



Annual Report 2019
Fiscal Year



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Joint Letter from the Director and Administrator

Welcome to Oregon Corrections Enterprises' (OCE) 2019 Annual Report. We hope you find this year's report engaging and educational. In it, you will learn what OCE is doing to make a difference in the lives of adults in custody, and how we provide them with the necessary skills and training to successfully transition from prison to their home communities. You will learn what OCE programs mean to participants through their own words. You will also learn about the OCE products and services that contribute to Oregon's economy.

OCE's contributions to the State of Oregon are multi-faceted: OCE plays a key role in carrying out the mission of the Oregon Department of Corrections (DOC) and in fulfilling our constitutional mandate to actively engage adults in custody in work and on-the-job training. By providing meaningful work opportunities, OCE is helping those in our care and custody develop job skills and positive work ethics. This leads to safer prisons, reduced recidivism and victimization, and improved public safety in Oregon.

This year marks the 19th anniversary of OCE's operation as a self-sustaining semi-independent state agency and another year of notable success. More than 2,200 individuals in OCE programs have worked over 2.5 million hours. Success is measured one hour at a time. These hours represent the development of responsibility and dependability, a sense of self-worth, and the tools needed to succeed once those in our custody return to their families and communities.

We would like to thank our partners and customers. It is through your purchases and patronage that we are able to effect positive changes for adults in custody, reduce the costs to state government, and make a difference in the lives of all Oregonians. We are committed to providing the highest-quality products and services.

This report is designed to give you an outline of how OCE's activities contribute to the State of Oregon and the lives of those incarcerated. If you have questions or would like additional information about our programs, please do not hesitate to contact us.

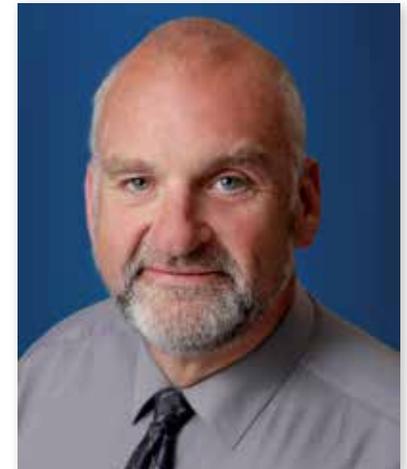
Sincerely,



Colette S. Peters
Director
Oregon Department of Corrections



Ken Jeske
Administrator
Oregon Corrections Enterprises



You can find out more about both organizations at: www.oregon.gov/doc and www.oce.oregon.gov.

An Introduction to OCE

Oregon Corrections Enterprises is working for Oregon. Our team members work with Oregon's adults in custody (AICs) on a daily basis, encouraging integrity, respect, and a commitment to excellence. Each of our work programs focus on bridging the gap between incarceration and success on the outside through on-the-job training.

Enacted by the Oregon Legislature in 1994, Measure 17 requires those incarcerated to participate in meaningful work and/or education programs for a minimum of 40 hours per week. After the passage of Measure 17, Measure 68 created Oregon Corrections Enterprises (OCE) as a semi-independent state agency, under the direction of the DOC Director and working in concert with the department. OCE is a self-sustaining organization providing work and training for Oregon's AICs. Programs include commercial laundries; contact centers; metal, wood, and sign fabrication; garment manufacturing; embroidery; printing; mail fulfillment; and document scanning. OCE's focus is to provide services and products with a high value at a reduced cost.

In addition to providing work opportunities, OCE works with AICs to instill confidence and work ethic, and provide them with the tools

and skills they need to succeed after release. Today, over 1,400 AICs from 10 of the 14 state's correctional institutions participate in OCE work programs; 53 percent of these individuals will be released within six years, 26 percent are designated with a moderate-to-highest-need mental health status, and 25 percent are at moderate-to-high risk of recidivating. It is OCE's mission to provide these men and women with the skills and attitudes necessary to enhance their opportunities to secure employment upon release. Revenue generated through the sale of products and services produced by AICs provides the agency's operating budget.



This picture of the OCE Administration office was taken at 10:17 AM during the 2017 solar eclipse.

