We believe in the work we do.
We transform lives and increase successful reentry through training and mentoring.

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We provide targeted opportunities and pathways supporting successful reintegration into our communities.
The Department of Corrections is committed to providing incarcerated individuals with a comprehensive reentry system. The reorganization of several reentry focused divisions (Correctional Industries (CI), Offender Change, and Reentry) into an integrated and unified Reentry Division has enabled us to better assist in the successful reintegration of people back into our communities.

I am proud of all the work we are doing across the Reentry Division, including the groundbreaking work being done by CI. As national leaders, CI has taken the mission of providing work training programs into the community by providing post-release employment assistance services. From promoting positive work experiences through mentoring and guidance, to classroom training and employment preparation, and finally to the community; CI’s holistic approach to reentry is improving public safety and transforming people’s lives.

As we move forward with a collaborative focus on reentry, the work being done within all of the Reentry Division teams will result in even more success. CI is working closely with education and work release programs to find further opportunities for employment training and workforce development. The entire Reentry Division is working toward seamless transitions for individuals reentering our communities. By focusing on each individual’s specific needs, be it education, employment, housing, or any number of others, we are in a better position to positively influence their transition.

Supporting successful community reentry is a team effort. It is with this understanding that we will continue to work together to build stronger pathways and foster an environment that encourages success.

Danielle Armbruster  
Assistant Secretary - Reentry Division
About Us

Correctional Industries (CI) is a division of the Department of Corrections. CI is a unique blend of business and government, using private industry tools and techniques to operate work training programs in prisons and provide opportunities for incarcerated individuals to learn marketable job skills.

OUR MISSION
Correctional Industries is committed to maintain and expand work training programs which develop marketable job skills, instill and promote positive work ethics, and reduce the tax burden of corrections.

VISION
Transforming lives and increase successful reentry through training and mentoring.

CORE VALUES

- We walk the talk to motivate change.
- We provide opportunity for second chances.
- We foster understanding and mentor growth.
- We build unity and strength through collaboration.
- We inspire and empower individual success.
A Message from CI
Executive Leadership

We believe in the work we do and in the value of public service. During the past year, the Correctional Industries’ (CI) leadership team looked more closely within the organization and placed significant value on how service is provided to individuals and their programs.

Focusing on what public service means from an internal perspective created dialogue and opportunities to ensure core values of CI become widespread within its culture and guide how we serve one another. It is our mission to demonstrate positive role modeling to the incarcerated population and to be good role models to each other. Leadership efforts this year focused on aligning organizational values internally as well as externally.

Internal operations reinforce the backbone of CI’s mission supporting reentry efforts. Successful businesses such as CI are built upon responsible accounting practices, long-term strategic and financial planning, carefully designed corporate brand marketing, and a knowledgeable, robust multi-industry sales force.

Each CI business component, operation, and industry is critical for the organization’s continued success. The result of people working together who believe in the work they do generates extraordinary impact toward CI’s contribution to public service.
Just the Facts

TOTAL INMATE WORKERS | 2,495

665 Workers
Airway Heights Corrections Center (AHCC) products and services
Commissary, Embroidery, Food Production, Food Service, Furniture Refurbishing, Laundry, Optical Lab, Promotional Products, Screen Printing, Textiles

7 Workers
Cedar Creek Corrections Center (CCCC) services
Laundry

69 Workers
CI Headquarters products and services
Consolidated Distribution Center, Furniture Installation and Warranty, Janitorial Products, Statewide Transportation

78 Workers
Clallam Bay Corrections Center (CBCC) products and services
Textiles, Laundry

470 Workers
Coyote Ridge Corrections Center (CRCC) products and services
Food Production, Food Service, Laundry, Mattresses, Textiles

12 Workers
Larch Corrections Center (LCC) services
Laundry

20 Workers
McNeil Island Stewardship (MIS) services

421 Workers
Monroe Correctional Complex (MCC) products and services
Commissary, Food Service, Laundry, License Tabs, Optical Lab, Printing, Socks

3 Workers
Olympic Corrections Center (OCC) services
Laundry

261 Workers
Stafford Creek Corrections Center (SCCC) products and services
Custom Furniture, Ergonomic Seating, Laundry, Metal Fabrication, Metal Files and Storage, Office Systems, Panel Systems, Residence Hall Furniture, Wood Furniture

142 Workers
Washington Corrections Center (WCC) products and services
Food Service, Inmate Clothing Distribution, Laundry, Safety Kits

52 Workers
Washington Corrections Center for Women (WCCW) products, services and programs
Braille Services, Computer Aided Design Services, Embroidery, Inmate Clothing Distribution, Screen Printing, Textiles, Trades Related Apprenticeship Coaching

305 Workers
Washington State Penitentiary (WSP) products and services
Cardboard Boxes, East Transportation, Field Crops, Food Service, Laundry, License Plates, Metal Manufacturing

TOTAL TRAINING HOURS | 3,780,075

7,704
Number of inmates returned to Washington State counties in fiscal year 2018.

$38,900
Average annualized cost of incarceration per inmate (prison and work release) in Washington State for fiscal year 2018.

