate birdhouses.

This factory employs a total of five civilian employees and 39 prisoner workers.

Marketable Skills:

Job skills such as machine operators, machine repair and maintenance, office clerks, shipping and receiving duties, silk screen operators, forklift operators, mixing of inks, computer design, carpentry skills, crew leaders, press machine setters, stock handlers.



The **Print** Factory

Located at the G. Robert Cotton Correctional Facility (JCF) 3500 N. Elm Road, Jackson, Michigan, 49201. JCF houses Level IV, II and I prisoners, with a net operating capacity of 1,811 beds and supervised by Warden Kim Cargor. The Print Shop operates 5 days per week, from 6:35 am to 2:15 pm. Level I and II prisoners are employed by the print shop which produces thousands of forms, booklets, brochures, posters, business cards and envelopes for MDOC, other state agencies, and non-profit customers throughout the state of Michigan.

This factory employs a total of one civilian employee and 5 prisoner workers.

Marketable Skills:

Job skills such as machine operators, machine repair and maintenance, office clerks, shipping and receiving duties, digital press-press operation, finishing/bindery, printing press operator, teamwork.



The **Shoe** Factory

Located at the Bellamy Creek Correctional Facility (IBC) 1727 West Bluewater Hwy. in Ionia, Michigan 48846. IBC houses Level IV, II and I prisoners, with a net operating capacity of 1,835 beds and supervised by Warden Matt Macauley. This factory operates five days per week and inmates are scheduled to work from 6:45 am to 1:29 pm. The Shoe Factory employs Level II prisoners only and manufactures leather oxford shoes and boots for both prisoners and MDOC custody staff. It also produces orthopedic shoes as directed from a prescription from MDOC Health Care staff. Officer leather belts are also manufactured at this facility.

This factory employs a total of two civilian employees and 33 prisoner workers.

Marketable Skills:

Job skills such as machine operators, machine repair and maintenance, shoe and leather production, office clerks, shipping and receiving duties, inventory control, machine operation, safety skills, quality control, production manufacturing, stock clerk/order fulfillment, time and attendance, teamwork.



The Sign Factory

Located at the Bellamy Creek Correctional Facility (IBC) 1727 West Bluewater Hwy. in Ionia, Michigan 48846. IBC houses Level IV, II and I prisoners, with a net operating capacity of 1,835 beds and supervised by Warden Matt Macauley. The factory operates 5 days per week and inmates are scheduled to work from 6:45am to 1:29pm. The Sign Shop Employs Level II prisoners only and provides road signs to customers across the state of Michigan, both within the MDOC and throughout state government, county road commissions and others. Additional products include Trail Signs, Labels, Decals, Banners, Recycle Signage, Wooden Signage and Apparel Screening.

This factory employs a total of two civilian employees and 24 prisoner workers.



Marketable Skills:

Job skills such as machine operators, machine repair and maintenance, CNC programmers, graphic designers, press machine setters/operators, painting, coating and decorating workers, photographic process workers/processors, office clerks, stock handlers, shipping and receiving duties.

The Janitorial Factory

Located at the Parnall Correctional Facility (SMT) 1780 East Parnall Road in Jackson, Michigan 49201. SMT houses nearly 1,700 level I adult male prisoners. The SMT facility serves as an in-reach site for the entire state of Michigan, as an in-reach facility, they are charged with the task of readying prisoners for a successful transition to their community. SMT is supervised by Warden Noah Nagy. The Janitorial Factory operates 5 days a week and inmates are scheduled to work from 6:30 am to 1:45 pm. Production includes the mixing and packaging of numerous cleaning supplies, as well as the skills obtained in receiving/shipping and inventory control. Inmates at the janitorial factory understand the concept of inventory and material control, which assist them in obtaining employment in the community upon release.

This factory employs a total of three civilian employees and 18 prisoner workers.



Marketable Skills:

Job skills such as machine operators, machine repair and maintenance, office clerks, shipping and receiving duties, basic training of forklift operations/trainers and concept of inventory and material control, setters, compactors, mixing and packaging of numerous cleaning supplies.

Brooks Laundry

Located at the E. C. Brooks Correctional Facility (LRF) 2500 S. Sheridan Drive in Muskegon Heights, Michigan 49444. LRF houses Level IV, II and I prisoners with a net operating capacity of 1,238 beds and supervised by Warden Chris King. This factory operates 5 days a week and inmates are scheduled to work from 7:30am to 3:30pm. The Brooks Laundry Factory employs Level II prisoners only and provides laundry services for the two Muskegon area correctional facilities as well as the Grand Rapids Veterans' Facility, Walter Reuther, Hawthorn Center, Livingston County Animal Control, Livingston County EMS, Center for Forensic Psych, Kalamazoo Psychiatric Hospital, Michigan State Police.

This factory employs a total of four civilian employees and 43 prisoner workers.

Marketable Skills:

Inmates learn the soft skills needed to be successful in today's job market. Job skills such as machine operators, machine repair and maintenance, office clerks, file clerks, shipping and receiving duties, crew leaders and assistant crew leaders, laundry and dry-cleaning workers, pressers, teamwork, accountability, quality control inspectors.



The Dental Laboratory

Located at the Women's Huron Valley Correctional Facility (WHV) 3201 Bemis Road in Ypsilanti, Michigan 48197. WHV houses Level IV, II and I prisoners, with a net operating capacity of 2,367 beds. The facility is supervised by Warden Jeremy Howard. Only Level I and II prisoners are employed in the dental laboratory, which has a very long training period and a very high employment rate upon release. The factory operates 4 days a week and inmates are scheduled to work from 5:30 am to 2:48 pm. This factory provides all dentures, bite splints, and dental repairs for MDOC prisoners. As the MDOC prisoner population is the only customer for this service, which are under the medical jurisdiction of the MDOC Health Care Division, all costs of the program are paid directly by MDOC Health Care based on historical cost estimates. Actual cost and a reconciliation to estimates are performed at year end.

