

IPI Newsletter

A Quarterly Newsletter

July 2003

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Clint Schmidt & Al Reiter Share Plant Manager Of The Year Award

This year we recognize two people for their outstanding contribution to the IPI Team's Mission. Both Clint and Al had very unique challenges this past year and are to be commended for their leadership and dedication to insuring their operations never lost sight of the IPI mission.

Clint Schmidt has been instrumental in proving our female offenders can do anything their male counterparts can do. Mitchellville sales are up 28% and for the first time it will turn a profit for the year. On top of this, Clint now employs over 50 female offenders in his shops and he is supported by an excellent staff and dedicated team of inmates who refuse to lose. Because of Clint's inside staff, he has successfully developed off groundwork programs for over 100 male offenders at various sites such as schools and universities.



Clint Schmidt, Mitchellville



Al Reiter, Anamosa

Al Reiter, a first-year plant manager, officially took over as plant manager in November 2002 after serving as interim manager since April 2002. Al's unassuming style of leadership has allowed him to earn the trust of his team and together they have returned Anamosa to the high-flying over-achieving operation that it has a long history for.

It is said the measure of one's success can be found in the results they have accomplished, in this case Clint and Al have proven their abilities to lead and inspire others.

Congratulations to you both, we are all proud of you and your accomplishments!



Baysden's Corner

BY ROGER L. BAYSDEN
IPI DIRECTOR

By the time you read this letter, we will have closed the chapter on IPI 2003! It will be remembered as a year of transition, a year of change and a year of looking to the future.

Much has occurred over the past 12 months. We saw the retirement of one plant manager, the hiring of another, the loss of a colleague, the replacement of a canteen manager, the continued downsizing of state government and a tremendous shift in our customer base. Yet in spite of these negative

events, IPI has prospered.

The IPI Team has once again proven that success is internal. When one customer stops purchasing, we just go out and find another! Would it surprise you to know that our single largest volume business did not exist two years ago? Would it surprise you to know it is the Central Canteen?

Canteen sales are our number one business unit in dollar sales! Who would have ever thought that inmates would become our number one paying customer! *Shawn Preston* has done a masterful job of guiding this business to the level of success that few thought

possible. We will feature the Canteen Program in the fall edition of our newsletter.

As we look to 2004 and the opportunities that are ahead of us, I see challenges that will test our resolve and reward our successes by reconfirming within ourselves, that we are the best at what we do.

We will tackle our manufacturing processes and by year-end, we will have a better handle on cost and manufacturing. At the same time we will move one step closer to total integration of purchasing, manufacturing,

Cont. on page 2

Dr. Hillman Honored For Extraordinary Community Service



Doug Hillman receives the Madelyn M. Levitt Community Service Award from Madelyn Levitt.

Doug Hillman, the Aliber distinguished professor of accounting, received the Madelyn M. Levitt Community Service Award, which Levitt established to recognize individuals who have made an outstanding commitment to Drake, volunteerism and community service.

President David Maxwell said Hillman was give the honor for his "willingness to give of himself without regard for personal recognition, for touching the lives of countless students, faculty and staff for more than 30 years, and for his enthusiasm and leadership as well as commitment to community service."

Hillman serves on the Holt Interna-

tional Children's Services board and is active in the program as a parent of four children from Korea with special needs. He also helps the Boy Scouts of Troop 202, serves on the Iowa Prison Industries board and is a member of the Rotary International. He plans to use the monetary portion of the award to help renovate an orphanage.

Congratulations Doug.

Bob Fairfax Receives Recognition For Outstanding Work



Bob Fairfax's outstanding leadership earned him "Sales Manager Of The Year."

In June 2003, we were informed that Bob Fairfax had been selected Sales Manager of the Year for the South Central Region!

This is the first time that anyone from Iowa has been recognized for their outstanding work by the association. Please join me in congratulating Bob for his dedication and commitment to Excellent Service, Quality Products and Reasonable Price approach to business. Great job Bob!

Did You Know...?

IPI is 100% self-funding and receives no appropriations from the legislature-- you pay your salary every day by the wonderful job that you do! Without your commitment to excellence we might not be in business...

Schools now account for almost 40% of our work!

You can purchase used computers from the IPI/State Surplus program for 50¢ per meg. What a deal! What about an automobile? Anamosa would be thrilled to sell you one.

