



Maryland Correctional Enterprises

BUSINESS PLAN FY 2016 - 2018

SEPTEMBER 2015





Department of Public Safety and Correctional Services

STATE OF MARYLAND

LAWRENCE J. HOGAN, JR.
GOVERNOR

RUTHERFORD K. BOYD
LT. GOVERNOR

STEPHEN T. MOYER
SECRETARY

WENDELL M. FRANCE
DEPUTY SECRETARY-
OPERATIONS

STEPHEN M. SHILOH, CCE
CHIEF EXECUTIVE OFFICER

Maryland Correctional Enterprises

7275 WATERLOO ROAD • JESSUP, MARYLAND 20794 • www.mce.md.gov
(410) 540-5400 • FAX (410) 540-5570 • TTY USERS (800) 735-2258

MANAGING FOR RESULTS

MARYLAND CORRECTIONAL ENTERPRISES STRATEGIC BUSINESS PLAN FISCAL YEARS 2016-2018

Stephen M. Shiloh, CCE
Chief Executive Officer

SEPTEMBER 2015

Stephen T. Moyer
Secretary
Department of Public
Safety and Correctional Services

Wendell M. France
Deputy Secretary-Operations
Department of Public
Safety and Correctional Services



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September 2015

Dear MCE Employees and Stakeholders:

On behalf of Maryland Correctional Enterprises (MCE), it is indeed a pleasure to present a copy of the Strategic Business Plan Fiscal Years 2016-2018 for your review. The Plan was developed by MCE employees, facilitated by the DPSCS Police and Correctional Training Commissions, and is based on the goals of: maintaining a self-supporting status, increasing inmate employment, increasing customer satisfaction, improving organizational excellence, and providing support and services for successful inmate transition to the community.

The development of a MCE Business Plan began in the spring of 1996. "Managing For Results" (MFR) came into being in the early spring of 1998. A four day course was given at the University of Baltimore in December 1998. During the summer of 1999, the University of Maryland Technology Extension Service provided training in Managing For Results for the MCE Staff. The first Strategic Business Plan was published and distributed at the annual Luncheon on September 22, 2000.

In May 2001, the first MFR Seminar was held at the Maritime Institute of Technology to review the Business Plan and to prepare for the next edition. MCE has held to this schedule ever since. The latest version of the MCE Business Plan is distributed annually in September. During the Fiscal Year, progress toward achieving the Strategies is reflected in Quarterly MFR Reports which are distributed to the Administrative Staff, Plant Managers, and Unit Supervisors.

Stability has been established in working towards attainment of the long range Goals and Objectives by the accomplishment of the shorter term Strategies. However, success of the plan can only be achieved through cooperation and teamwork. Any questions or comments may be directed to myself, Cliff Benser (410-540-5404) or Tom McBurney (410-540-5439).

Best Regards,

Steve Shiloh
Chief Executive Officer

Maryland Correctional Enterprises

Strategic Business Plan FY 2016 - 2018

MISSION STATEMENT

The mission of **Maryland Correctional Enterprises (MCE)** is to provide structured employment and training activities for offenders in order to improve employability upon release, to enhance safety and security, to reduce prison idleness, to produce quality, saleable goods and services, and to be a financially self-supporting State agency.

VISION STATEMENT

Maryland Correctional Enterprises endeavors to employ all eligible offenders to reduce recidivism and to be a financially successful organization. We strive to ensure continued professional development and training for our civilian and inmate staff. We will be an integrated, well-managed, technologically progressive and eco-friendly organization that will provide our customers with the highest quality goods and services.

VALUES STATEMENT

The following beliefs (core principles) support our mission and vision statements:

Quality and Customers - We are committed to provide our customers with the highest quality products and services in a timely manner within all areas of Maryland Correctional Enterprises.

Environmentally Friendly – We are committed to improving our environmental awareness in all areas of Maryland Correctional Enterprises.