Experiences through OCE change an AIC's outlook on life, helping them be better equipped to make a successful transition into Oregon's communities. In addition, work assignments help participants pay their debts and provide support to their families.



St. Mary's Catholic School furnishings were designed and constructed by Oregon State Penitentiary and Two Rivers Correctional Institution manufacturing.

How OCE Supports DOC

OCE plays an important role in implementing DOC's Oregon Accountability Model (OAM). Through the development of positive work ethics and job skills, OCE assists AICs in their transition to realizing their potential as productive citizens, creating positive outcomes while, contributing to society and their families.

Ultimately, the two agencies share one common goal — to promote public safety through the Oregon Accountability Model (OAM). The OAM encompasses the simultaneous, coordinated, and efficient implementation of many DOC initiatives and process measures providing a foundation for AICs to lead successful lives upon release. The OAM has six components. Each of these components connects

to a part of the corrections organization, culture, and CORE process measures. These six components strengthen the department's ability to hold individuals accountable for their actions and adds a level of transparency for staff accountability to achieve the DOC mission, shared vision, and values.

OCE's mission directly supports DOC and the OAM by providing work opportunities - a key component to behavioral change. OCE works in line with the OAM through daily work and training interactions with those in custody. While OCE is a semi-independent state agency, it is closely connected to DOC, providing a valuable service to the larger enterprise and, ultimately, the citizens of Oregon.

Oregon Accountability Model



OCE Supports the OAM

- OCE staff interact with AICs and model positive work ethic on a daily basis. OCE staff strive to influence behavior, acknowledge positive change, and provide incentives for performance.
- OCE was created to provide work and training opportunities. Across 10 institutions in 29 separate businesses, opportunities are provided to over 1,400 men and women in custody.
- The interaction and training OCE provides to AICs directly impacts their ability to secure and retain employment upon release.

How OCE Defines Success

The mission of Oregon Corrections Enterprises, in partnership with the Oregon Department of Corrections, is to promote public safety by providing AICs with work and training opportunities in a self-sustaining organization.

When evaluating the OCE Mission Statement, four distinct components can be found:

In partnership with the Oregon Department of Corrections - While OCE is noted separately from DOC in a listing of state agencies, OCE is a semi-independent state agency operating under the authority of the Director of DOC, and usually within the perimeter of a correctional facility. OCE and DOC team members work together in OCE shops; on process improvement teams; and on recruitment panels for both agencies. Working together increases the success of both OCE and DOC.

Promote public safety - Public safety success can be measured in multiple ways. One method is reducing the rate of recidivism. Public safety can also be measured by a different data set which includes keeping those in custody occupied in work and training opportunities. This type of AIC engagement reduces the likelihood of misconduct against OCE/DOC staff and the individuals in their care, thus keeping Oregon's prisons safer - another measure of success.

Providing AICs with work and training opportunities - OCE works diligently to assist DOC with meeting the Oregon constitutional mandate requiring all AICs to be involved in work, training and education opportunities for a minimum of 40 hours per week. OCE chooses opportunities that will reach as many AICs as possible to help them learn transferrable skills and obtain certifications to evidence their training.



In a self-sustaining organization - OCE receives no direct tax or Legislative funding. OCE survives by selling quality products and services and reinvesting proceeds into its operations, including payroll to our staff and monetary performance awards to the AICs who participate in our programs.

The true measure of success - When adding the four components of the OCE mission together, the true measure of OCE's success is apparent - adults who behave appropriately while participating in OCE's offerings, who learn both the soft and technical skills needed to secure employment upon release, and

who become productive law-abiding citizens while supporting their families and communities.

Appearing throughout this annual report are stories of success told by those who participated in OCE opportunities and are now living successful lives in Oregon communities.



Michael Hale



Interview ready

Returning to work after his first ever paid vacation.

Michael grew up in Phoenix, Arizona, running away from an abusive home at 12 years old. He went to live with his grandparents. His grandfather would take him to work with him over summer breaks and teach him about life. Life was good, then it wasn't. Michael's grandfather passed away when he was seventeen, leaving a void. He coped the only way he knew how, hiding behind a bottle and then drugs. The need to get high led to poor choices landing him in an Arizona prison at 20. He paroled to his mother's house here in Oregon. He was doing well for a while and then eventually started drinking again. This led to drugs, and Michael started getting in trouble. He tried several times to get sober but failed. Then he found himself running around with the worst group of people, and ended up in prison for the second time, paroling in 2012.