Baysden's Corner Cont. from page 2

sales and accounting. We are fortunate to have Kim Zimmerman who will serve as leader of the reorganization team. She will be visiting plants, sales offices and meeting frequently with staff and management with recommendations and sharing of successes.

We will continue our focus on modernizing our shops and purchasing equipment that improves quality and teaches inmates skills that are useful in today's economy.

We will reenergize our efforts to employ more inmates in more activities than ever before. Our goal will be to exceed 1.3 million hours of inmate work in 2004! This is a lofty goal, but

I know we can do it. We have a stable team that is settled in; we have new product offerings such as docks, bridges and signs, ongoing custom wood products, and stronger ties with sister agencies. 2004 should be a great year.

Each of you should be proud of your contribution to inmate rehabilitation and in spite of complexities of change on 2003, we will find a way to improve upon this year's successes... that's what winners are made of.

Have a happy and enjoyable summer and for those traveling on vacation, travel safely.

Good luck in 04!

Roger L. Baysden

Welcome Director Maynard To The DOC Team



Appointed by Gov. Vilsack and Lt. Gov. Pederson, Mr. Maynard began his duties as the Director of the Iowa DOC on March 19, 2003. Director Maynard joined Iowa DOC in March. Maynard comes to Iowa with over 30 years of extensive correctional administrative experience. Most recently, he was Director of the South Carolina DOC for two years. Director Maynard is also a retired Brigadier General, serving with the Oklahoma Army National Guard for over 32 years.

If you see Director Maynard at your facilities, please make sure you welcome him to Iowa.

Answers: 1. D-Cleveland, 2. A-2-60, 3. A-2-60, 4. C-1993, 5. C-Dorm Furniture, 6. B-Ft. Madison

Meet Your Sales & Marketing Central Office Team

Now you can put a face to a name to the Central Office IPI personnel you visit with on the phone, work out orders with and answer questions for.



Pictured in the showroom from left to right are: (Back) Bob Fairfax, Scott Klinefelter and Dennis Barry (Front) Renee Simmons, Ann Bouslaugh and Jane Ross

Upcoming Trade Shows

July 16-17: Iowa Association of School Buildings & Grounds, West Des Moines

Aug 6: School Administrators of Iowa, Des Moines Convention Complex

Sales & Marketing

Focusing On K-12 & Colleges Pays Off For Sales Team

This past year the IPI sales staff has focused on both K-12 Schools and Colleges & Universities.

The groundwork has been established to make Iowa Prison Industries the predominant supplier of K-12 school furniture in Iowa. Schools such as Des Moines Public Schools, Davenport Community Schools and Cedar Rapids Community Schools recognize the value and service provided by IPI and support our programs to the fullest extent.

Additionally, IPI is the largest supplier of dorm furniture by Correctional Industries in the United States. Iowa State started the trend in 1999 and University of Iowa came on board in 2002. The University of Northern Iowa will have its first orders from IPI delivered this summer. IPI has also

added colleges such as Western Iowa Tech, Morningside College, Loras College and Ellsworth Community College. Next year we will try to add more colleges to this expanding list of customers receiving top quality dorm furniture with exceptional service and reasonable pricing.

Top Customer Categories By Purchases

Iowa Institutions	\$4,041,542
Colleges & Universities	\$2,496,133
Dept. of Transportation	\$1,409,467
Iowa State Agencies	\$1,316,498
Iowa Counties	\$1,247,796
Community Schools	\$807,189
Dept. of Human Services	\$702,787
Iowa City Clerks	\$516,870

Sales & Marketing Staff Expands

The Sales & Marketing Department is pleased to introduce our two newest staff members to the team. Michael & Ann are having an immediate impact on our ability to serve the customers of IPI.

Michael O'Brien

Michael O'Brien, Sales Representative, joined the sales staff in November 2002. With too many years of sales & management experience to count, Michael has hit the ground running in Eastern Iowa. A solid furniture background has enabled Michael to quickly learn our products inside and out.

Michael's family includes his wife, Mary "Mic" Herrity, four children: April (26), Casey (22), Aaron (11) and Chandler (7) and one granddaughter: Kaylie (8).