This Laboratory employs a total of one civilian employee and 12 prisoner workers.



Marketable Skills:

Job skills such as machine operators, machine repair and maintenance, office clerks, shipping and receiving duties, dental lab technicians, removable partial and full denture product manufacturing, quality control and crew leader.

The Optical Laboratory is a co-operative operation between MDOC Education and MSI.

It is located at the Gus Harrison Correctional Facility (ARF) 2727 E. Beecher St., Adrian, Michigan 49221. The facility is supervised by Warden Sherman Campbell. ARF houses prisoners in Level IV, II and I and inmates are scheduled to work from 7:00 am to 3:30 pm. The Optical Laboratory employs level II prisoners. The Optical Lab is supervised by a Trades Instructor under agreement with MSI that MSI will provide all equipment and materials required for the manufacture and distribution of optical wear to MDOC prisoners and staff. This group, as well as students in the program, also work to sort donated glasses for redistribution to the needy in Michigan and donated glasses are used to help the needy in third world countries such as Dominica, Libera and Mozambique. In addition, MSI will pay for one attempt for each prisoner to take their American Board of Opticianry Certification exam.

This laboratory employs one civilian employee funded through Education. It has 14 board- certified prisoners.

Marketable Skills:

Job skills such as machine operators, machine repair and maintenance, office clerks, shipping and receiving duties, health care support worker, stock clerk/order fulfillment, edger, quality control inspection, lens finisher, polisher and coater, ophthalmic lab technician, step 1 blocker, generator, stock handler.



Meet the Michigan State Industries Staff



Central Office Staff



Shoe & Sign Staff

License Plate Staff





Mattress & Print Staff



Janitorial Factory Staff



Chippewa Garment Staff



Carson City Garment Staff



Ionia Garment Staff



Brooks Laundry Staff

Dental Lab Staff





Optical Lab Staff



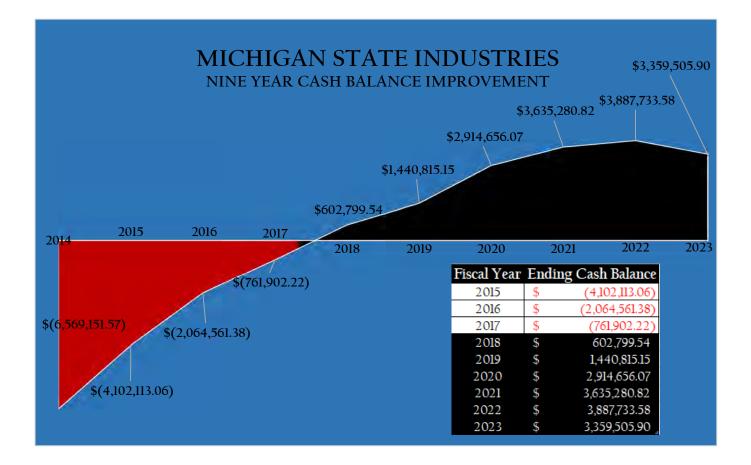
Janitorial Service Technicians





MSI at a glance:

TOTAL NET SALES THROUGH FISCAL YEAR 2023	\$18,926,449
PERCENTAGE OF TOTAL SALES TO DEPT. OF CORRECTIONS	69%
NUMBER OF INDUSTRY FACTORIES	12
NUMBER OF NEW INDUSTRIES PLANNED	0
WAGES PAID TO PRISONER WORKERS FISCAL YEAR 2023	\$509,664
NUMBER OF CIVILIAN STAFF	43
AMOUNT EXPENSED FROM INVENTORIES FISCAL YEAR 2023	\$8,897,547



Michigan Department of Corrections Michigan State Industries Financial Summary Year to Date as of: September 30, 2023

Month Ended: 9/30/2023							Mor	th Ended:	9/3(0/2022	
		Sales & Transfers		Cost of Sales		Gross Margin		Sales & Transfers		Cost of Sales	Gross Margin
Shoe	\$	1,013,116	\$	1,119,695	\$	(106,579)	\$	986,388	\$	1,059,702	\$ (73,314)
License Plate	\$	4,055,007	\$	2,740,006	\$	1,315,001	\$	3,961,529	\$	2,651,597	\$ 1,309,932
Sign Shop	\$	919,676	\$	889,273	\$	30,403	\$	476,250	\$	643,537	\$ (167,286)
Mattress	\$	1,539,297	\$	1,195,175	\$	344,122	\$	1,889,892	\$	1,448,467	\$ 441,426
Janitorial Products	\$	3,576,556	\$	2,458,730	\$	1,117,826	\$	3,118,150	\$	2,377,892	\$ 740,258
Thumb Laundry	\$	-	\$	-	\$	-	\$	-	\$	-	\$ -
Chippewa Garment	\$	1,934,899	\$	1,292,857	\$	642,042	\$	2,201,929	\$	1,329,113	\$ 872,816
Carson City Garment	\$	2,223,368	\$	1,901,913	\$	321,455	\$	1,877,319	\$	1,856,881	\$ 20,438
Brooks Laundry	\$	1,018,879	\$	913,284	\$	105,595	\$	1,273,938	\$	1,220,434	\$ 53,504
Dental Lab	\$	302,516	\$	174,273	\$	128,243	\$	408,656	\$	149,293	\$ 259,363
Print Shop	\$	592,955	\$	611,934	\$	(18,979)	\$	527,305	\$	539,515	\$ (12,210)
Optical Lab	\$	245,892	\$	150,552	\$	95,340	\$	338,917	\$	180,427	\$ 158,490
I-Max Garment	\$	1,469,332	\$	1,288,640	\$	180,692	\$	984,886	\$	1,114,167	\$ (129,281)
TOTAL ALL FACTORIES	\$	18,891,492	\$	14,736,331	\$	4,155,161	\$	18,045,159	\$	14,571,023	\$ 3,474,135
Business Office											
Selling & Admin Expenses					\$	2,233,651					\$ 184,309
Miscellaneous Revenue					\$	8,894					\$ 11,927
Loss on Discontinued Operati	ons				\$	198,658					\$ 37,354
MSI NET MARGIN					\$	1,731,747					\$ 3,264,399