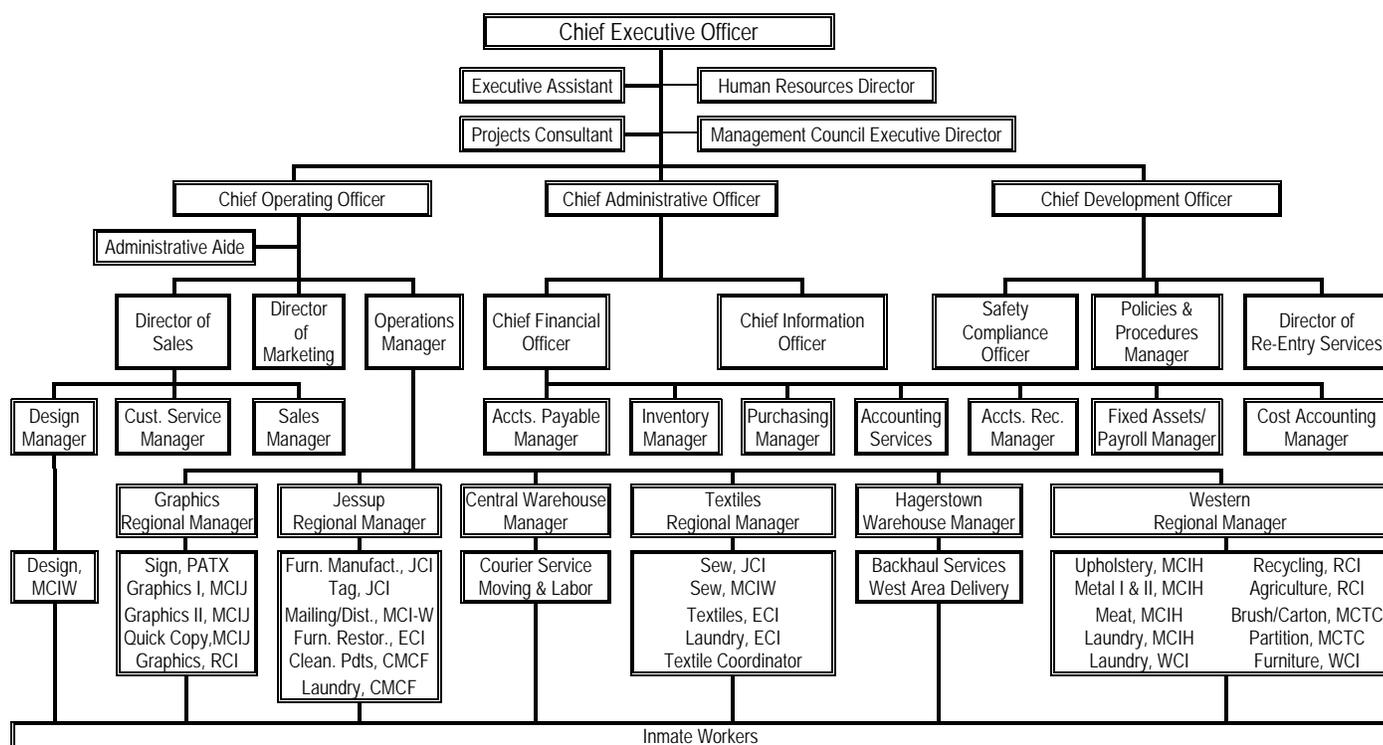
Financially Successful - We will manage our financial resources (assets, profits, sales, cash, investments) to support existing operations and future expansion.

Transition Services - We are committed to quality training and preparation of our inmate work force to enhance their employment opportunities upon release.

Teamwork and Communications - We value each employee as an important asset in helping to achieve the mission of the agency through teamwork and effective communications.

Professionalism - We value effective leadership and strive for impartiality and fairness in the workplace. We encourage personal and professional development. We recognize and reward dedication and commitment to excellence.

MCE STRATEGIC BUSINESS PLAN FISCAL YEARS 2016-2018



MANAGEMENT

Maryland Correctional Enterprises
 7275 Waterloo Road
 Jessup, Maryland 20794
 (410) 540-5400

Title

Name

Phone

Chief Executive Officer	Steve Shiloh	(410) 540-5401
Executive Assistant to the CEO	Ashley Lohr	(410) 540-5411
Chief Operating Officer	Joe Sommerville	(410) 540-5402
Chief Administrative Officer	Mark Rowley	(410) 540-5412
Chief Development Officer	Rick Rosenblatt	(410) 540-5405
Director of Marketing	Lida Poole	(410) 540-5406
Exec. Director of Mgmt. Council	David Jenkins	(410) 540-5472
Director of Sales	Todd Deak	(410) 540-5409
Sales Manager	Jim Hook	(410) 540-5407
Human Resources Director	Dolores Holmes	(410) 540-5410
Chief Financial Officer	Verona Williams	(410) 540-5403
Operations Manager	Stephen Sanders	(410) 540-5479
Projects Consultant	Cliff Benser	(410) 540-5404
Customer Service Manager	Shari Hoffman	(410) 540-5452
Design Manager	Terry Hill	(410) 540-5441
Chief Information Officer	Karen Dullnig	(410) 540-5469
Re-Entry Services Director	Anthony Morgan, Jr.	(410) 294-8395

REGIONAL MANAGERS

Region

Name

Phone

Western	Greg Haupt	(240) 420-1255
Jessup/ECI Furniture Restoration	Dan Bickford	(410) 540-6381
Textiles/ECI Liaison	Donna Beck	(410) 651-9102
Graphics	Mike Giuffre	(410) 540-6727
Central Warehouse Manager	Mathew Hall	(410) 540-5476
Hagerstown Warehouse Manager	Ron Brown	(240) 420-1232