Michael O'Brien



Ann Bouslaugh

Ann Bouslaugh

The newest member in the Des Moines office, Ann Bouslaugh joined the team as a Marketing Assistant. Since coming aboard in March, Ann has used her eight years of graphic design experience to redesign the web site and produce our first newsletter in years. With degrees in marketing and graphic design, Ann has some big plans for IPI's sales and marketing materials.

Ann lives in Ankeny with her husband, Don, and his 3 children: Krista,

Success Stories

Over 30,000 pieces of dorm furniture sold over the past three years.

Michael O'Brien landed a \$40,000 custom wood order in his 2nd month on the job.

ISU has become IPI's largest customer.

Des Moines Public Schools has committed to IPI for the next eight years of their renovation program (40+ schools to be remodeled or built).

IPI has become the largest provider of dorm furniture in Correctional Industries programs in the United States.

Dennis Barry wrote over \$1 million in volume in the 4th quarter of FY2002-2003.

Anamosa

IPI & Minncor Trade Knowledge On Soap & Boat Docks

A new product line is being developed with Minnesota Correctional Industries (Minncor). Boat docks and piers produced in Stillwater, Minn., will be initially sold by IPI to DNR and other eligible customers. As interest and demand grows, we will manufacture the dock and piers here. We will be meeting with DNR to learn what their requirements and needs are.

As we use Minncor's expertise to develop boat docks, they are using some of our soap products and knowledge to develop a new product line in Minne-

sota. We will initially partner with them using our product and if demand continues to grow they will expand into the manufacturing of the product.

The Soap Division also welcomes back Pat Fowler from hip surgery. The shop is working to regain lost ground in sales. They have met with vendors to secure lower pricing and new products. A comparison recently completed between our laundry products and a competitive brand at the Oakdale Laundry validated that IPI provides the best value to our customers.

Auto Body Program Sees Increased Demand

Renewed interests by the state vehicle dispatcher and increased demand has allowed the Auto Body program to continue. While not in the black yet, the shop has made significant progress from a year ago. Continued increases in production and greater interest from customers should allow the shop to reach self sufficiency in the near future.

One of the more unique projects in progress in the shop is a '57 Nomad. This is owned by one of the ASP staff and will involve many hours of work.



Metal Furniture Shop Experiences Remarkable Turnaround

What a difference a year makes. Last year at this time we had significant losses but to date the shop is well into the black and should finish the year out. This turnaround in less than 12 months is remarkable and everyone is to be commended on contributing to this.

Work has been done to reduce the costs of our products and this has allowed us to hold prices steady on many of our items. Metal Furniture has a large customer base and continues to grow. The shop is working extended hours to meet the summer rush and we

will be moving a lot of finished goods after the fiscal year-end to schools.

A Pat On The Back From A Satisfied Customer

The letter to the right, written by the superintendent of Des Moines Public Schools, shows the commitment of IPI to provide quality products, exceptional service and reasonable pricing.

For a copy of the letter, please contact Renee Simmons.

Sign Division Creates New Markets

The Sign Shop continues to push the boundaries of what signs they can make. Recently we produced a multicolored building facade for the African American Museum in Cedar Rapids.

We have made inroads to Minnesota customers and are seeing continued interest from them. A Minnesota county recently chose IPI over a lower bidder because of our reputation for producing high-quality signs.

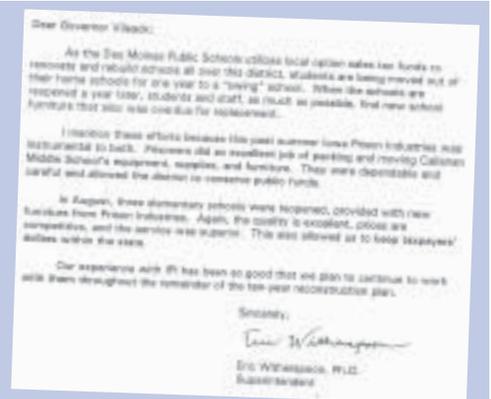
New products include personalized school signs that we are looking forward to printing. Street marker blades that help a city promote itself are another growing product line. Examples include the John Wayne signs in Winterset and the Glenn Miller signs in Clarinda.

New Graphic Arts Equipment Expands Capabilities

Recent additions of a print imager and tabber have opened a new market for bulk mailings. Work that state agencies had previously sent out can now be done in-house.