State of MichiganMichigan State IndustriesComparative Statement of OperationsYear to Date as of:9/30/2023Consolidated:Garment Operations

	Mattress		Chippewa			arson City	Ionia		Total	
General Sales	\$	1,539,297	\$	1,934,899	\$	2,223,368	\$ 1,469,332	\$	7,166,896	
Transfers	\$	-	\$	-	\$	-	\$ -	\$	-	
Sales Returns & Allowances	\$	-	\$	-	\$	-	\$ -	\$	-	
Net Sales and Transfers	\$	1,539,297	\$	1,934,899	\$	2,223,368	\$ 1,469,332	\$	7,166,896	
Costs of Goods Sold:										
Direct Materials	\$	762,591	\$	743,350	\$	1,148,289	\$ 743,933	\$	3,398,163	
Direct Prisoner Labor	\$	42,383	\$	87,617	\$	58,944	\$ 46,222	\$	235,166	
Indirect Prisoner Labor	\$	11,205	\$	33,838	\$	43,855	\$ 39,791	\$	128,689	
Heat, Light & Power	\$	-	\$	(170)	\$	88,447	\$ 50,628	\$	138,905	
Maintenance of Assets	\$	14,915	\$	19,057	\$	42,658	\$ 16,268	\$	92,898	
Equipment Less than \$1000	\$	-	\$	-	\$	531	\$ -	\$	531	
Inventory Adjustments	\$	9,531	\$	10,871	\$	(38,842)	\$ 1,548	\$	(16,892)	
Building Depreciation	\$	2,646	\$	-	\$	20,600	\$ 26,868	\$	50,114	
Equipment Depreciation	\$	20,230	\$	31,436	\$	28,916	\$ 19,207	\$	99,789	
Other Manufacturing Expenses	\$	96,786	\$	67,413	\$	77,561	\$ 52,331	\$	294,091	
Factory Supervision	\$	234,888	\$	299,444	\$	430,954	\$ 291,844	\$	1,257,130	
Total Cost of Goods Sold	\$	1,195,175	\$	1,292,856	\$	1,901,913	\$ 1,288,640	<u>\$</u>	5,678,584	
Gross Margin	\$	344,122	\$	642,043	\$	321,455	\$ 180,692	\$	1,488,312	
Selling & Administrative Expenses:										
Selling Expenses	\$	74,316	\$	62,951	\$	77,447	\$ 53,807	\$	268,521	
Administration Expenses	\$	88,360	\$	94,841	\$	178,776	\$ 122,819	\$	484,796	
Total Selling & Admin. Expenses	\$	162,676	\$	157,792	\$	256,223	\$ 176,626	\$	753,317	
Miscellaneous Revenues	\$	-	\$	-	\$	-	\$ -	\$	-	
Gain (loss) From Discontinued Operations	\$	-	\$	-	\$	-	\$ -	\$	-	
Net Margin	\$	181,446	\$	484,251	\$	65,232	\$ 4,066	\$	734,995	

State of Michigan Michigan State Industries Comparative Statement of Operations Year to Date as of: 9/30/2023 Consolidated: Laundry Operations

	r	Thumb	Brooks		Total
General Sales	\$	-	\$ 1,018,879	\$	1,018,879
Transfers	\$	-	\$ -	\$	-
Sales Returns & Allowances	\$		\$ -	\$	
Net Sales and Transfers	\$	-	\$ 1,018,879	\$	1,018,879
Prime Expenses:					
Direct Materials	\$	-	\$ 94,476	\$	94,476
Direct Prisoner Labor	\$	-	\$ 33,233	\$	33,233
Indirect Prisoner Labor	\$	-	\$ 19,783	\$	19,783
Heat, Light & Power	\$	-	\$ 162,980	\$	162,980
Maintenance of Assets	\$	-	\$ 54,409	\$	54,409
Equipment Less than \$1000	\$	-	\$ -	\$	-
Inventory Adjustments	\$	-	\$ (3,988)	\$	(3,988)
Building Depreciation	\$	-	\$ 21,081	\$	21,081
Equipment Depreciation	\$	-	\$ 9,535	\$	9,535
Other Manufacturing Expenses	\$	-	\$ 143,172	\$	143,172
Factory Supervision	\$		\$ 378,602	\$	378,602
Total Cost of Goods Sold	\$	-	\$ 913,283	<u>\$</u>	913,283
Gross Margin	\$	-	\$ 105,596	\$	105,596
Selling & Administrative Expenses:					
Selling Expenses	\$	-	\$ 190,187	\$	190,187
Administration Expenses	\$		\$ 163,759	\$	163,759
Total Selling & Admin. Expenses	\$	-	\$ 353,946	\$	353,946
Miscellaneous Revenues	\$	-	\$ 1,370	\$	1,370
Gain (loss) From Discontinued Operations	\$	198,658	\$ -	\$	198,658
Net Margin	\$	(198,658)	\$ (246,980)	\$	(445,638)

State of Michigan Michigan State Industries Comparative Statement of Operations Year to Date as of: 9/30/2023