57.14%
Percentage of individuals with correctional industries or vocational education who are employed post release. Source: WA State Employment Security Department - 2017 1st Quarter.
Cash Flow Statement

FISCAL YEAR 2017  FISCAL YEAR 2018

FISCAL YEAR BEGINNING CASH .................................................. $11,523,781 .............................................. $3,128,712

Net Income from Operations .......................................................... $3,178,230 .................................................. ($1,642,993)
ADD: Interest Expenses ................................................................. ($234,975) .................................................. ($200,250)
Non-Operating Revenue ............................................................... (4,217,831) .................................................. 948,022
COI Depreciation Expense ........................................................ (115,220) .................................................. (114,960)
COI Small Equipment Expense .................................................. 0 .................................................. 0
Obsolete Inventory ..................................................................... (45,182) .................................................. (588,156)
Miscellaneous Revenue ............................................................ 3,691 .................................................. 1,783
Prior Year Adjustment .............................................................................. 22,152 .................................................. 152,472
Current Period Profit (Loss) .......................................................... ($1,409,136) .................................................. ($1,444,082)

Add Back Non-Cash Expenses:

Year to Date Depreciation ............................................................... $1,217,828 .................................................. $1,759,824
Total Non Cash Expenses ............................................................... $1,217,828 .............................................. $1,759,824

CHANGES IN BALANCE SHEET ACCOUNTS
Sources [Uses] of Cash:
Accounts Receivable ................................................................. ($6,758,468) .................................................. $7,685,929
Notes Receivable Short Term ........................................................ 0 .................................................. 0
Notes Receivable Long Term ........................................................ 0 .................................................. 0
Prepaid Maintenance Agreements ................................................. 43,079 .................................................. (22,250)
Inventories ................................................................................... (200,362) .................................................. (1,254,521)
Accounts Payable ................................................................. 6,033,614 .................................................. (5,448,086)
Total Changes in Balance Sheet Accounts .................................. ($882,137) .............................................. $961,071

Net Cash Flow from Operating Activities ........................................... ($1,073,445) .................................................. $1,276,813

Changes to Fixed and Long Term Assets
Net Cash Flow from Investing Activities ........................................... ($7,321,624) .................................................. ($364,035)

Net Increase (Decrease) in Cash ................................................... ($8,395,069) .................................................. $912,778

Program Administrative Costs ........................................................ 0 .................................................. 0
Changes in Equity Account ........................................................... 0 .................................................. 0

CASH AND EQUIVALENTS AT END OF PERIOD .......................... $3,128,712 .............................................. $4,041,491
### Statement of Assets

#### Fiscal Year 2017 vs Fiscal Year 2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal Year 2017</th>
<th>Fiscal Year 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$3,123,712</td>
<td>$2,927,176</td>
</tr>
<tr>
<td>Petty Cash</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Total Cash</strong></td>
<td>$3,128,712</td>
<td>$2,932,176</td>
</tr>
<tr>
<td>Receivables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable Net</td>
<td>678,638</td>
<td>881,679</td>
</tr>
<tr>
<td>Notes Receivable Short Term</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Due From Federal Government</td>
<td>44,303</td>
<td>32,669</td>
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<tr>
<td>Due From Other Governments</td>
<td>140,259</td>
<td>411,224</td>
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<tr>
<td>Due From Other Funds</td>
<td>4,222,485</td>
<td>3,011,341</td>
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<tr>
<td>Due From Other Agencies</td>
<td>10,540,426</td>
<td>4,721,278</td>
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<tr>
<td>Internal Receivables</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Due From Component Units</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Travel Advance</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>In-Process Accounts</td>
<td>1,584,485</td>
<td>466,476</td>
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<tr>
<td><strong>Total Receivables</strong></td>
<td>$17,210,595</td>
<td>$9,524,666</td>
</tr>
<tr>
<td>Inventories</td>
<td></td>
<td></td>
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<tr>
<td>Finished Goods Inventories</td>
<td>3,191,268</td>
<td>3,302,868</td>
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<tr>
<td>Demo-Showroom and Warranty Finished Goods</td>
<td>80,238</td>
<td>249,299</td>
</tr>
<tr>
<td>Work-In-Process Inventories</td>
<td>363,267</td>
<td>341,430</td>
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<tr>
<td>Raw Materials Inventories</td>
<td>3,655,002</td>
<td>4,650,699</td>
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<td><strong>Total Inventories</strong></td>
<td>$7,289,775</td>
<td>$8,544,296</td>
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<tr>
<td>Prepaid Expenses</td>
<td>130,854</td>
<td>153,104</td>
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<tr>
<td><strong>Total Current Assets</strong></td>
<td>$27,759,936</td>
<td>$21,154,243</td>
</tr>
<tr>
<td><strong>Noncurrent Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred Outflow on COPs Refi</td>
<td>80,281</td>
<td>71,361</td>
</tr>
<tr>
<td>Improvements other than buildings</td>
<td>5,081,963</td>
<td>5,054,006</td>
</tr>
<tr>
<td>Allowance for Depreciation Improvements Other</td>
<td>(826,567)</td>
<td>(1,048,012)</td>
</tr>
<tr>
<td>Land</td>
<td>1,539,796</td>
<td>1,539,796</td>
</tr>
<tr>
<td>Building</td>
<td>12,828,239</td>
<td>12,828,239</td>
</tr>
<tr>
<td>Allowance for Depreciation Buildings</td>
<td>(1,053,609)</td>
<td>(1,168,731)</td>
</tr>
<tr>
<td>Furnishings and Equipment</td>
<td>22,348,190</td>
<td>21,647,812</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Allowance for Depreciation Furnishings and Equipment</td>
<td>(12,036,815)</td>
<td>(12,360,783)</td>
</tr>
<tr>
<td><strong>Total Noncurrent Assets</strong></td>
<td>$27,959,476</td>
<td>$26,563,687</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$55,719,412</td>
<td>$47,717,930</td>
</tr>
</tbody>
</table>
Statement of Liabilities and Net Assets