He thought he had everything figured out and things went well for a while. Then he had a relationship end poorly. Not knowing how to deal with it he started drinking again and the downward spiral continued. Michael remembers telling himself life would be easier in prison, so he focused on supporting his habit and committing crimes until he was caught again.

Back in for the third time, everything was comfortable until he got into a fight, ending up in the segregation unit. He had a moment where he asked himself what he was doing with his life. He realized he never worked on himself. He admits he grew up a coward from his own emotions. Michael made a conscious choice to grow up. He focused on himself, took every program he could, volunteered for groups, and applied for a job assignment in the OCE Laundry.

Michael came into OCE laundry with no applicable background. He was inquisitive about the operations and processes in the laundry. He constantly questioned the chemical reps and aptly figured out process intricacies. He quickly stepped into the lead position. Michael became proficient in chemical distribution, programming, Echo Lab equipment, and was trained to run all the BRAUN Industrial washers, dryers, and Chicago Iron. He was certified through the OCE laundry program at Deer Ridge Correctional Institution and he completed every DOC educational program they had to offer, never missing a day of work.

Michael's drive, work ethic, and new skill set allowed him to build a resume, complete with performance measurements and OCE evaluations. The chemical rep from Ecolab and OCE staff contacted ALSCO Laundry in Eugene, Oregon, six months before his release and again with 30 days to the gate. Once released, he spent a few days at the beach, to breathe. On his first week of parole, Michael had secured an interview with ALSCO. Within three weeks of release, he was employed and working.

Michael became involved in his rehabilitation. He learned what he calls his most important lesson, it is ok to get hurt. This lesson was the key to unlocking and releasing issues from his past. He credits the Department of Corrections for giving him a chance to grow up, by providing the classes and workshops necessary for his personal development. Michael sees OCE as a resource, helping him build his career. He knows hard work pays off and you have to be willing to make sacrifices. He is grateful to Mr. Wright, OCE's Laundry production coordinator, for being his mentor, helping him to foster skills and communication and allowing him to flourish as a person. He has learned to stay positive and views failures as an opportunity to learn. Since

his release Michael looks for ways to give back through meetings, mentorship, and community involvement.

When Michael was asked what advice he would give to releasing AICs he responded with:

Use your resources. It is not all rainbows and unicorns out here. There will be disappointments, your feelings will get hurt and it is all okay. Be willing to learn, seek information, and ask questions. Life is limitless. If you want it, go for it.

He was able to correct his behavior using DOC tools and resources and secure work back out into our community, in the backyard of the county he lives in. Michael Hale has no limitations.

*- Mr. Wright,
OCE Production Coordinator*



First day on the job.

How OCE Contributes to Our State

Over 2,600 AICs were assigned to OCE programs, over 2,200 participated in training (minimum of 120 hours) on a wide range of transferrable skills, and at the close of FY 2019 we had 1,463 AICs active in OCE programs. The agency continues to be self-sustaining, helps create safer prisons, and reduces costs to taxpayers.

Satisfying Citizens' Expectations

Oregon's constitution requires incarcerated adults to be involved in productive work, a key component of the Oregon Accountability Model.

Our work programs assist DOC in holding AICs accountable for their behavior and performance, which provides a foundation for successful re-entry to their communities. Through participation in OCE's work programs, men and women manufacture high-quality beds, clothing, furniture, and numerous other items for Oregon's prisons. OCE also provides low-cost, high-value services such as printing, contact center services, and laundry services to various state agencies, helping to reduce the cost of government.

Helping to Improve Public Safety

A person who is able to earn an honest living is less likely to commit future crimes. When new crimes are committed and recidivists return to prison, everyone pays, including the victims of repeat offenders, the children and families of these men and women, and taxpayers.