Virgil Johnson has continued to make new contacts as he has traveled throughout the state explaining our products and services. These new contacts are starting to pay dividends as sales are coming back in this division.

Translation software will allow us to offer a new service to many of our customers. Custom dictionaries are being developed for the software and pricing of finished documents are being completed at this time.



Metal Stamping Designs New License Plates For DOT

The license plate shop has developed the new Breast Cancer Awareness plate scheduled to be available on July 1. IPI has been able to provide a full service to the DOT: designing new plate types, maintaining the database of plate history, and handling the delivery of the plates to the county courthouses.

Recent agreements with DOT on pricing should provide a steady revenue source for the next several years. We will strive to meet DOT's demands for a quality product.

Custom Wood Shop Showcases Talents With Director's Furniture

Congrats to Julie Dietiker on her promotion to Production Coordinator for the Custom Wood Division. We have seen continued growth in the amount and types of products we are able to do. The Directors' desk is an excellent example of making a unique product with the DOC emblem engraved on the front of the desk.

Future plans include developing capabilities in picture framing and matting. An additional inmate is also receiving CAD training to provide faster response to customer requests.

Many short deadlines have been placed on the Custom Wood shop but they have done an amazing job of meeting these while delivering a high-quality product.

Business Highlights

Financial reports have been added to assist management in decision making and to provide clear, concise information for all readers.

Accounts receivable is maintaining low levels of late collections. Less than 2% of our balance is over 90 days.

Grace Kurt's position was upgraded to Accountant 3.



The shop has also purchased a new engraver/router with attachments to allow engraving of curved surfaces. This will enhance our engraved signage in speed and quality.

Braille Inmates Expand Certifications

Lennie Miller has done a tremendous job of carrying on the tradition of high-quality service that Rhonda Sturtz provided over the years. In addition, the shop has expanded its product offerings with a tactile enhancer.

Two inmates deserve special mention in the shop. Inmate Hargrave has received his Nemeth certification from the Library of Congress while battling terminal cancer. Inmate Benn is working toward his Braille musical certification. Currently there are less than 40 certified music Brailleists in the country.

Business Office

Business Office Looks For Ways To Increase Efficiency In All Areas

All Business Office areas were asked this year to thoroughly look at their procedures and determine ways to become more efficient.

An excellent example of time-savings has been found in the Accounts Payable area. They are attempting to pay more than one invoice to a vendor at a time whenever possible. We still have paid 5,594 invoices this fiscal year to date. Unless there is a problem with an invoice we try to pay invoices within two weeks of their receipt in order to

maintain good vendor relations.

Planned computer upgrades should also increase how efficient we are. Computer technology is constantly changing and improving. Due to these changes we are in the process of a computer migration plan that will add new equipment, replace aging equipment, and upgrade operating systems. These upgrades will help streamline operations, centralize management of systems and simplify administration for the IPI network.

Vendor List Continues To Grow As Bids Posted On-Line

Our vendor list currently contains approximately 3,275 names and continues to grow. About 350 of these vendors are Iowa businesses. Every effort is made to work with Iowa vendors and targeted small businesses whenever possible.

Fiscal year-to-date we have issued 3,595 purchase orders for a total of \$12,412,740.47. Purchase orders are processed for 18 divisions of IPI located in Anamosa, Des Moines, Fort Madison

and Newton.

Our formal bids are now posted on the State of Iowa website (<http://eservices.iowa.gov/rfp/>), which has made it much easier and more accessible for vendors to become aware of our bids and proposals.

We maintain approximately 85 contracts for the purchase of raw materials and supplies and the maintenance and lease of equipment.

Fort Madison

Schools & Universities Keep Wood Shop Running At Full Capacity

Universities and schools have represented Fort Madison's greatest opportunities over the past few years, with Iowa State University being our largest customer.

Due to the budget cuts that the universities and schools had to contend with, Fort Madison was faced with a potential lack of orders. Thanks to the work of the sales staff, we were able to keep our shops running at full capacity.

Fort Madison is also looking forward to getting their Custom Wood Shop up and running. Currently, the Supervisor for this operation is reviewing equipment specifications and placing equipment orders.

The new shop will provide Fort Madison additional work throughout the year while allowing IPI the ability to provide faster turnaround times on custom wood orders.