Consolidated: All Other Operations

		Shoe	Li	icense Plate	s	Sign Shop	Janitorial	D	ental Lab	Р	rint Shop	0	ptical Lab	Total
General Sales	\$	1,013,116	\$	4,055,007	\$	919,676	\$ 3,576,556	\$	302,516	\$	592,955	\$	245,892	\$ 10,705,718
Transfers	\$	-	\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$ -
Sales Returns & Allowances	\$	-	\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$ -
Net Sales and Transfers	\$	1,013,116	\$	4,055,007	\$	919,676	\$ 3,576,556	\$	302,516	\$	592,955	\$	245,892	\$ 10,705,718
Prime Expenses:														
Direct Materials	\$	519,625	\$	1,810,919	\$	390,668	\$ 1,648,827	\$	-	\$	349,989	\$	-	\$ 4,720,028
Direct Prisoner Labor	\$	19,187	\$	34,904	\$	12,524	\$ 17,306	\$	13,673	\$	4,396	\$	10,578	\$ 112,568
Indirect Prisoner Labor	\$	18,370	\$	17,943	\$	11,192	\$ 6,238	\$	2,389	\$	3,464	\$	3,734	\$ 63,330
Heat, Light & Power	\$	80,277	\$	63,402	\$	43,014	\$ 78	\$	-	\$	-	\$	-	\$ 186,771
Maintenance of Assets	\$	20,151	\$	26,204	\$	14,008	\$ 54,804	\$	-	\$	13,998	\$	403	\$ 129,568
Equipment Less than \$1000	\$	-	\$	322	\$	-	\$ -	\$	-	\$	2,195	\$	4,995	\$ 7,512
Inventory Adjustments	\$	56,648	\$	18,725	\$	(6,059)	\$ 24,294	\$	-	\$	8,151	\$	1	\$ 101,760
Building Depreciation	\$	60,658	\$	35,292	\$	32,475	\$ 80,071	\$	-	\$	147	\$	-	\$ 208,643
Equipment Depreciation	\$	17,719	\$	16,948	\$	42,432	\$ 23,168	\$	-	\$	4,071	\$	-	\$ 104,338
Other Manufacturing Expenses	\$	135,075	\$	101,292	\$	102,310	\$ 122,486	\$	43,304	\$	101,825	\$	130,841	\$ 737,133
Factory Supervision	\$	191,985	\$	614,056	\$	246,709	\$ 481,457	\$	114,906	\$	123,698	\$		\$ 1,772,811
Total Cost of Goods Sold	<u>\$</u>	1,119,695	\$	2,740,007	\$	889,273	\$ 2,458,729	\$	174,272	\$	611,934	\$	150,552	\$ 8,144,462
Gross Margin	\$	(106,579)	\$	1,315,000	\$	30,403	\$ 1,117,827	\$	128,244	\$	(18,979)	\$	95,340	\$ 2,561,256
Selling & Administrative Expenses:														
Selling Expenses	\$	54,635	\$	156,396	\$	60,211	\$ 101,118	\$	23,526	\$	49,741	\$	4,226	\$ 449,853
Administration Expenses	\$	69,803	\$	204,699	\$	93,956	\$ 232,677	\$	40,940	\$	34,459	\$	-	\$ 676,534
Total Selling & Admin. Expenses	\$	124,438	\$	361,095	\$	154,167	\$ 333,795	\$	64,466	\$	84,200	\$	4,226	\$ 1,126,387
Miscellaneous Revenues	\$	-	\$	7,524	\$	-	\$ -	\$	-	\$	-	\$	-	\$ 7,524
Gain (loss) From Discontinued Operations	\$	-	\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$ -
Net Margin	\$	(231,017)	\$	961,429	\$	(123,764)	\$ 784,032	\$	63,778	\$	(103,179)	\$	91,114	\$ 1,442,393

NOTES to the FINANCIAL STATEMENTS FISCAL YEAR 2023

Note #1 FINANCIAL REPORTING ENTITY:

Created by P.A. 210 of 1935 and continued by P.A. 15 of 1968, the Correctional Industries Revolving Fund accounts for the financial transactions of a manufacturing and processing industry, employing prisoners incarcerated in Michigan's correctional facilities. Public Act 245 of 1980 expanded the fund's sales market to include institutions of this or any other state or political subdivision thereof, the federal government or its agencies, and certain tax-exempt organizations. Public Act 102 of 2007 further expanded the fund's sales market to include the authority to sell cut and sewn textiles to private companies and individuals.

Note #2 BASIS OF PRESENTATION:

<u>Proprietary Fund Financial Statements</u> – The Correctional Industries Revolving Fund is a governmental agency engaged in business-type activities. The financial statements present comparative information for years ended September 30, 2022 and 2023. The statements include all financial activity of Correctional Industries. The activities are financed primarily by fees charged for goods provided to customers. Such fees are classified as General Sales. Transfers represent internal sales of products within factories and are sold at factory cost. Miscellaneous revenues consist of revenues primarily for the sale of recyclable materials to vendors who purchase such items as scrap metal and cardboard or the proceeds received from the sale of assets or vehicle auctions.

Note #3 MEASUREMENT FOCUS AND BASIS OF ACCOUNTING:

Proprietary Funds, in accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and other Governmental Entities that Use Proprietary Fund Accounting, are required to apply applicable GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989 unless those pronouncements conflict with, or contradict, GASB pronouncements: Statements and Interpretations of Financial Accounting Standards Board (FASB); Accounting Principles Board Opinions; and Accounting Research Bulletins of the Committee on Accounting Procedure.

In addition, an enterprise activity may apply all FASB statements and interpretations issued after November 30, 1989, except those that conflict with or contradict GASB pronouncements.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities are presented in the Statement of Net Assets. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Note #4 <u>INVENTORIES</u>:

Inventories consist of raw materials, work-in-process, and finished goods inventory. Inventories are recorded as assets when purchased and expensed when consumed.

MSI total inventories consisted of the following values:

	2021-22	2022-23
Raw Materials	\$ 4,689,369	\$ 5,736,465
Work-in-Process	\$ 145,764	\$ 0
Finished Goods	<u>\$2,209,153</u>	<u>\$ 3,161,083</u>
	\$ 7,044,287	\$ 8,897,547

Note #5 <u>CASH AND INVESTMENTS</u>:

Cash on deposit is pooled with the State Treasurer and invested in pooled funds of all State Agencies. Interest earned from investments purchased with such pooled monies is deducted from the interest charges on the Correctional Industries Revolving Fund long term debt. See Note 7.