**FISCAL YEAR 2017** | **FISCAL YEAR 2018**

**CURRENT LIABILITIES**

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>$8,029,932</td>
<td>$2,960,118</td>
</tr>
<tr>
<td>Accrued Salaries and Fringe Benefits</td>
<td>1,331,816</td>
<td>1,557,338</td>
</tr>
<tr>
<td>Due to Other Funds</td>
<td>299,694</td>
<td>278,622</td>
</tr>
<tr>
<td>Due to Other Agencies</td>
<td>628,259</td>
<td>430,046</td>
</tr>
<tr>
<td>Due to Department of Revenue</td>
<td>1,163,171</td>
<td>628,641</td>
</tr>
<tr>
<td>Current Lease Purchase Agreements Payable</td>
<td>415,000</td>
<td>435,000</td>
</tr>
<tr>
<td>Liability for Canceled Warrants</td>
<td>16,232</td>
<td>16,256</td>
</tr>
<tr>
<td>Deferred Revenues</td>
<td>0</td>
<td>643</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>$11,884,194</td>
<td>$6,727,871</td>
</tr>
</tbody>
</table>

**NONCURRENT LIABILITIES**

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued Annual Leave Payable</td>
<td>1,592,960</td>
<td>1,789,240</td>
</tr>
<tr>
<td>Accrued Sick Leave Payable</td>
<td>694,798</td>
<td>717,517</td>
</tr>
<tr>
<td>Cops Notes Payable</td>
<td>3,590,000</td>
<td>3,155,000</td>
</tr>
<tr>
<td>Unamortized Premiums Cops Sold</td>
<td>681,863</td>
<td>606,101</td>
</tr>
<tr>
<td><strong>Total Noncurrent Liabilities</strong></td>
<td>$6,559,621</td>
<td>$6,267,857</td>
</tr>
</tbody>
</table>

**NET ASSETS**

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Period Profit (Loss)</td>
<td>(1,409,136)</td>
<td>(1,444,082)</td>
</tr>
<tr>
<td>Program Costs</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Retained Earnings</td>
<td>38,684,733</td>
<td>36,166,283</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>$37,275,598</td>
<td>$34,722,202</td>
</tr>
</tbody>
</table>

**TOTAL LIABILITIES AND NET ASSETS**

<table>
<thead>
<tr>
<th>Item</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$55,719,412</td>
</tr>
<tr>
<td></td>
<td>$47,717,930</td>
</tr>
</tbody>
</table>

Two Year Financial Comparison

Fiscal year 2018 revenue and cost of goods sold, increased two and one percent (2% and 1%) respectively from fiscal year 2017. There was a 1.16 percent (1.16%) increase in operating expenses in fiscal year 2018, which is largely attributed to the increase in staff salaries and benefits.
The 2017-18 year end was a great one for the Correctional Industries (CI) Human Resources (HR) team. The team increased their focus on the principle that staff are our greatest asset. With a commitment to the personal and professional development of all employees, they hosted multiple training courses for supervisors across the state. They also provided many team specific trainings with topics including conflict resolution, communication, and employee burnout. Lastly, the HR team actively focused on completing more site visits to individually engage with staff statewide.

Another focus was evaluating job recruitment efforts. The HR team supports the effort to engage and retain top talent in CI operations. Over the last year they coordinated over 90 recruitments, many of which were difficult to fill positions. The team continually strives to improve the recruitment process to include where job postings are advertised and how to connect with potential candidates. In partnership with the overall agency recruitment team, the CI HR team and CI diversity committee members attended multiple career fairs.

One challenge they discovered while engaging with job seekers is CI employment opportunities are not well known by the general public and many of the positions are unique within state government. This inspired the team to continue to spread the news about the CI mission and job openings. As a result, they hosted in Tumwater the first CI Employment Open House in July 2018. The event was a great success and exceeded the goal of showcasing CI opportunities and engaging with future applicants. Additional events are planned in the future and may include other locations and feature additional engagement activities.

Fiscal year 2017-2018 was a great year and the HR team looks forward to continuing to improve processes, and connect and engage with CI staff even more in the upcoming year.
HUMAN RESOURCES TEAM

Team members from L-R: Amy Bean, Jonathan Smith, Michelle Gulden, Heather Mellor, and Rachel Aue
Highlight Annual Award Winners

An awards celebration was held on April 3rd at Stafford Creek Corrections Center (SCCC) to honor the 2017 Annual CI Award Recipients.

The Team of the Year Award is presented to a team of employees that have shown progress in meeting the objectives of CI. Using effective problem solving, communication, and out of the box thinking, the SCCC furniture team successfully completed a record number of production orders in FY2017. Increased production was seen as an opportunity for staff to be role models for effective teamwork within a supportive workplace environment.

- **TEAM OF THE YEAR AWARD | FURNITURE TEAM**

From L-R: Joe Newberry, Dwayne Worf, Tim Magnuson, Ken Thornock, Davin Watkins, Lena Johnson, Kari Robecker, Stacy Thompson, Ken Erb, Crystal Winsley, Mike Troy, Micah van Ogle, Marion Kuriuki, Kevin O’Callaghan, Keith Morgan, and Parker Booth. Not present: Jason Amsbury, Scott Cokeley, Mike Eades, Mel Hartsell, Ian O’Boyle, Aaron Phelps, Ryan Sadler, and Sally Thiessen.