**Maryland Correctional Enterprises/Q00A 03.01
Fiscal Years 2016 – 2018
Goals, Objectives, Strategies**

Goal #: 1.1	To maintain self-supporting status to support existing operations and future expansion.		
Objective #: 1.1.1	To achieve a 3% net operating income level every fiscal year through June 2018.		
Strategy #: 1.1.1.1	Analyze revenues and expenditures, including agency wide control of costs, on a monthly basis and take corrective action when necessary to ensure the objective.		
Performance Measures	Net operating income level achieved in each fiscal year.		
Chairperson	Chief Executive Officer		
Members	Chief Operating Officer, Chief Administrative Officer, Chief Financial Officer, Regional Managers, Senior Accountant, Operations Manager, Inventory Manager, Invited Guest Member		

Summary of Strategy Results

	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Net Operating Income	1.9%	0.9%	2.7%	4.2%	(1.2%)	2.2%	2.3%
Adjusted Net Operating Income (after transfers)	1.8%	(2.4%)	2.0%	2.6%	(2.2%)	(1.3%)	0.0%

Adjustments:

- FY2010** (\$1,141,760) Settlement to U.S. Dept. of Health and Human Services [analysis conducted by the Federal OMB citing OMB Circular A-87 showed that revenue collected by MCE from Maryland's Agencies contained federal funds], (\$500,000) transfer to State's General Fund.
- FY2011** (\$376,650) transfer to State's General Fund for the Budget Reduction and Financing Act of 2010.
- FY2012** (\$325,000) transfer to State's General Fund for the Budget Reduction and Financing Act of 2011.
- FY2013** (\$500,000) transfer to State's General Fund in FY2013.
- FY2014** (\$1,800,000) transfer to State's General Fund in FY2014.
- FY2015** (\$1,000,000) transfer to State's General Fund in FY2015.

1st Quarter 2nd Quarter 3rd Quarter 4th Quarter

Fiscal Year 2016

The Chief Executive Officer conducts Gross Profit meetings with the Committee Members each month except for July, August, and September when financial data is not available due to the annual financial audit of MCE.

Strategy #: 1.1.1.2	Evaluate the purchasing practices of our customers to determine trends and analyze data.
Performance Measures	Annual review of customer data to be compared to FY 2015 baseline data.
Chairperson	Director of Sales
Members	Director of Marketing, Cost Accountant, Chief Information Officer, Sales Manager, Rotating Plant Manager

1. Monitoring FY15 K-12 sales (monthly) comparing FY 14/15/16.

4th Quarter FY2015

County K-12 Sales	FY 14	FY 15	FY 16	% Comp.
Allegany County	\$0.00	\$0.00		
Anne Arundel County	\$6,328.36	\$37,413.29		
Baltimore City	\$1,268.40	\$2,458.10		
Baltimore County	\$56.68	\$4,897.00		
Calvert County	\$0.00	\$0.00		
Carroll County	\$4,207.17	\$14,530.05		
Caroline County	\$0.00	\$1,770.00		
Cecil County	\$0.00	\$0.00		
Charles County	\$0.00	\$288.00		
Dorchester County	\$103.95	\$27,030.85		
Frederick County	\$0.00	\$0.00		
Garrett County	\$0.00	\$0.00		
Harford County	\$4,184.00	\$19,315.00		
Howard County	\$54,766.44	\$72,861.00		
Kent County	\$0.00	\$0.00		
Montgomery County	\$84,068.00	\$31,058.00		
Prince Georges County	\$0.00	\$0.00		
Queen Anne's County	\$0.00	\$0.00		
Somerset County	\$0.00	\$0.00		
St. Mary's County	\$0.00	\$0.00		
Talbot County	\$0.00	\$0.00		
Washington County	\$9,374.00	\$5,399.15		
Wicomico County	\$0.00	\$0.00		
Worchester County	\$1,550.00	\$600.00		
Sub Total:	\$165,907.00	\$217,620.44		
MD State Dept. of Education HQS	\$250,646.90	\$174,815.97		
MSDE-Library for the Blind & Physically Handicapped	\$1,215.00	\$1,074.00		
MSDE-Division of Rehab Services (Timonium)	\$3,297.50	\$2,797.20		
MSDE-Division of Rehab Services (Baltimore)	\$206,225.43	\$300,231.25		
MD School for the Deaf (Frederick)	\$58,607.19	\$37,479.17		
MD School for the Deaf (Columbia)	\$9,135.36	\$9,003.33		
Grand Total:	\$695,034.38	\$743,021.36		

Note: % comparison is based on FY 15/16 numbers

2. Evaluating Waiver Requests
3. Monitoring Weekly Open Order Reports for:
 - Univ. of MD – University College
 - Univ. of MD – College Park
 - Towson University
 - MD Transportation Authority
 - Univ. of MD – Eastern Shore
 - MD State Dept. of Education
 - MD Aviation Administration
 - Salisbury University
 - Dept. of Business & Economic Development
4. Monitoring Weekly Website Sales
5. Monitoring Monthly Graphics Sales
6. Monitoring Monthly Quick Ship Sales
7. Continually analyzing FY14/15/16 numbers
 - Meeting with Account Reps to review and plan needed growth within individual customers.
8. Tracking Territory Sales
9. Monitoring Credit Card Sales