Note #6 <u>CAPITAL ASSETS</u>:

Capital assets are reported at cost. The capitalization threshold is \$1000 for Buildings & Building Improvements and Machinery & Equipment unless otherwise approved by the Business Office. Depreciation of such assets is charged as an expense against operations. These assets are depreciated over their useful lives using the straight-line method.

The estimated useful lives are as follows:

Buildings and Building Improvements	15 to 50 years
Equipment	2 to 25 years

Property and equipment balances consist of the following:

	2021-22	2022-23
Buildings & Building Improvements:	\$ 14,657,785	\$ 14,657,785
Construction in Progress:	\$ *	\$ *
Machinery & Equipment:	\$ 9,796,958	\$ 9,933,195
Less Accumulated Depreciation:	\$ (16,758,777)	<u>\$ (17,273,640)</u>
Net Value:	\$ 7,695,967	\$ 7,317,340

Depreciation expense was \$529,543 and \$512,379 for the fiscal years ended September 30, 2023 and 2022 respectively.

Note #7 ADVANCES FROM THE GENERAL FUND:

Public Act 205 of 1986 stipulates that the fund repay the General Fund for the cost of building and equipping prison factories included as part of new prison construction. The costs of buildings and equipment are to be repaid over 30 years and 10 years respectively.

Total Advances from the General Fund as of September 30, 2023 and 2022 consisted of the following balances:

	2021-2022	2022-2023
Buildings	\$ *	\$ *
Equipment	\$ *	\$ *
Accrued Interest	<u>\$2,150,273</u>	<u>\$ 2,042,760</u>
	\$ 2,150,273	\$ 2,042,760

The building and equipment notes payable are components of the Boilerplate language of the Capital Outlay Bill. Interest is calculated by applying the prevailing rates of interest for Commercial Paper exchanged on major markets by the Department of Treasury. MSI made its last interest expense payment in September 2021. In September 2023, MSI began to make payments to their Interest Payable balance.

A statutorily required principal payment of \$37,523 was paid during fiscal year 2021. A minimum principal payment has been paid by MSI on the advance each fiscal year until the advance was paid in full in fiscal year 2022. MSI has completed the repayment of facility buildings and equipment as required in Executive Order 1992-13, along with the required interest payments.

Note #8 ACCOUNTS RECEIVABLE:

At September 30, 2023, MSI's non-state agency accounts receivable balance totaled \$94,016. MSI uses the direct write off method for bad debt from uncollectible customer sales accounts. This method is used over the allowance method because bad debt accounts and subsequent write offs have been nominal for the previous five fiscal years.

Note #9 SELLING, ADMINISTRATIVE, AND MISCELLANEOUS EXPENSES:

Prior to fiscal year 2017, MSI did not allocate all selling and administrative expenses among the various factories (administrative burden). Effective fiscal year 2017, MSI began to allocate administrative expenses to the appropriate factories.

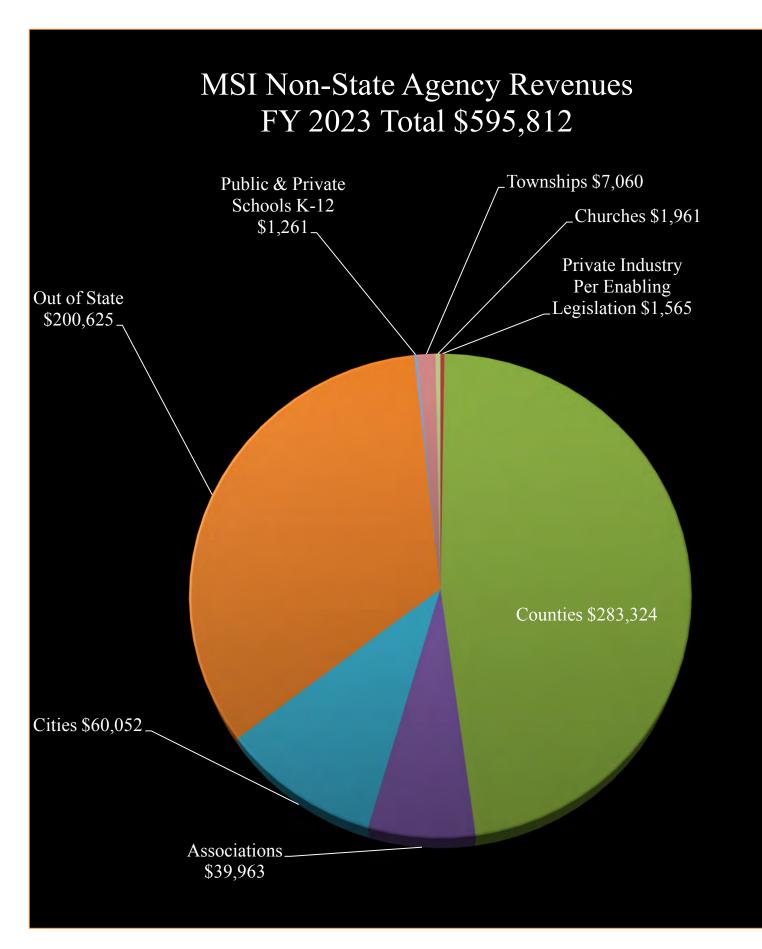
Note #10 <u>USE OF ESTIMATES</u>:

Preparation of financials statements in accordance with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions which affect the financial statements. With the exception of direct materials and direct labor, the operational cost are presented on a period basis as compared to a product of revenue. The financial statements presented fiscal years 2022 and 2023 contain no material or significant estimates or assumptions.