- **COMMITMENT TO QUALITY AWARD**

Mark Forster, WA State Penitentiary

This award is presented to an employee who demonstrates a commitment to continuous quality improvement. Mark’s mindset is that of always wanting to improve the workplace in any way he can. He is a self-starter and exudes a “can do” attitude. Mark is enthusiastic and empowers positive change in his shop.

- **LOUIS SAROT CUSTOMER SERVICE AWARD**

Rachel Aue, Headquarters

This award is presented to an employee who exhibits consistent excellence in customer service. Rachel displays constant positive attitude, even when faced with adversity, and builds up those around her. Her positive attitude and outstanding work ethic, coupled with her unwavering assistance, makes her a pleasure to work with.

- **RISING STAR AWARD**

Phillip Marker, WA State Penitentiary

This award is presented to an employee who has exhibited leadership, initiative, diligence, teamwork and innovation, and who possesses the qualities to become a future leader in CI. Phillip does an outstanding job coaching, mentoring, and leading the team by example. He has daily team huddles and encourages the team to voice their opinions or concerns.
Managing a food service operation, in any setting, can be compared to overseeing controlled chaos. As the food service manager at the Washington State Penitentiary (WSP), Erin Proctor has experienced successes and challenges over the course of her six months on the job. While she didn’t plan a career in corrections, Erin says, “Working for CI at WSP has been an interesting and engaging learning experience.”

Over the course of her career Erin says, “I have remained open to new opportunities and have been fortunate to learn and grow as a person and an employee in each position.” She says working at WSP is made even better by the people she has the privilege to work with each day. When asked about the best part of her job, Erin replied, “The best part of my job is collaboration. We do not operate in a silo and decisions are made collectively rather than by arbitration.” Erin enjoys the opportunity to engage with various levels within the facility as well as with staff at headquarters. Erin says the food service operation at WSP is successful because of thoughtful communication, and full collaboration and participation at all levels.

Like many others who never planned a career in corrections, Erin doesn’t remember what she expected on her first day with CI, but she knows this was definitely not it. When asked about her experience over the past six months, Erin says she enjoys that “there are new challenges to meet and overcome daily because it keeps things interesting.” As someone who prides herself taking every experience as an opportunity to grow, Erin states, “I am fortunate to be surrounded by experienced, innovative and wise people who help solve problems and put things in perspective.”

In 1992, Donny Weaver was taking classes at Walla Walla Community College and working at College Place Dairy artificially inseminating (AI) the dairy cattle, while also working on his parents farm and farming his own land. Around the same time, Correctional Industries (CI) closed the dairy at the Washington State Penitentiary (WSP), but continued to raise dairy heifers for the Monroe Correctional Complex Honor Farm. When WSP needed a new AI Tech, ranch supervisor Jerry Hall reached out to the College Place Dairy for assistance. Donny was recommended and excited for the opportunity, but being 21 years old at the time, Donny said, “I needed to ask my dad first”. His first day with CI was November 19, 1992 and Donny’s one time plans to be a self-employed farmer turned into a career in corrections.

Over his 26 year career with CI, Donny has seen a lot of change and worked in many CI programs including the dairy feedlot, farm, recycle, pheasant raising, weld shop, and the metal and license plate factory. He’s seen the progression of CI programming focused on basic job expectations such as getting up and arriving on time to the current expectations around soft skills training, resume building, and post-release employment assistance.

When asked about the best parts of his job, Donny says he takes pride in reducing the cost to tax payers, and enjoys being a part of the production team manufacturing metal components in-house. He also said, “Managing the production of license plates for the state is pretty cool too”. It goes without saying that there are a lot of memories after a 26 year career, but Donny said one of the best parts about working for CI, “Is when you hear that an individual you supervised has turned his life around and it was at least in part due to his experience in CI.”
“Good mentors and supervisors have the ability to listen and learn from staff and incarcerated workers to create a team driven environment where collaboration is the go-to problem solving method.”

Keith Morgan
SCCC Wood Shop Supervisor
4 years with CI

“Being a part of a positive outcome, no matter how challenging, is the best part of this job and why I have passion for the work that I do.”

Monica Miller
CRCC General Manager
4 years with CI

“The most rewarding part of my job is seeing a man with little technical or soft skills transition into a person that takes pride in a job well done, learns teamwork, leadership, technical and social skills.”

Tim Magnuson
SCCC Metal Shop Supervisor
18 years with CI

“I work for CI simply for the possibility that every day I might be able to give one more individual the motivation to do whatever necessary to release from prison and become as productive as possible outside these walls.”

Mark Forster
WSP Box Factory Supervisor
4 years with CI

“The best part of my job is working with all the CI staff statewide and knowing that I am making a difference in someone’s life.”

Allen Phelps
Furniture Installation Supervisor
10 years with CI
Rob Owens came to the Washington Corrections Center (WCC) after a career in the private sector. As a supervisor assistant in Correctional Industries (CI) food service, Rob quickly gained a reputation for being a positive, genuine, and hardworking role model for his peers and the incarcerated individuals he supervised. It’s no surprise that when asked about the most important part of his job, Rob said, “To bring a positive attitude to work every day.”

Working in a CI shop, supervisors must learn to create a positive work environment while balancing the importance of safety and security. Rob does this through transparent expectations, clear communication, and allowing opportunities for growth. By acknowledging that everyone makes mistakes, Rob builds confidence and creates a culture where people can learn and move forward.

Rob is a leader in embracing and applying Lean principles. After participating in CI Lean training, Rob began to eagerly apply his new knowledge, while also encouraging his workers to look for improvements in everyday operations. When Rob moved into a new rover position, he was able to find efficiencies in other operations.