Strategy #: 1.1.1.3	Identify and implement quality improvements and cost reduction/avoidance programs each year.
Performance Measures	Implement and document cost reduction/avoidance and measure quality assurance programs per fiscal year.
Chairperson	Operations Manager
Members	Chief Financial Officer, Chief Information Officer, Chief Operating Officer, Regional Managers, Human Resources Director

Summary of Strategy Results

1. In FY2015, cost saving initiatives amounted to almost \$160,000 and included:
 - Order Acknowledgements are sent electronically only to customers who request them (\$10,000 annually).
 - Glue machine replaced spraying glue (\$2,500 annually).
 - Refurbished old stapler rather than purchasing new stapler (\$970).
 - Received free table-top folder instead of purchasing new folder (\$7,795).
 - Changing suppliers for lights (\$4804).
 - Purchasing used Jet Press rather than a new one (\$133,600).

Strategy #: 1.1.1.4	Update standard costs and selling prices on an annual basis.
Performance Measures	Annually review and audit business unit standard costs and selling prices for profitability.
Chairperson	Chief Financial Officer
Members	Cost Accountant, Director of Sales, Chief Operating Officer, Director of Marketing, Senior Accountant, Purchasing Manager.

Summary of Strategy Results

1. During the Fourth Quarter of FY15, the Finance Department completed both standard costs and selling price analyses as follows:

All selling prices for items listed in the FY2016 catalog have been successfully updated. In addition, standard costs price increases were adopted for all items, as directed by the results of cost studies.

Objective #: 1.2.1	Increase annual sales to \$56,000,000 by June 2018.
Strategy #: 1.2.1.1	Semi-annually review and update the Sales and Marketing Plan.
Performance Measures	Sales achieved in each fiscal year.
Chairpersons	Director of Sales and Director of Marketing
Members	Chief Executive Officer, Chief Operating Officer, Sales Manager

Summary of Strategy Results

Sales

<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
\$52,877,915	\$50,432,574	\$50,549,517	\$53,026,538	\$50,819,576	\$51,799,493	\$54,049,268
2.7%	(4.7%)	0.23%	4.9%	(4.2%)	1.9%	4.3%

Cumulative Totals 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter
Fiscal Year 2016

		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD
SALES (#'s taken from preliminary reports)	FY15	\$14.5 million	\$12.7 million	\$13.4 million	\$13.4 million	\$54.0 million
	FY16					
INCOMING SALES	FY15	\$13.4 million	\$11.2 million	\$15.8 million	\$12.4 million	\$52.8 million
	FY16					
WEBSITE SALES	FY15	\$154 thousand	\$78 thousand	\$107 thousand	\$121 thousand	\$460 thousand
	FY16					

1. Actively pursuing state/county/city bids
 - Monitoring K-12 sales (monthly)
 - Monitoring Graphics sales (monthly)
 - Monitoring weekly website registration and sales
 - Maintaining clearance sale via MCE website
 - Evaluating Customer Master File to analyze who has not purchased within the last three years
2. New brochures/e-mail advertisements completed:
3. New Products Committee Meetings:
4. FY16 Catalog additions:
5. The FY16 Sales and Marketing Plan.
6. Additions to Quick Ship:

Objective #: 1.3.1	Improve MCE's visibility among our customer base and other stakeholders.
Strategy #: 1.3.1.1	Identify and educate customers and stakeholders.
Performance Measures	At least (12) presentations annually to new customers/stakeholders.
Chairpersons	Director of Sales and Director of Marketing
Members	Operations Manager, Regional Managers, Sales Manager, Executive Assistant to CEO

Summary of Strategy Results

1. Conventions attended in FY 2015: 14
2. Facility tours conducted in FY 2015: 15

Goal #: 2.1	To increase inmate employment.
Objective #: 2.1.1	Increase inmate employment to 2,310 by June 2017.
Strategy #: 2.1.1.1	Increase inmate employment through expansion of existing facilities, the creation of new business units, and the identification of additional inmate job functions.
Performance Measures	Inmate employment levels each fiscal year will increase.
Chairperson	Chief Executive Officer
Members	Chief Operating Officer, Chief Development Officer, Operations Manager

Summary of Strategy Results

Inmate Employment

<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
2,000	2,047	1,855 ¹	2,065	2,038	2,091 ²	2,041
		<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	
<u>Fiscal Year 2016</u>						

- NOTES:**
- ¹ During FY2011, elimination of PINS via budget cuts and MCE's forced participation in the VSP negatively affected inmate employment.
- ² MCE was forced to close its Upholstery Plant at NBCI in October 2013 due to the continuing Lock-down situation at that Institution. This action has resulted in the loss of 25 inmate positions.