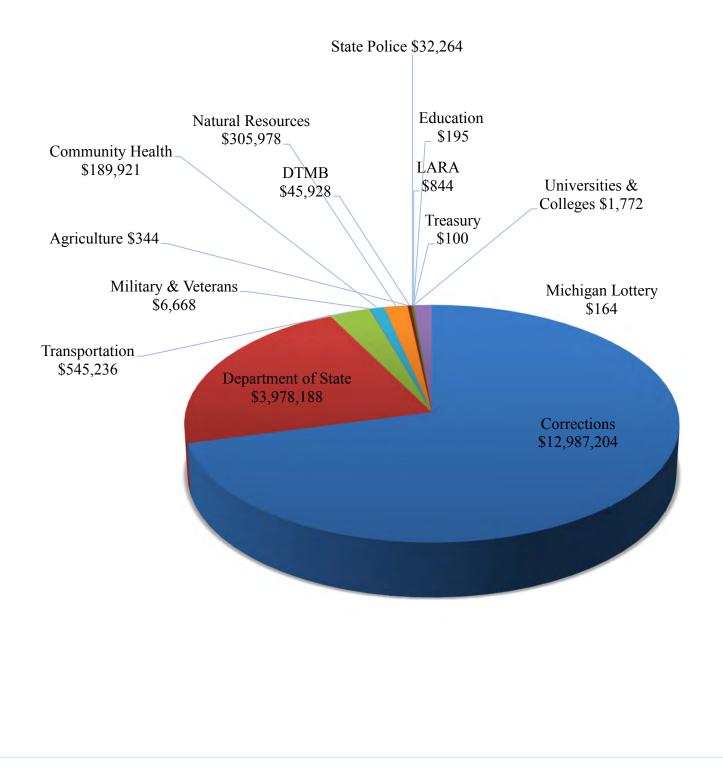
SALES BY CUSTOMER TYPE FY 2023

NET OPERATING REVENUES

	<u>G REVENUES</u>	
	NET	% O F
NON-STATE AGENCIES	SALES	TOTAL SALES
Hospitals	\$0	0.00%
Private Industry Per Enabling Legislation	\$1,565	0.01%
Counties	\$283,324	1.50%
Associations	\$39,963	0.21%
Cities	\$60,052	0.32%
Out of State	\$200,625	1.06%
Public & Private Schools K-12	\$1,261	0.01%
Townships	\$7,060	0.04%
Churches	\$1,961	0.01%
SUBTOTAL	\$595,813	3.15%
	NET	% OF
STATE AGENCIES	SALES	TOTAL SALES
Corrections	\$12,987,204	68.62%
Department of State	\$3,978,188	21.02%
Transportation	\$545,236	2.88%
Military & Veterans	\$6,668	0.04%
Community Health	\$189,921	1.00%
Natural Resources	\$305,978	1.62%
Agriculture	\$305,978	0.00%
DTMB	\$45,928	0.24%
State Police	\$32,264	0.17%
Environmental Quality	\$52,204	0.1778
LARA	\$0 \$844	0.00%
Education	\$195	0.00%
Treasury	\$193	0.00%
Universities & Colleges		0.00%
e	\$1,772 \$164	0.01%
Michigan Lottery		
Misc. State Agencies	\$235,831	1.25%
SUBTOTAL	\$18,330,636	96.85%
TOTAL OPERATING REVENUES	\$18,926,449	100.00%



MSI State Agency Revenues FY 2023 Total \$18,330,636



Comparative Statement of Net Assets Michigan State Industries For Fiscal Year FY 2023 and FY 2022