New School/ University Customers

New Customers in 2003

University of Northern Iowa (525 rooms)
Loras College, Dubuque
Central College, Pella

New Customers in 2002

Des Moines Public Schools
Morningside College, Sioux City
Western Iowa Tech, Sioux City
University of Iowa

Meet The Management & Warehouse Support Team

Haven't had a chance to meet the Fort Madison staff? Now you can put a face to the voice on the other end of the phone.



Pictured from left to right are:
(Back) Mark Meinhardt, Mike Nye and Craig Ahlen
(Front) Laura Mendez and Becky Munoz



Bob Manka (left) installs the dorm furniture plus delivers furniture and works in the warehouse and shops.

Textile Shop Responds To Shifting Demand

The textile product lines are always expanding and shifting to meet the changing needs of institutions and state agencies. As the state has requested less expensive inmate clothing due to the

state's budget situation, IPI has been able to respond to these needs while still producing quality clothing.

We are continuing to provide more textile items that the institutions were

purchasing from other vendors. This allows us to expand our capabilities and product lines, train more inmates, and meet more of our customer's current demands.

Welcome Fort Madison's Newest Team Members

Help us welcome Fort Madison's two newest team members: Shari and Ron. Both Shari and Ron have taken on their new duties with ease and we are looking forward to many years with them.



Shari Redden



Ron Heckenberg

Shari Redden

Shari Redden joined our staff as a receptionist last November. With 12 years experience, Shari has quickly become a valuable asset to the Fort Madison office.

At home, Shari stays busy keeping track of her 17-year-old son, Kurtis. Welcome aboard Shari.

Ron Heckenberg

The newest member of the Fort Madison staff is Ron Heckenberg, State Industry Technician. Ron transferred to IPI in April from the Oakdale Correctional Facility where he was a Correctional Officer.

Ron's daughter Kisha is attending Kirkwood Community College.

Milestones

Manufactured 1,033 rooms of dormitory furniture this year.

Delivered and installed over 30 semi-truckloads of dormitory furniture in the months of July and August.

Handled over 21,000 tourism calls this fiscal year without one single complaint.

Produced over 2,500 pairs of jeans this year, up from 519 last year.

New product-knockdown version of dormitory furniture.

During the month of June, manufactured 1 semi-truckload of furniture per day.

Mitchellville Turns Profit In FY 2002

Due to the hard work of Clint and his dedicated staff, Mitchellville will turn a profit for the first time this year! The Mitchellville staff has achieved this by constantly looking to new ventures and products to keep their workers productive and gainfully employed.

IPI-MV employs 45 - 50 female workers each day with over 67,000 work hours annually.

Quick Facts

Entered almost 75,000 recreational vehicle registrations for the DNR since November.

Recycled 312.13 tons of books for Iowa & Nebraska.

Scanned and archived 1.5 million images to CD (that's the equivalent of nearly 200 five-drawer vertical file cabinets).

Printed over 400,000 envelopes and produced over 6 million copies during the past year.

Mitchellville

Staff & Inmates Achieve Near Perfect Data Entry Accuracy

Since November, the Imaging department has performed all the data entry of recreational vehicles for the Department of Natural Resources. Not only does this program save the DNR thousands of dollars annually, but it also keeps a staff of four inmates very busy and will provide a steady revenue source for this department for years to come.

Sue Torres and Mana Thongvaughn put this program together and their

accuracy is nearly perfect. Considering the inmates often enter over 40,000 registrations monthly,

these are exceptional results realized for such a short period of time.



Staff Constantly Seeking New Ventures

It's no secret that the state budget crunch looked to leave an impression on the Mitchellville plant. In the face of this adversity, the IPI staff simply looked to new avenues for income. With the help of inmates willing to vary their daily work, the shop remained busy this year.

The Print Shop is continually looking into new products and services to offer

our customers. Recent additions to their capabilities include micro-perforating, wire "0" binding and calendars of all types and sizes.

The inmates in the paneling and seating shop have been doing more re-upholstery work than ever before. They are also keeping busy recycling books for both Iowa and Nebraska.