MCE EXPANSION AND INMATE EMPLOYMENT

Number	Business Unit	Actual	Projections					
		FY15	FY16	FY17	FY18	FY19	FY20	FY21
104	MCI-W SEW	130	141	142	142	142	142	142
106	ECI FURN. REST.	131	135	142	142	142	167 ³	167
109	ECI TEXTILES	119	125	132	132	132	132	132
111	PATX SIGN	57	60	66	66	66	66	66
112	MCTC PARTITION	29	35	36	36	36	36	36
113	MAILING/DISTRIBUTION	100	112	116	116	116	116	116
115	JCI FURN. MFG.	208	215	218	218	218	218	218
117	CMCF CLEANING PROD.	6	10	12	12	12	12	12
119	JCI TAG	71	73	77	77	77	77	77
122	UPHOLSTERY	79	91	92	92	92	92	92
123	BRUSH & CARTON	20	23	24	24	24	24	24
124	METAL (I & II)	91	91	92	92	92	92	92
125	MEAT	75	88	92	92	92	92	92
132	QUICK COPY	37	43	46	46	46	46	46
133	LAUNDRY	258	295	302	302	302	302	302
140	GRAPHICS I	117	121	127	127	127	127	127
142	JCI SEW I	140	161	162	162	162	0 ²	0
144	RECYCLING (H & J)	87	86	87	87	87	87	87
145	GRAPHICS II	51	51	52	52	52	20 ²	20
146	WCI FURNITURE	34	41	46	46	46	46	46
148	DESIGN/PLANNING	15	16	17	17	17	17	17
149	RCI GRAPHICS	131	139	142	142	142	142	142
150	CENTRAL WHSE.	31	43	44	44	44	44	44
152	HAGERSTOWN WHSE.	24	32	34	34	34	34	34
	BROCK BRIDGE WHSE.			10 ¹	10	10	10	10
	JCI SEW II						160 ²	160
	JCI GRAPHICS						50 ²	50
	ECI DISTRIBUTION CENTER							15 ⁴
	TOTAL INMATES	2,041	2,227	2,310	2,310	2,310	2,351	2,366
	TOTAL STAFF	165	186	193	193	193	196	197
	RATIO	12.4	12.0	12.0	12.0	12.0	12.0	12.0

Renovation Project:

1. Meetings were held between MCE and the Division of Capital Construction on November 5, 2014, and March 31st, April 16th, May 6th, and June 3rd of 2015 to discuss the Request For Proposal (RFP) for the Warehouse Renovation Project. The RFP is scheduled to be on eMaryland Marketplace in early FY2016 (10 inmate positions).

Expansion Projects:

2. New MCE Graphics/Textile Plant at JCI in FY2020 (210 inmate positions at JCI). JCI Sew and Envelope Plant at MCI-J transferred in total to new JCI Graphics Plant. 20 inmate positions added at Graphics II. Revised program was submitted to the Division of Capital Construction on October 24, 2013. Design Funding in FY2018. Occupancy date is projected to be March 2020.
3. MCE Furniture Restoration Plant expansion at ECI in FY2020 (25 inmate positions). Design Funding in FY2018
4. New Distribution Center at ECI in FY2021 (15 inmate positions). Design Funding in FY2020.

Strategy #: 2.1.1.2	Obtain necessary supervisory and support staff positions to include obtaining legislation to allow MCE to have hiring autonomy.
Performance Measures	Increase number of civilian staff in order to ensure a safe, secure, and efficient workplace to coincide with increased inmate level.
Chairperson	Chief Executive Officer
Members	Chief Operating Officer, Operations Manager, Human Resources Director, Executive Assistant to CEO.

Summary of Strategy Results

In FY 2015, nine years of data from the National Correctional Industries Association revealed an average Civilian Staff/Inmate Employee Ratio of 1:9.9. Ten years of MCE data reveals an average Civilian Staff/Inmate Employee Ratio of 1:10.8 and an average Supervisor/Inmate ratio of 1:17.2.

Fiscal Year	MCE					NCIA		
	Civilian Staff	Plant Supervisors	Inmates Employed	Civilian/Inmate Ratio	Supervisor/Inmate Ratio	Civilian Staff	Inmates Employed	Civilian/Inmate Ratio
2006	167	103	1,608	1:9.6	1:15.6	8,268	83,217	1:10.1
2007	173	109	1,271	1:7.3	1:11.7	8,470	86,236	1:10.2
2008	188	111	1,890	1:10.1	1:17.0	8,423	91,043	1:10.8
2009	187	109	2,000	1:10.7	1:18.3	8,334	84,053	1:10.1
2010	187	109	2,047	1:10.9	1:18.8	7,705	74,750	1:9.7
2011	171	104	1,855	1:10.8	1:17.8	6,612	70,507	1:10.7
2012	176	115	2,065	1:11.7	1:18.0	6,702	67,891	1:9.9
2013	174	116	2,038	1:11.7	1:17.6	6,953	65,288	1:9.4
2014	170	115	2,091	1:12.3	1:18.2	6,946	56,263	1:8.1
2015	165	108	2,041	1:12.4	1:18.9			

Strategy #: 2.1.1.3	Develop private industry partnerships.
Performance Measures	Pursue new PIE partnerships each fiscal year.
Chairperson	Chief Development Officer
Members	Executive Director of Management Council, Chief Operating Officer, Projects Consultant, Administrator I, Appropriate Plant Manager, Operations Manager

Summary of Strategy Results

1. New PIE programs being explored:

- RAK Holdings requested information on manufacturing wooden cutting boards. Field Operations was not able to produce the product in sufficient volume with a cost effective process.
- MCE Meat Cutting Business unit met with a local meat manufacturer to discuss increasing their business through put by using MCE inmate workers. A second shift was proposed and discussions are underway to examine the volume, constraints and profitability of a partnership. The business is waiting on the State's certification for their Meat NAICS codes expansion of services. The proposal was developed and is being assessed.
- CORT has inquired if Design can produce AutoCad drawings for their company. This is being assessed.