ASSETS Current Assets: Equity in state common cash \$ 3,359,505.90 \$ 3,887,733.58 Accounts receivable \$ 96,031.35 \$ 19,741.87 Inventories \$ 96,031.35 \$ 7,044,286.94 Subtotal \$ 12,353,084.41 \$ 7,044,286.94 Allowance for depreciation \$ (17,273,640.46) \$ (16,758,776.87) Construction in Progress \$ 7,317,339.97 \$ 7,695,966.65 TOTAL ASSETS \$ 19,670,424.38 \$ 18,647,729.04 Deferred Outflow of Resources (Pension Related) \$ 2,266,253.61 \$ 2,241,578.67 LIABILITIES Current Liabilities: \$ 256,212.59 \$ 528,807.67 Accounts payable \$ 20,42,759.84 \$ 2,10,27.35.2 Current payable \$ 2,042,759.84 \$ 2,10,27.35.2 Current portion of long-term obligations \$ 187,939.81 \$ 2,289,435.97 Total Current Liabilities \$ 10,016.97 \$ 10,016.97 Corgent portion of long-term obligations \$ 19,604.815 \$ 10,016.97 Corgent portion of long-term obligations \$ 10,016.97 \$ 2,042,759.84 \$ 2,20,27.52 Current Liabilities \$ 106,608.93 \$ 1,434,243.20			<u>2023</u>		<u>2022</u>
Equity in state common cash Accounts receivable \$ 3,359,505.90 \$ 3,887,733.58 Accounts receivable \$ 96,031.35 \$ 19,741.87 Inventories \$ 8,897,547.16 \$ 7,7044.286.94 Subtotal \$ 12,353.084.41 \$ 10,951,762.39 Capital Assets: Buildings & equipment \$ 24,590,980.43 \$ 24,454,743.52 Allowance for depreciation \$ (17,273,640.46) \$ (16,758,776.87) Construction in Progress \$ 7,317,339.97 \$ 7,695,966.65 TOTAL ASSETS \$ 19,670,424.38 \$ 18,647,729.04 Deferred Outflow of Resources (Pension Related) \$ 2,266,253.61 \$ 2,241,578.67 LIABILITIES Warrants outstanding \$ 213,061.82 \$ 44,254.26 Disbursement Payable \$ 266,273.61 \$ 2,241,578.67 LIABILITIES Warrants outstanding \$ 213,061.82 \$ 44,254.26 Disbursement Payable \$ 66,172.09 \$ 158,868.60 Amounts due to other funds \$ 2,150,273.52 \$ 10,016.97 Current Liabilities \$ 187,339.81 \$ 2,150,273.52 Current Liabilities \$ 10,066.97 \$ 3,171,640.02 Long-Term Liabilities \$ 10,066.97 \$ 10	ASSETS				
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Buildings & equipment \$ 24,590,980.43 \$ 24,454,743.52 Allowance for depreciation \$ (17,273,640.40) \$ (16,758,776.87) Construction in Progress \$ 7,317,339.97 \$ 7,695,966.65 Subtotal \$ 19,670,424.38 \$ 18,647,729.04 Deferred Outflow of Resources (Pension Related) \$ 2,266,253.61 \$ 2,241,578.67 LIABILITIES Current Liabilities: \$ warrants outstanding \$ 213,061.82 \$ 44,254.26 Disbursement Payable \$ 256,212.59 \$ 528,807.67 Accounts payable \$ 66,172.09 \$ 158,868.60 Amounts due to other funds \$ 2,042,759.84 \$ 2,150,273.52 Current portion of long-term obligations \$ 187,939.81 \$ 289,435.97 Total Current Liabilities \$ 2,766,146.15 \$ 3,171,640.02 Long-Term Liabilities \$ 2,766,146.15 \$ 3,171,640.02 Long-Term Liabilities \$ 10,016.97 \$ 0,016.97 Compensated absenses- long term \$ 106,698.93 \$ 48,491.86 Noncurrent portion of long-term obligations \$ 9,631,228.00 \$ 8,203,132.00 Total Non-Current Liabilities \$ 9,737,926.93 \$ 48,491.86 Noncurrent portion of long-term obl	Canital Assets:				
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Deferred Outflow of Resources (Pension Related) \$ 2,266,253.61 \$ 2,241,578.67 LIABILITIES Current Liabilities: Warrants outstanding \$ 213,061.82 \$ 44,254.26 Disbursement Payable \$ 256,212.59 \$ 528,807.67 Accounts payable \$ 66,172.09 \$ 158,868.60 Amounts due to other funds \$ - Interest Payable \$ 2,042,759.84 \$ 2,150,273.52 Current portion of long-term obligations \$ 187,939.81 \$ 289,435.97 Total Current Liabilities \$ 2,766,146.15 \$ 3,171,640.02 Long-Term Liabilities \$ 2,766,146.15 \$ 3,171,640.02 Long-Term Liabilities \$ - \$ - Advance from the general fund \$ - \$ - Advances from other funds \$ - \$ - Advances from other funds \$ - \$ 10,016.97 Compensated absenses-long term \$ 106,698.93 \$ 48,491.86 Noncurrent portion of long-term obligations \$ 9,631,228.00 \$ 8,203,132.00 Total Non-Current Liabilities \$ 9,631,228.00 \$ 8,203,132.00 Deferred Inflow of Resources (Pension Related) \$ 3,798,440.00 \$ 5,914,304.00 NE	Sublotar	φ	7,517,559.97	Φ	7,095,900.05
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NET ASSETS Investments in capital assets\$ 7,683,485.35\$ 7,683,485.35	TOTAL LIABILITIES	\$	12,504,073.08	\$	11,433,280.85
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	Retained earnings	\$	1,083,175.06	3	4,104,245.79
TOTAL NET ASSETS \$ 6,000,310.29 \$ 3,529,241.56	TOTAL NET ASSETS	\$	6,000,310.29	\$	3,529,241.56

MSI Builds Bridges to Success

By: Tujauna White, MSI Website Administrator, Sales, Michigan State Industries

Reentry programs, also known as prisoner reentry programs, or prisoner reintegration programs, are designed to help citizens 'reenter' society successfully as positive contributors after they have served their prison terms. These programs are aimed at reducing recidivism (the tendency of a convicted criminal to re-offend) and enhancing public safety while saving money at the same time. Following incarceration, becoming a part of society can be very tough. From acceptance by the loved ones and the society to finding employment and resisting the urge to recommit the same crime they were incarcerated for; most are in for whole new challenges of coping which on their own can be impossible in most cases.

Michigan State Industries Mission **"Building Bridges to Success"** provides incarcerated individuals real work life opportunities by educating and empowering them to become successful after release through meaningful work skills training. Compared to the average rates of recidivism among Michigan inmates, those who participated in Michigan State Industries; work programs are significantly less likely to reoffend. This saves Michigan's taxpayers thousands of dollars per inmate per year. For the fourth year in a row, the recidivism rate in Michigan has declined and now stands at 22.1 percent, again making it the lowest rate in state history.

The following letters written by former MSI prisoner workers are a testimony to the success of MSI Industries work programs and the path to a successful reentry.

Jeffrey Corbin and Dave Bernard, former prisoner workers of the MSI Print Shop Operation, and MSI Optical, will inspire others to "Never give up" and forge ahead. These inspirational stories of hard work and persistence will pave the way for others who are on the same road to redemption. Prior to his incarceration, Jeffrey Corbin enjoyed a successful career in graphic design. He had the opportunity to work for nearly two years in the MSI Print Shop at Cotton Correctional Facility, Jackson, Michigan. Jeffrey suggests that the prison experience challenges one's dignity and self-esteem on a daily basis. Having the opportunity to put his talents and experience to work for MSI helped restore his self-image while also giving him the chance to refresh his skills and learn the new features of design software that had been enhanced during his incarceration. In addition to his work for MSI clients, he developed a package of marketing materials for MSI that promoted its mission and its product lines.

Jeffrey believes that MSI serves to ensure the success of adults in custody by educating and empowering them to become law-abiding tax-paying citizens. And when these men and women have productive activities to occupy their time, prisons are safer. Perfecting work skills, developing a strong work ethic, and being recognized for positive job performance are important components in rebuilding a person's character. A job with MSI offers all these opportunities.