For many, CI is not job, it’s a choice. Ask his co-workers and those he supervises, and they will tell you Rob brings high energy and enthusiasm to every task, every day. Rob’s philosophy on working at CI is simple, “We don’t have to, we get to.”

“Rob’s can do attitude, commitment to Lean, and desire to help others make him a role model not only for his workers, but also his peers throughout CI.”
— Ryan Sadler, WCC General Manager

The ability to see challenges as opportunities and demonstrate patience in trying situations are just two of the leadership qualities exemplified by Pandora Neiland. Pandora joined CI just under three (3) years ago and brought a wealth of knowledge and experience to the textiles manufacturing team at Washington Corrections Center for Women (WCC). Teaching technical skills is valuable work training experience for the women in her shop, however Pandora feels the most important part of her job is, “instilling a proper work ethic that the women can utilize upon release, or even at other jobs within the prison.”

Pandora’s leadership is evident to anyone walking into the textiles shop. Pandora, along with Supervisor Assistant Dusquene Miller, have transformed the workplace culture. With a focus on teamwork and leading by example, they have created an environment of personal ownership, accountability, and productivity. Pandora says her biggest challenge has been, “Building a focused work environment where drama is minimized, and communication and collaboration are celebrated.” With challenge, comes the prospect of success, and Pandora says her greatest success working for CI is, “At the end of every work day there is a feeling of pride, by all, for what was accomplished.”

Commitment to mentoring and training isn’t Pandora’s only focus. WCCW General Manager Beth Rietema appreciates Pandora’s commitment to quality, “She very much wants customers to be happy with their products and is always excited to get feedback on their performance.”

Though some days may be more challenging than others, Pandora maintains a positive outlook. She understands the power of leading by example and being consistent in her expectations. Pandora says she looks forward to work every day, “Because, in my own little way, I feel I can improve someone’s life by sharing my strengths and knowledge. This will hopefully make the world a better place for everyone, because even if I change only one person’s life, I know I contributed.”
Correctional Industries (CI) Workforce Development (WD) Team turns five (5) in 2019! Prior to the official launch in 2014, WD was limited to a single employee who processed certificates, instructed soft skills classes, and provided work readiness coaching to a small population. Eventually, the formal team was developed with an administrator, manager, and specialists across the state. By the end of the first year, the team established community based positions to target the employment needs of individuals released to counties along the I-5 corridor.

The WD team’s primary focus is post-release employment. A key component to the effort is relationship building and community outreach. Several members of the WD team joined local chambers of commerce, to take part in various outreach events. As members, they made valuable employer connections while also contributing to events by formally and informally educating other members on the mission and services provided by CI.

“I have to be honest and say that in the beginning, my first visit with the TRAC program, I was a skeptic. Those women educated me on the importance of our role, with opportunities and training. The facts are simple: we have the direct opportunity to assist them in reentering society with a real jump start to a successful life. The collaboration and expansion of pre-apprenticeship in our justice system will really positively change the outcomes of real lives. Uplifting this group uplifts our society as a whole.”

Christina Riley, LECET
Construction Marketing Representative
Industry is booming in Washington State and unions are looking for skilled workers. The Apprenticeship Working Group (AWG) was developed to achieve the goals of Governor Inslee’s Executive Order 16-05 – Building Safe and Strong Communities through Successful Reentry, by better aligning the education and work training experience of incarcerated individuals with employment opportunities in their local communities. Co-chaired by CI WD, the Department of Corrections - Education, and the State Board of Community and Technical Colleges, the AWG is a cross-sector of representatives from state agencies and local trades unions. The AWG is currently working to develop and document transition pathways from programming and education to successful re-integration and employment.

The AWG rotates monthly meeting locations to benefit from touring facilities. The group is pictured here at the NW Laborer’s Training Center in Kingston, WA.
Change does not occur overnight. For some, real, positive change can take years. This was the case for Nicole. After recidivating multiple times, she entered prison with a new outlook on her incarceration. This is Nicole’s story:

“My past is centered on addiction, abuse, and co-dependent relationships. The path that led to my incarceration started with an abusive relationship, which resulted in Post-Traumatic Stress Disorder (PTSD), shame, and guilt.

I first learned about a program called The IF Project prior to my incarceration and was touched by the raw emotion of the women. Once I became incarcerated, I signed up to participate. During my time with the group, I found the answer to my IF Question – If there was something someone could have said or done that would have changed the path that led you here, what would it have been? For me, the answer is, if someone could have helped me learn to cope with my PTSD, and how to deal with the shame and guilt of not protecting my child, my life may have looked very different.

After I released in 2012, I began speaking with The IF Project. I instantly fell in love with giving back and helping struggling youth by sharing my story and hopefully becoming a positive influence in their lives. Unfortunately, around a year after releasing, I began to have struggles. I was doing my best to be a mom, however seemingly out of the blue my past feelings of guilt and shame surrounded me. To numb the pain, I turned to old behaviors of drug abuse and eventually an unhealthy relationship. I pulled away from everything and everyone I loved, including my daughter, family, and The IF Project.

Something felt different this time. I felt guilt and shame, and didn’t want to be the hardened criminal I once was anymore. I knew I wanted to change and I approached my incarceration with a simple mantra: I was going to be productive with my time. In addition to once again becoming involved with The IF Project, the smartest choice I made was joining Correctional Industries (CI) Trades Related Apprenticeship Coaching (TRAC) Program. I almost didn’t apply, not because of the hard work schedule, but because of the intense math classes. Several TRAC graduates told me the TRAC instructor was special and leaves no one behind, so I decided to give it a try.