Inmate Payroll Summary for PIE Programs

FY	No. of Customers	No. of Inmates	Total Earnings	Total Withholdings Taxes		Total Room & Board	Total Victims Compensation	Total Family Support
				Federal	Maryland			
2006	2	11	53,329.70	2,338.41	2,574.19	15,998.97	5,333.06	0.00
2007	3	22	111,876.95	5,252.78	4,492.74	33,563.44	11,187.97	0.00
2008	1	8	69,656.52	4,887.92	3,397.23	20,897.11	6,965.76	0.00
2009	1	7	60,281.06	3,518.09	2,859.21	18,084.35	6,028.13	368.54
2010	1	4	14,138.76	452.04	656.63	4,241.63	1,413.91	0.00
2011	1	6	37,709.17	2,604.14	1,942.01	11,312.79	3,770.92	0.00
2012	1	7	50,405.60	3,054.22	2,442.38	15,121.76	5,040.58	0.00
2013	1	6	14,052.25	911.35	684.30	4,215.70	1,405.30	0.00
2014	1	6	16,061.15	1,056.60	821.01	4,818.40	3,212.31	0.00
2015	1	7	27,461.19	1,882.04	1,497.19	8,238.43	5,492.33	0.00

MCE PIE Programs (Since FY 2000)

	MCE Plant/ Service Center	Institution	Start Date	End Date	Work Performed
Powercon Corp.	Metal I	MCI-H	09/01/99	-	Fabrication, painting, and assembly of switchgear components
Teledyne Energy Systems	Mailing & Distribution Ctr.	MCI-W	06/09/00	08/10/01	Assembly of egg crate modules for portable generators
Saken, Ltd.	Sew	MCI-W	06/29/00	11/13/00	Cutting, sewing, and fabrication of outdoor table coverings
Studio Artis	Uniform	MHC	11/08/00	03/18/02	Cutting, sewing, and assembly of men and women's clothing
Tract International	Upholstery	MCI-H	07/05/01	04/14/05	Upholstery and assembly of ergonomic seating components
Truly Thankful Creations	Uniform	MHC	09/25/01	06/30/02	Cutting, sewing, and assembly of denim pot and pan holders
Show Ring Products	Uniform	MHC	02/08/02	11/18/03	Cutting, sewing, and assembly of dog beds
First Source Electronics	Metal I	MCI-H	04/05/06	06/20/07	Cutting, stripping, labeling, and attaching connectors to wire assemblies
Borgo Seating	Metal II	MCI-H	09/12/06	12/20/06	Assembly of chairs

Quarterly Inmate Summary for PIE Programs (FY 2016)

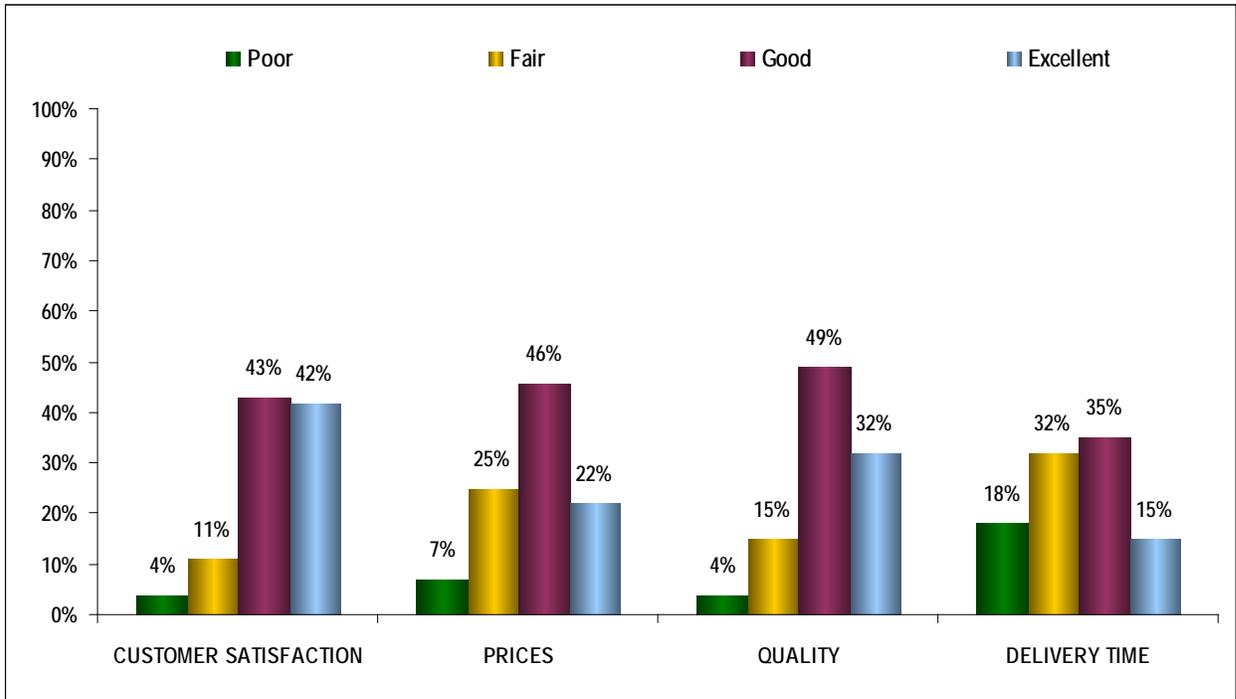
QTR	Customers	No. of Inmates	Total Earnings	Withholdings Taxes		Room & Board	Total Victims Compensation	Total Family Support
				Federal	Maryland			
1st								
2nd								
3rd								
4th								