Since leaving prison, in an effort to make amends to society, he is serving on MDOC's Family Advisory Board, a group created by the Michigan Legislature to address issues related to communication between incarcerated individuals and their families. He has also resumed providing graphic design services in the public marketplace, buoyed by his experiences at MSI.



The MSI Print Shop offers workers the opportunity to learn traditional printing and production services as well as design graphics and layout services.





Jeffrey Corbin

Former MSI Print Shop Worker

MICHIGAN STATE INDUSTRIES Building Bridges to Success Hey Matt, I hope things are good. I am doing okay. I got out, and from day 2, I was scheduling interviews. I had a chance to interview at Visionworks, US optical which runs the optical at Meijer, Warby Parker, LensCrafters, Henry Ford Optical, Eyeglass world, and a small doctor's office in Novi called Evolve Eyecare. Also, Walmart contacted me... "Hey Dave, this is Kassem from Walmart. When you're free today, give me a call to discuss the vision center manager opportunity in Taylor".

Having ABOC behind my name opened a lot of doors. I originally accepted the position at US Optical. However, I had to end up turning down the job for a Lab Manager/Optician position at Luxottica (LensCrafters) at the Somerset Collection Mall in Troy. This store sells only high-end frames. When I am not in the lab, I am on the floor either dispensing or selling. It is a good job. It pays \$31.50/hr. Opticians, at this mall, start at \$23.50. When I discussed pay at US Optical, I started I wanted \$20. The hiring manager said opticians at Meijer only make \$18. I could not accept that, and the counter was \$21/hr provided that I do not discuss my salary because I was set to make more than the manager. I accepted and then declined the offer.

Tell the guys that are on the way home, that if you want a job in optical, then apply. I have gone through 3 background checks, and I was still hired every place whose offer I accepted.

I just received a request to interview for the Retail General Manager position at a new store in Royal Oak Visionworks location. Also, I've been asked to interview for an Optical Store Manager at BJs Warehouse in Canton. It is a new store - Job does not start until mid-July.

I learned a lot in your optical shop, and I appreciate the work that I was able to for you and the team. Looking back, I wish I had spent more time in Final Inspection, as that is a HUGE part of my job. I am inspecting the glasses I am making and inspecting the glasses that are returned from outside processing. Also, I hope that you open the dispensing part of the operation there.

Well... I wanted to let you know that I appreciate you. The program is worth supporting.

Good luck.

Dave Bernard

MSI Builds Bridges to Success

Dental Lab

Mary-Jane Neill, MSI Dental Lab Manager, supervises female prisoner workers at the Huron Valley Women's Correctional Facility located in Ypsilanti, MI. She runs a very tight ship and is responsible for the reentry success of numerous former dental lab graduates and parolees who have moved on to successful careers as Dental Lab Technicians and other career positions within the dental industry.

The MSI dental program serves as a catalyst, providing technical training and meaningful work experience. The program teaches lifelong values, instills a solid work ethic, fosters a sense of self-worth, and promotes mutual respect among offender workers – traits which prospective employers seek outside prison walls. Mary-Jane continues to follow-up with her former students, and they in turn have contacted her to express gratitude for being a part of the program.

The MSI Dental Lab prisoner staff showed off their creativity and Halloween spirit by producing a variety of spooky dentures. The fang styles were designed in various shapes, blood curdling colors and tooth placements. Mary-Jane stated that the project allowed the workers to integrate dental skills and training with creativity and fun.





MICHIGAN STATE INDUSTRIES Building Bridges to Success

✓ MSI is self-funded and has a positive cash balance since 2018.

✓ MSI operates 12 factories in 9 facilities.

Factories include-Shoe, License Plate, Sign, Mattress, Janitorial, Laundry, Dental Lab,
 Print Shop, Optical, and 3 Garment factories.

✔ MSI provides items for 1,283 customers reaching as far as Washington State, Indiana, Ohio, Florida, and California.

✓ MSI employes 42 Civilian Staff for 12 factories and administration.

✓ On average MSI employed and trained 501 inmates, per month, across our 12 factories.

✓ Recruiting had 4 New Employees School classes, hired 683 new officers who each receive 33 individual items totaling 22,539 individual items were sent.

✔ Shipped out 108,866 Officer Uniform items in last 12 months.

✓ Muskegon laundry washed 2,251,039 pounds of laundry.

✓ Adrian made 2,028,196 license plates.

✔ Bellamy Creek produced 33,990 officer, prisoner, and orthopedic shoes.

✔ Bellamy Creek Sign Shop made 32,945 signs for DOT and 37,583 signs for DNR.

✓ 16,758 orders entered in 2023, 13,060 of them were for Corrections-regular, officer uniform, and prisoner purchases.

✓ Optical at Gus Harrison processed \$7,250 worth of Prisoner Purchased Glasses (226 pr)

✓ Janitorial Factory produced 15,801 cases of soap which equals 244,560 large bars and 3,716,010 small bars.

We instill and promote positive work ethics.

We provide opportunity for prisoners

to learn marketable skills and experience.

We contribute to the economic self-sufficiency

of working prisoners and their families.

We actively explore joint ventures

with private vendors and manufactures.



The Fall 2023 Officer Recruit Training Academies, officially named the Jodi DeAngelo Academy Classes, officially began with the Upper Peninsula having started on Monday, October 2, 2023 and the Lower Peninsula starting on Monday, October 16, 2023. These academies have seen an increase in recruits from past academies, with the Lower Peninsula cohort numbering 170 and the Upper Peninsula cohort numbering 29. This is a positive sign for the Department as it continues to fill vacancies across the state. This is also a testament to the hard work our employees have put in advocating for the Department throughout the summer as teams worked across the state to aid in the recruitment effort.

> MICHIGAN STATE INDUSTRIES Building Bridges to Success

Fall 2023 Officer Recruit Training Academy MSI outfitted officers for Day 1 of classes!!