The Post-Release Employment Project (PREP) report published by the Federal Bureau of Prisons shows work skills play a significant role in reducing the possibility of returning to prison. Individuals who worked in prison industries or completed vocational and apprenticeship programs are more likely to find gainful employment upon release. OCE uses evidence-based practices and curricula to ensure AICs are better prepared to re-enter society than when they entered prison.

Minimizing Competition

In today's economy, OCE recognizes it is more important than ever to minimize competition with private businesses, unions, and other agencies. Our ultimate goal is for men and women to secure employment in the private sector upon release. We strive to balance

this priority with our constitutional mandate to engage AICs in meaningful work where they learn skills transferable to jobs in our communities.

Through its new business development efforts, OCE partners with private sector businesses and pursues programs teaching transferrable skills to the greatest number of AICs. These skills prepare program participants for release to work in similar jobs for private sector employers. These employers are committed to improving Oregon by reducing recidivism and helping to rebuild families and communities by offering second chances through living-wage jobs. They have taken their stance on second chance employment.

Over the past fiscal year, there have been a number of opportunities for OCE to collaborate with private sector businesses. OCE evaluates each opportunity in depth to maximize the benefit to those in our programs and minimize potential displacement to the Oregon economy. OCE will continue to seek collaborative partnerships while taking measures to avoid competing with the private sector.

Contributing to the Safety of our Prisons

When AICs engage in productive activities, Oregon's prisons are safer. Last year, OCE participants worked approximately 2.5 million hours, reducing prison misconduct and providing a positive impact on segregation beds, one of the lowest numbers in recent history.

Contributing to Oregon's Economy

By providing work and training programs for AICs, OCE also provides jobs for over 100 Oregon citizens. With their earnings, our staff support their families, pay state and federal taxes, and contribute to Oregon's economy. OCE purchases a wide array of materials, equipment, and services from Oregon private sector vendors whenever possible. These purchases, coupled with employee earnings, totaled approximately \$25 million in fiscal year 2018-19.

Benefiting the Citizens of Oregon

OCE purchases as much of its raw material as possible from Oregon companies, contributing to the success of local business. A 2018 study by ECONorthwest shows, for every million dollars produced by OCE, \$690,800 is reinvested along the supply chains in the state, compared to \$346,500 for private sector counterparts.

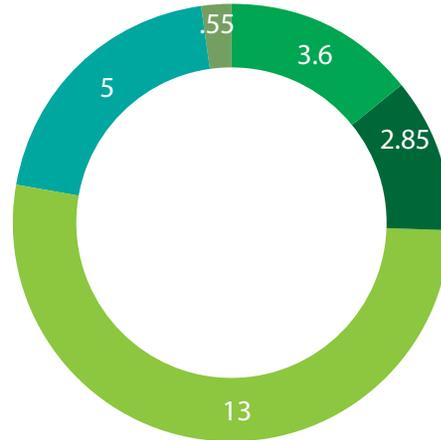
OCE makes every effort to keep as many adults in custody working as financially possible. AICs contribute part of their earnings toward meeting obligations for child support, state and federal taxes, court-imposed fines, and victims' assistance fund. Each year OCE reimburses DOC millions of dollars for performance recognition awards and wages for the AICs for the successful completion of their assignments. The costs of OCE programs are not funded by taxpayer dollars, yet the program still benefits the state by avoiding criminal justice system costs. A 2017 report by the Oregon Criminal Justice Commission concluded for every dollar invested with OCE, the citizens of Oregon avoid \$5.20 in recidivism costs.



OCE purchases in-state raw materials, helping keep jobs in Oregon.

\$25

Millions back into Oregon's Economy



- 3.6 - million for raw materials
- 2.85 - million for AIC awards
- 13 - million for payroll
- 5 - million for operating expenses
- .55 - million for other

OCE Charitable Donations

OCE values community charitable events and organizations, and makes it a priority to support the good work they do. OCE is proud to give back to our communities, demonstrated by donations of various OCE products and services to a number of non-profit organizations.

Beneficiary Organizations

- Children's Defense Fund
- Oregon Justice Resource Center
- The Insight Alliance/YWCA, AHRUSA
- Meadowood Springs Speech Camp
- Pendleton Center for the Arts
- Best Buddies Oregon
- Lifeways Inc.