Goal #: 3.1	To increase customer satisfaction.
Objective #: 3.1.1	Determine the relative importance of customer satisfaction factors and take appropriate steps to address these issues.
Strategy #: 3.1.1.1	Annual customer survey to identify areas of customer needs.
Performance Measures	Survey results and analysis annually.
Chairperson	Director of Marketing
Members	Customer Service Manager, Chief Information Officer, Regional Managers, Sales Manager, Director of Sales

Summary of Strategy Results

1. The MCE Customer Council meets quarterly and recommends sales, marketing, and customer satisfaction initiatives.
2. *The following graph represents Customer Surveys taken by MCE in FY2015.*

Overall Customer Ratings for MCE Products and Services



The majority of respondents rated MCE **GOOD** overall in Customer Satisfaction, Prices, Quality and Delivery Time.

Objective #: 3.1.2	To meet or exceed industry standards for delivery time by product grouping.
Strategy #: 3.1.2.1	Define industry standards for product groupings to include evaluation and analyses of order process, production, and delivery.
Performance Measures	Actual delivery times and monthly value of overdue orders.
Chairperson	Chief Operating Officer
Members	Operations Manager, Regional Managers, Warehouse Managers, Director of Sales, Administrator I

Summary of Strategy Results

1. Per the Strategy, MCE was to “Define Industry Standards for product groupings to include evaluation and analyses of order process, production, and delivery”. MCE began this process with the largest grouping “Furniture”, current lead times from 4 to 12 weeks. MCE also added additional Quick Ship items in several groupings to assist with shortening lead times overall.

Average Delivery Time (Days)

<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
23.9	23.1	23.4	23.5	26.2	31.3	25.4

The following divisions are tracked quarterly and annually:

	<u>Fiscal Year 2016 (Days)</u>			
	<u>1st Qtr</u>	<u>2nd Qtr</u>	<u>3rd Qtr</u>	<u>4th Qtr</u>
Graphics				
Textiles				
Furniture				
Miscellaneous				
Total				

AVERAGE DELIVERY TIMES

Graphics – 2 Weeks	Textiles – 6 Weeks	Furniture – 7 Weeks	Miscellaneous – 2 ½ Weeks
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Totals for 12-month period ending:	1 TO 30 DAYS		31 TO 60 DAYS		61 TO 90 DAYS		OVER 90 DAYS		AVG DEL TIME	
	# of Del.	Pct.	# of Del.	Pct.	# of Del.	Pct.	# of Del.	Pct.	# of Del.	Days
Sept. 30, 2015										
Dec. 31, 2015										
Mar. 31, 2016										
June 30, 2016										

Objective #: 3.1.3	Use of technology to enhance customer service and satisfaction.
Strategy #: 3.1.3.1	Improve MCE's infrastructure to align all processes which provide enhanced internal and external customer service.
Performance Measures	Implement IT infrastructure by September 2016.
Chairperson	Chief Administrative Officer and Project Manager
Members	Director of Sales, Customer Service Manager, Director of Marketing, Warehouse Managers, Chief Financial Officer, Chief Operating Officer, Operations Manager, Regional Managers, Chief Information Officer, MCE Staff

Summary of Strategy Results

1. The ERP TORFP was released to vendors on December 9th by ITCD Procurement. A "Questions and Answers" meeting with vendors was held on December 18th. The due date of the proposal was February 23rd. No vendors responded under the DoIT FA 8. The decision was made to republish the TORFP as an RFP. MCE's clarification and additional updates were sent to DPSCS Purchasing via ITCD on March 24, 2015 to convert the TORFP into an RFP and prepare for reissue.