TRAC gives women the opportunity to learn skills and shine in a typically male dominated field. Thanks to Steve Petermann, CI TRAC instructor, I know I can accomplish anything I set my mind to. He helped take the fear out of math, and I even aced my final exam. Steve believes in his students before we believe in ourselves and is our number one supporter.

Since my release in 2015, my life has completely turned around and I am finally the woman I was always meant to be. I am in my second years in the Carpenters Apprenticeship, working steadily doing steal stud framing. CI TRAC helped get me where I am today by providing me with the opportunity to gain knowledge, skills, and confidence. TRAC isn’t your average pre-apprenticeship program. When I left prison I knew I was fully prepared and trained at a level to allow me to out-work most men; it’s a pretty cool feeling.

My life now is centered around my family, including my husband, one-year old daughter, and college age daughter; my career; and being an active member of my community. I am proud to share TRAC experience and speak as part of The IF Project because it allows me to share my story to provide hope to others. I have many goals for my future, but today just knowing my future is secure gives me peace of mind and allows me to continue to push forward.”
“It may sometimes take a couple of times to get it right, but I am here to say that change is possible.”
Special Event
TRAC Program Expansion

Returning home after incarceration can be both exciting and stressful. The Department of Corrections (DOC) Correctional Industries (CI) is trying to lessen the stress of reentry by preparing women for employment in living wage careers. Almost 21 years since its pilot at Washington Corrections Center for Women, the CI Trades Related Apprenticeship Coaching (TRAC) program will expand to Mission Creek Corrections Center for Women (MCCCW). With the first class slated to begin late Fall 2018, the 16-week certified pre-apprenticeship program will provide women at MCCCW the opportunity to learn valuable skills in non-traditional fields, while gaining self-respect and confidence.

On July 12, 2018, a groundbreaking ceremony was held at MCCCW for two new TRAC training buildings. Local community members, trade union representatives, incarcerated women, and DOC employees gathered in the facility gymnasium for a formal ceremony. Welcoming the guests were DOC Deputy Secretary Julie Martin and Assistant Secretary Rob Herzog, CI Interim Director Jeannie Miller, and MCCCW Superintendent Devon Schrum and Interim Superintendent Dennis Tabb.

CI TRAC instructors Steven Petermann and John Brown spoke about the program, partnerships with local trades, and the journey to expand TRAC to MCCCW. Steven was especially proud when speaking about his students’ achievements over the past five (5) years. With more than 100 women trained during his time as an instructor, there are currently 31 who are active apprentices in the laborers, iron workers, or carpenters’ unions. It was evident by the excitement in their voices, Steven and John have true passion and drive to see the program, and more importantly the students, succeed.

Following the welcoming and introduction, special guest speakers provided heartfelt perspective on the importance of expansion of TRAC. Nicole Shaw, former graduate from the TRAC program at Washington Corrections Center for Women (WCCW), spoke about her experience in the program and how her life has changed for the better. Nicole is steadily employed as a union carpenter and recently purchased her own home. She credits her success to TRAC and specifically TRAC Instructor Steven Petermann and Northwest Carpenters Institute Training Coordinator Cindy Gaudio. Speaking directly to the incarcerated women in the audience, Shaw had these words of encouragement, “The fact that it [TRAC] is coming here, to you guys right before you leave, take full advantage of that...Put your mind to it. Just focus, and you’ll hit the ground running. I know I did.”

NICOLE SHAW
FORMER TRAC STUDENT

INVITED GUESTS

JOHN BROWN
TRAC INSTRUCTOR
Christopher Poulos [above], Executive Director of the Statewide Reentry Council, told of his own incarceration and journey to sobriety. He spoke about how the TRAC program can provide students with the opportunity to transform from a ‘tornado’ wreaking havoc and causing disruption in their loved ones lives, to a ‘rock’ or solid figure both while completing their incarceration and upon their return home. When addressing guests and potential future students, Christopher state, “When I got sober, the internal change was matched with external opportunity, and that’s what TRAC can provide.”

At the conclusion of the formal ceremony, all guests and speakers were escorted through the facility and out a back gate for the groundbreaking. Planning for the construction of the training buildings, which will be located outside the perimeter fence, has been a coordinated effort between DOC Capital Programs, CI, and MCCCW. The program will utilize two buildings. The first will include tool and material storage, as well as a dry shack. The second will be an open-air work area. Students will train in all weather conditions, and the buildings will ensure they gain experience in realistic work environments. Students will not only develop their skills within the buildings, they will also gain experience while assisting with the construction of the buildings. “I guarantee you, it’s the biggest project that TRAC students have ever done, but I am so excited about that,” said John Brown as he went over the building plans.

It can be a surreal experience to witness positive change in what can be seen as a negative environment. Yet, tucked away in the middle of beautiful lush forest with challenging razor wire never far from sight, the overwhelming feeling was happiness. It was truly a day filled with HOPE.

Below from L-R: Christina Riley, Jeannie Miller, Leo Gleason, Devon Schrum, Dennis Tabb, Rob Herzog, Julie Martin, James Owen, Joe Hannan, Lisa Marx, and Nicole Shaw.
Operations Overview

Sales

The Correctional Industries (CI) Sales Group consists of nine (9) team members responsible for assisting customers with their furniture and space planning needs. There are five (5) account executives, who work directly with customers by establishing and maintaining communication of furniture projects. Furniture projects range in size from a single piece of furniture, such as a chair or file drawer, to furnishing a complete building with workstations, guest seating, break rooms, and meeting spaces. Overseeing the account executive team are two sales managers, who also maintain their own customer accounts.