IPI Mattress Passes Burn Test And Beats The Competition

Mitchellville hosted a "Mattress Burn Test" at their facilities in April. The test was conducted by a representative of Chestnut Ridge, IPI's foam supplier, with the assistance of IPI staff. Also present at the test were various county jail officials, DOC Director Maynard, Chief Jail Inspector Mike Richardson and IPI Director Baysden.

The results are just as we have been telling our customers for years, the IPI mattress was the only one not to actually burn. This is another example of the quality products provided by IPI that overshadow the competition.

Pictures and information can be obtained from Ann Bouslaugh at ann.bouslaugh@iastind.state.ia.us.



Left : Densified Polyester Mattress, provided by Tama County Jail; Right : Neoprene Foam Mattress, provided by Chestnut Ridge Foam (IPI)



IPI Featured In The Des Moines Register

The Des Moines Register recently printed a very favorable article about the moving and installation work of IPI inmates performed at the Des Moines Public Schools.



For a copy of the article, please contact Renee Simmons.

On The Lighter Side



Birthdays

Oops, did you miss a birthday? It's never too late to send belated birthday wishes.

May

4 - Isaac Quinn (ICIW)
4 - Jeff Otting (AN)
10 - Dan Luensmann (AN)
13 - Micheal O'Brien (DSM)
15 - Dennis Barry (DSM)
17 - Kathy Jaeger (AN)
18 - Dave Schoenbeck (AN)
18 - Chad Squires (NCF)
28 - Bill Gehl (AN)

June

4 - Ron Heckenberg (FM)
6 - Ann Bouslaugh (DSM)
6 - Clint Schmidt (ICIW)
7 - Bob Mesecher (ICIW)

9 - Ann Noska (AN)
10 - Mike Nye (FM)
24 - Pam Kray (AN)
26 - Laura Mendez (FM)

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

July

10 - Dale Koopman (FM)
10 - Tom Stockbridge (FM)
12 - Shari Redden (FM)
14 - Chris Gilmore (AN)

August

2 - Aaron Lofthus (FM)
10 - Patty Gassman (AN)
13 - Renee Simmons (DSM)
15 - Craig Ahlen (FM)

Graduations

It's a proud day when your son or daughter graduates from high school. Be sure to congratulate these parents on their child's recent graduation!

Kim Opatz
Amanda Luchtenburg
Allison Otting
Janelle Nassif
Damien Benedict
Kristy Fowler
Brad Diesburg
Damien Benedict
Janelle Nassif

Daughter of Ken Opatz
Daughter of Tammy Luchtenburg
Daughter of Jeff Otting
Daughter of Julie Nassif
Son of Cathy Benedict
Daughter of Pat Fowler
Son of Tim & Tammy Diesburg
Son of Cathy Benedict
Daughter of Julie Nassif



Anamosa

Cindy Reck gained a daughter-in-law; her son TJ wed June 14th.

Kathy Jaeger was blessed with her third grandchild, Wyatt.

Fort Madison

Congratulations to Bill Whitaker on the birth of his grandson, Justus Zion Whitaker, born May 3, 2003. This is

Family Additions

Bill's second grandchild; he has a granddaughter named Grace.

Bob Manka and his family celebrated the birth of his grandson, Josiah Daniel Crooks, born December 30, 2002. Josiah is Bob's third grandchild but first grandson.

Central Office

Renee Simmons' family grew with the addition of her two new kids, Stetson

? TRIVIA ? CHALLENGE ?

- Who was the only child born in the White House?
A. Amy Carter
B. John Kennedy
C. John Q. Adams
D. Ester Cleveland
- How much was a bushel of corn in 1982?
A. \$2.60
B. \$3.10
C. \$3.95
D. \$4.10
- How much was a bushel of corn in 2003?
A. \$2.60
B. \$3.10
C. \$3.95
D. \$4.10
- What year did IPI begin making the Stockbridge Line?
A. 1993
B. 1996
C. 1999
D. 2002
- What is the Stockbridge Line?
A. Desks
B. High-Back Chairs
C. Dorm Furniture
- Which is the fastest growing IPI operation in jobs created?
A. Anamosa
B. Mitchellville
C. Fort Madison

Answers can be found on page 2.

and Digger. Average weight is around 1,200 pounds and they proudly stand on all four feet.

(Wouldn't that be a different delivery to see in the Lamaze Class!)

Watch for Grandpa Peterson, coming later this year!