- American Correctional Association
- CAPECO
- Hermiston Junior Academy
- Oregon State Sheriffs' Association
- Helix Grizzlies Booster Club
- Wilsonville Rotary Foundation
- Umatilla Booster Club

Advisory Council

OCE is proud to introduce and thank its distinguished Advisory Council, which includes professionals from business, labor, and government communities. These advisors serve voluntarily, without compensation, and continually help to evolve and improve OCE's processes and practices through guidance on a variety of business, labor, and financial issues.



Richard Withnell

OCE Advisory Council Chairman Richard (Dick) Withnell graduated from Linfield College. Upon graduation, Dick started with U.S. National Bank in installment lending, and soon after went into the car business. He purchased his first car dealership in 1980. In 2002, Dick sold Withnell Motor Company to his son, David. During his 22 years at the Withnell Motor Company helm, Dick served as president of both the Salem Automobile Dealers Association and the Oregon Automobile Dealers Association, as well as the National Dodge Dealer Chair (representing 4,000 Dodge dealers).

Recognition of his automotive achievements included being selected as the recipient of the "Business of the Year," "Employer of

the Year," and "Showcase" awards from the Salem Area Chamber of Commerce.

In addition to his 25 years as a member of Linfield College's Board of Trustees, Dick held governor-appointed positions on the Oregon Education Investment Board, Early Learning Council, the Public Safety Commission for Sentencing Reform, and as chair of the Oregon Commission on Children and Families. He served three years as the public member of the statewide Governor's Re-Entry Council.

He was the 2011 recipient of the "Al and Pat Reser Civic Leadership Award," one of the Governors' Gold Awards. Dick is a member of the Alexis de Tocqueville Society "Million Dollar Round Table" (United Way of America), and he has twice been named "Philanthropist of the Year" by the United Way of the Mid-Willamette Valley. Corban University conferred on him an honorary "Doctor of Humane Letters," and he received the Salem Area Chamber of Commerce's "First Citizen Award."



Nancy DeSouza

OCE Advisory Council Vice Chairman Nancy DeSouza recently retired after an executive management career for the State of Oregon, including serving as executive director of Oregon Travel Experience and the Oregon Board of Parole and Post-Prison Supervision. She brings her experience as former Public Affairs and Government Relations Director for the Oregon Department of Corrections, and as Marketing and Communications Manager for Inside Oregon Enterprises (DOC prison industries work programs prior to OCE's establishment).

During her time at DOC, Nancy was involved in the implementation of the Prison Industries Enhancement Certification Program (PIECP), the creation of Oregon Corrections Enterprises as

a semi-independent state agency, and expanding AIC work opportunities inside Oregon's prisons.

A native Oregonian and graduate of the University of Oregon, her areas of expertise include public policy, organizational development and change management, dispute resolution, administrative law, and agency governance and operations.

Nancy stays active serving on the Board of Travel Salem and the Board of Directors for Co-Serve International, as well as volunteering for various local civic organizations.



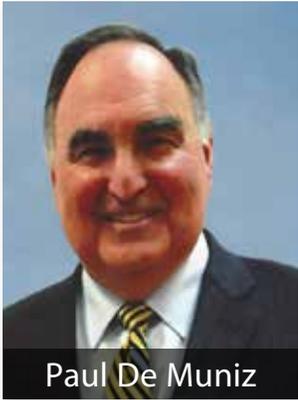
Kevin Billman

Kevin Billman is a native Oregonian raised in Philomath by a Union Plumber/Pipefitter and full-time mom. Graduating from Philomath High School in 1983, Kevin was in the Honor Society, the Talent and Gifted Program, and on the chess and swimming teams.

In 1989, Kevin became an employee of Fred Meyer, Inc. and a member of the United Food and Commercial Workers Union (UFCW) Local 555. In 2001, Kevin was appointed to the UFCW Local 555 Executive Board as a Vice-President, a position he has subsequently been elected to and still holds. In 2005, Kevin became a full-time union representative for UFCW Local 555, representing many areas in the State of Oregon. Kevin has worked on organizing campaigns as well as negotiating collective

bargaining agreements. Kevin has served as the Membership Services Director, Staff Director, and is currently the Director of Legislative and Community Affairs.