Furniture, like most consumer products, is always evolving and changing to meet customer needs. The sales team includes a furniture brand manager, who carries the responsibility of reviewing current product lines, development of new products, and evaluating pricing strategies. As new products are launched, the sales team receives in-depth training on product specifications and utilization. Product knowledge and space planning experience are valuable tools for each sales team member as they work with customers to design spaces that fit their specific needs.

CI Residential Living furniture, commonly referred to as dorm room furniture, continues to be a popular choice for local colleges and universities. The furniture line was originally designed to meet the needs of the University of Washington and has since been adapted by several campus housing programs.

In addition to manufacturing new furniture, CI provides customers with refurbishing services. By refurbishing existing furniture, customers are able to extend the life and value of their investment, while also updating to modern fabrics and finishes. Many local colleges and fire departments have utilized refurbishing services over the past several years.

Understanding customer needs, providing excellent customer service, and working together to achieve success are the ultimate goals of the CI Sales Group. The team is challenged to work both independently and as part of a team. They have customer accounts across the state and must strive for meeting customer demands and managing a healthy work-life balance. Through the use of flexible work schedules and telecommuting, the sales team is able to not just meet, but exceed expectations.

Over the next year, the sales group is working on several sizable projects. Notable projects include a new Department of Transportation headquarters building and the relocation of the Employment Security Department office.
The marketing team is charged with the dual role of communicating with internal and external stakeholders about Correctional Industries’ (CI) business operations and mission. In addition to developing all collateral marketing materials, managing the website, and communicating through social media channels, the marketing team also fields daily requests for design and enhancement projects.

Brand consistency and relevance is an important part of the team’s everyday activities. It’s more than just ensuring proper logo usage and managing the flow of publications. The team provides input on all aspects of communication, from the specific words used to the layout and final design.

Authenticity is key in creating and maintaining a brand. Many of the projects completed by the marketing team are done completely in-house. In January 2018, the team conducted a one day photo shoot of CI frozen food products. The goal was to take real photos of CI food without any modifications or additions. While the day was long due to the incredible number of fine details which must be considered when photographing food, in the end the photos exceeded expectations. The final shots were used in marketing materials, conference presentations, and tradeshow marketing banners.

The marketing team works hard to highlight products available for purchase, however just as important are the individuals who have successfully re-integrated into their communities after their CI work training experience. To better showcase these successes, CI began gathering stories of successful reentry and dedicated a web page featuring their achievements.

Future plans for the marketing team include expanding the use of social media, developing short online videos, increasing awareness of successful reentry stories, and increasing opportunities for customers to purchase products online.

In early 2018, CI launched an Instagram page. Posted photos feature CI furniture products, and creates a new avenue for customers to view products. Instagram photos are featured on our furniture web page and help customers get a better understanding of how furniture can change a work or meeting space.
Operations Overview
Business Services

The Correctional Industries (CI) Accounting and Business Services Group includes the financial services and accounting team located at the headquarters office in Tumwater, as well as site business managers and purchasing supervisors statewide. In many ways, this Group represents the financial backbone of our $107 million agency by performing essential financial services for CI operations, including more than $32 million in payroll and $60 million in Cost of Goods, annually. On average, our Group processes more than 11,000 accounts payable and receivable transactions per month.

Despite the challenges of manual processes resulting from disconnected sites with separate closed networks, our Group continues finding ways to consistently deliver a high level of service. Our Group is a dynamic operation, relying upon flexibility, cross-training, and heightened communication to sustain financial services, shifting workload and support between sites to address operational issues and maintain a seamless workflow. Additionally, they meet several times each year to discuss best practices, process improvements, and project timelines. Intentional focus upon service refinement and streamlining process has realized a number of operational efficiencies in our daily processes.

By directing a focused effort toward updating and streamlining financial operations, the Group has improved the efficiency of many daily processes.

The process improvements include:
• Accounts receivables migrated to electronic batches – reduced amount of paper used and saved time and valuable storage space.
• Accounts payables refined and streamlined several electronic integration processes – reduced errors and saved time.
• A statewide effort to reconcile assets and process asset disposals resulted in documented and communicated processes and increased accuracy.
• Unclaimed property reporting is essentially non-existent and the few claims reported are for minimal dollar amounts.
• Use of Electronic Funds Transfer (EFT) payments to vendors, the Department, and other state agencies is at 77 percent.

In the future, the Group is eagerly awaiting the Dynamics software upgrade. Upon completion, the group will transition many manual processes to electronic processes. They expect to reduce documentation requests, automate the refund process, track and measure discounts, and implement vendor payment terms; all of which will increase efficiencies and reduce waste.

Going forward, the Group will focus on enhanced communication, transparency, and customer service. Beginning with fiscal year 2020 forecast development, CI will be moving toward more detailed financials, improved financial accuracy, and ensuring full cost recover and program reinvestment.
Correctional Industries (CI) operates five (5) customer support centers, all of which provide the highest quality customer support to their industries – food, furniture, optical, print services, and textiles. Customer service centers respond to customer inquiries, assist customers with orders, confirm order accuracy, complete order entry, and process credits and warranties.

FOOD
The foods customer care team processes between 400 and 450 orders per month. The team includes two (2) CI specialists and three (3) incarcerated individuals working in sales order clerk positions. The clerks input and process new food orders, perform data entry, and work directly with the specialists gaining valuable work experience in the customer service industry.