The ERP RFP has not had enough activity by DPSCS Purchasing to prepare the document for submission to DoIT Purchasing for approval since 3/24/15.

2. The replacement telephone system Scope of Work has been at DoIT since 5/11/2015 under review.
3. The T-1 line between Hagerstown and Jessup is being decommissioned by Verizon. MCE IT is setting up a modem connection to replace the line into the AS400.

Goal #: 4.1	To improve organizational excellence.
Objective #: 4.1.1	By June 2017, establish and implement additional initiatives to improve teamwork and morale.
Strategy #: 4.1.1.1	Identify opportunities for cross-training to improve communications and morale.
Performance Measures	Develop and document new initiatives for improving training, communications, teamwork and morale.
Chairpersons	Human Resources Director and Chief Administrative Officer
Members	Marketing, Support Staff, Director of Sales, Executive Assistant to CEO, Chief Operating Officer, Operations

Summary of Strategy Results

1. Employees and team efforts are recognized in the monthly "MCE-Minder" and in the quarterly publication of the MCE "PRIDE" Newsletter.
2. Money from the Rainy Day fund is used to send out gift boxes to employees that are out on sick leave and condolence cards are sent to employees who have lost an immediate family member.

Objective #: 4.1.2	Maintain ACA accreditation.
Strategy #: 4.1.2.1	Maintain ACA performance compliance annually.
Performance Measures	Maintain ACA accreditation.
Chairperson	Policy and Procedures Manager
Members	Chief Executive Officer, Chief Operating Officer, Regional Managers, Chief Administrative Officer, Operations Manager, Administrator I, Chief Development Officer

Summary of Strategy Results

1. Audits at MCE business units will continue through August 2015.
2. Work on ACA outcome measures and self-assessments will be finalized by August 2015.
3. 100% of the ACA Accreditation requirements files have been updated.
4. September 14-15, 2015 is the anticipated ACA audit date.
5. MCI-W has been advised of the audit location.
6. Updates of Agency directives will commence post ACA audit.

Objective #: 4.1.3	Recommend opportunities to improve organizational excellence.
Strategy #: 4.1.3.1	Research and study opportunities to improve organizational excellence.
Performance Measures	Recommend opportunities to improve organizational excellence by the 2016 MFR meeting.
Chairpersons	Chief Operating Officer and Human Resources Director
Members	Director of Re-Entry Services, Executive Assistant to CEO, Cost Accountant, Policies and Procedures Manager

Summary of Strategy Results

1. This new Strategy for FY2016 was developed at the MFR Seminar on May 19, 2015.

Goal #: 5.1	To provide support and services for successful inmate transition to the community.
Objective #: 5.1.1	Monitor, evaluate, and enhance MCE CARES.
Strategy #: 5.1.1.1	Partner with State, county and local organizations to increase the effectiveness of the CARES program for eligible participants.
Performance Measures	Monitor the outcomes established by MCE CARES (Enrollment, Completion, Employment, Recidivism)
Chairperson	Director of Re-Entry Services
Members	Chief Executive Officer, Chief Development Officer, Chief Operating Officer, Executive Director of the Management Council

Summary of Strategy Results

1. Employment Readiness Instructor will now be referred to as the Business Development Coordinator and Thinking For A Change Instructor changes to Client Services Coordinator.
2. On 12/15/2014, Eleven MCE CARES participants completed the ERW and graduated the program. Phil Holmes, Director of Vehicles For Change's Center for Automotive Careers was the guest speaker at graduation ceremony.
3. Agreement was finalized with Dorsey Run's Case Management leadership to guarantee qualified MCE CARES graduates first employment opportunities in the MCE Warehouse.
4. Graduation for 13 MCE CARES participants was on Monday, June 29, 2015.
5. Five graduates successfully transferred to Dorsey Run Correctional Facility to work within the MCE Warehouse as an incentive of completing MCE CARES.
6. Increased marketing to business sector and community organizations to garner resources for graduating MCE CARES participants. This includes attending community meetings, visiting prospective community partners, and attending networking events with various business representatives.
7. 17 new participants began CARES on July 14, 2015.

Objective #: 5.1.2	Monitor, evaluate, and enhance transition services for all MCE inmate workers.
Strategy #: 5.1.2.1	Identify business and community partners as resources for inmate workers upon release.
Performance Measures	Identify five business partners.
Chairperson	Director of Re-Entry Services
Members	Chief Executive Officer, Chief Development Officer, Chief Operating Officer, Executive Director of the Management Council

Summary of Strategy Results

1. New Strategy for FY2016 developed during the MFR Seminar on May 19, 2015.

Strategy #: 5.1.2.2	Explore options regarding economic strategies for inmates upon release.
Performance Measures	Assess the economic needs of the re-entering inmate population.
Chairperson	Director of Re-Entry Services
Members	Chief Executive Officer, Chief Development Officer, Chief Operating Officer, Executive Director of the Management Council

Summary of Strategy Results

1. New Strategy for FY2016 developed during the MFR Seminar on May 19, 2015.



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