FURNITURE
Processing an average of 111 orders per week, and up to 164 per week during peak order season, the furniture customer care team works hard to ensure order accuracy and timely order processing. The team of three (3) CI staff and 13 incarcerated individuals, works closely with customers, CI account executives, and the purchasing, engineering, finance, production, and delivery departments to ensure customer expectations are not just met, they are exceeded. In FY2018, the team processed orders totaling over $19.8 million.

OPTICAL
The optical customer care team works with 600 network providers statewide. Providers for Washington Apple Heath clients, submit an average of 750 prescription eyewear orders per day via email and fax. The team, consisting of three (3) customer service specialists, enters orders into the system and also works directly with providers to answer questions or obtain complete order data. The team goes above and beyond on a daily basis to ensure providers and their clients receive timely orders.

PRINT SERVICES
Great customer service often involves a back-and-forth communication. Whether customers submit their own artwork, utilize the shop design services, or place an order for standard print jobs, conversations are often required to finalize the end product. The print services customer service team; including a CI specialist, order clerks and graphics clerks; communicate project design, price, timeline, and final product proof, all before the final order is produced and shipped. Between print and sign orders, the team processes approximately 360 orders per month.

TEXTILES
Communication is a key component of customer service. It’s especially true when manufacturing shops are located in six (6) different facilities. The textiles customer care team consists of one (1) specialist and six (6) incarcerated individuals. From embroidered or screen printed logos, to custom sizing and fabric, the textiles customer care team communicates with all stakeholders to ensure an efficient and accurate ordering process.
Continuous Improvement

The Lean culture at Correctional Industries (CI) continues to grow as more and more staff and incarcerated workers receive Lean training, complete improvement projects, and utilize Lean tools, practices and principles. Lean manufacturing training provides individuals with the knowledge to understand waste in a manufacturing or business environment, how to locate waste, and develop a strategy to reduce or eliminate waste. The training also provides tools to guide them through the problem solving process from start to finish. All these efforts contribute to reducing the tax burden for citizens of the state of Washington.

STAFF LEAN PROJECT

High product rework and late delivery rates were the drivers behind the ‘First Time Quality’ Lean project. After gathering data on current state, Project Lead Seth Schwenker, identified inefficiencies in product production flow that could be a cause for both problems.

The flow of the production line did not allow for consistent product movement resulting in an overload for some stations and a lack of production at others. Stations overloaded with production had increased error rates, causing rework as the product moved downline, and resulting in missed customer deadlines.

The production line was reorganized to reduce unnecessary movement (waste) and a new quality control process utilizing pictograms was developed. After the changes, First Time Quality improved from 90 percent to 95 percent and On-time Delivery improved from 74 percent to 94 percent.

MONTHLY DEFECTS REDUCTIONS

**Additional Lean practitioner projects completed by staff during fiscal year 2018:**

**Uniform Management:** The uniform exchange process was reduced by six steps. Lead time was reduced by 98 percent switching from paper to an electronic database when identifying and recording laundered uniforms.

**Cleaning Product:** Switching detergent brands resulted in an annual savings of $11,000 for one location, reduced our carbon footprint, and resulted in a cleaner kitchen and cleaner dishes.

**Recruitment Process:** The human resources department reduced their recruitment process by 118 days; a 70 percent improvement.
WORKER LEAN PROJECT

Lean projects can be proactive rather than reactive, which was the ‘case’ with the ‘Pillowcase Recover’ Lean project. The idea was simple, reduce purchases of new pillowcases through the recovery and repurposing of discarded sheets.

Leading the project was William, an incarcerated worker at Coyote Ridge Corrections Center. William and his team gathered data on pillowcase purchases and sheet disposal. They determined an average of 440 sheets were discarded each month and an average of 760 pillowcases were purchased. They projected the sheet recovery process would reduce the number of purchased pillowcases to 500 per month. After implementation, the project resulted in a monthly average of 430 pillowcases purchased and monthly savings of over $450.

To sustain the process, the project team created a step-by-step lesson plan (One Point Lesson). The plan includes a description and picture of each step, and the necessary equipment and resources. As a result, the process will be expanded to other laundry operations statewide.

All Lean projects create benefit; some quantifiable (hard benefits) and some tangible (soft benefits). Financial (hard) benefits realized in fiscal year 2018 directly related to Lean projects total approximately $157,000 while benefits over the last three (3) years total approximately $896,000, with a significant amount realized year over year.

The third year of Lean assessments were completed in September 2018. The assessment scores of all CI sites combined have seen incremental improvement year-over-year with a positive culture shift, increased buy-in and more utilization of Lean tools. The overall CI Lean assessment scores increased from 1.40 in fiscal year 2016 to 1.89 in fiscal year 2018 which is a 35 percent improvement.

93
Number of incarcerated individuals who have completed the 20 hour Fundamentals of Lean Manufacturing training course in fiscal year 2018.

3
Number of incarcerated individuals who earned their CI Lean Practitioner Certification in fiscal year 2018.

Additional Lean practitioner projects completed by incarcerated individuals during fiscal year 2018:

Fruit Waste Reduction: Waste was reduced when inmates were offered the option of choosing a piece of fruit. One kitchen saved $10,000 in just four months.

Over-delivery of Fruit: Delivering the exact amount of fruit needed vs. by the case, resulted in an annual savings of $2,800 for one location.

Print and Sign Shop Archiving and Streamlining: Time spent scanning documents that already existed as PDFs was reduced by three (3) hours per day which equates to $80 per month.
We expand work training programs which develop marketable job skills.

We instill and promote positive work ethics.

We reduce the tax burden of corrections.
We believe
in the work we do.
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