Kevin also serves as a trustee on three Taft-Hartley Trusts, a health and welfare plan, a defined benefit pension plan, and a defined contribution 401k plan.



Paul De Muniz

The Honorable Paul J. De Muniz was elected to the Oregon Supreme Court in 2000 and served as Chief Justice and administrative head of the Oregon Judicial Branch from January 2006 to May 2012. He retired from the court in December 2012. Between 1990 and 2000, he sat on the Oregon Court of Appeals and served as a presiding judge. Before ascending to the bench, De Muniz was in private practice for 13 years with the Salem, Ore., law firm of Garrett, Seideman, Hemann, Robertson and De Muniz P.C., where he specialized in complex criminal and civil litigation, and appeals. From 1975 to 1977, he was a deputy public defender for the State of Oregon.

Reaching beyond the borders of Oregon, he also was a member of the Conference of Chief

Justices and was elected to its board of directors in 2008. He has served on the boards of the National Judicial College, the National Crime Victim Law Institute, and the Institute for The Advancement of the American Legal System. In 2013 De Muniz founded a legal clinic dedicated to providing legal assistance to previously incarcerated individuals re-entering the Salem/Marion County community.

In 2011, De Muniz completed a three-year term as a member of the Harvard Kennedy School's Executive Session for State Court Leaders in the 21st Century. That same year, De Muniz was inducted into the National Center for State Courts' Warren E. Burger Society in recognition of his commitment to improving the administration of justice within the states.

In addition to his many law review articles on the courts and the legal profession, De Muniz authored *A Practical Guide to Oregon Criminal Procedure and Practice*, a reference book used by lawyers and judges throughout Oregon, and recently, co-authored *American Judicial Power: The State Court Perspective*, a legal treatise emphasizing the importance of America's state courts.



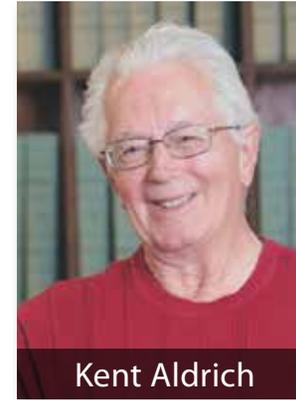
Kevin L. Mannix

Kevin Mannix is an accomplished attorney, former Oregon Legislator, former Chairman of the Oregon Republican Party, and a dedicated community leader. Kevin graduated from the University of Virginia in 1971 and received his law degree from the University of Virginia School of Law in 1974. Kevin has served as a law clerk to the Oregon Court of Appeals; Assistant Attorney General, Oregon; Assistant Attorney General, U.S. Territory of Guam; and Administrative Law Judge, Oregon. In January 1986, Kevin established his own law firm in Salem, and continues his private practice. He handles wills and business law, as well as legal representation for foundations and nonprofits.

Kevin served five terms in the Oregon House of

Representatives and a partial term in the Oregon Senate. Kevin is the author of five successful citizen initiatives: Measure 10, Measure 11, Measure 17, Measure 40, and Measure 73.

Kevin is President of Common Sense for Oregon and President of the Salem-area Catholic Schools Association. He is also Chairman of the Board of Directors of Blanchet Catholic School, an independent corporation which he and several other leaders founded in 1995.



Kent Aldrich

Kent was raised in Minnesota, Montana, and Oregon and graduated from Montana State College. He was employed by KPMG for ten years before starting his Salem CPA firm, Aldrich, in 1973. The firm now has 350 employees in Oregon, Washington, Alaska and California. The firm has a wealth advisors unit, a healthcare practice unit, and several other specialties including construction, communications, and traditional audit services, as well as accounting services. Claudia, his wife of 54 years, is a partner in Aldrich Investments, LLC.

Kent was the outstanding Oregon CPA for public service in the eighties together with being Salem first citizen in 1984. He served as vice president of the first Oregon Lottery Commission appointed

by Governor Atyiah and served as Mayor of Salem for six years as well as the Capitol Planning Commission. He was instrumental in forming SEDCOR (Salem Economic Development Commission) and is currently President of the Hitchman Foundation.

He was one of the founders of the Boys and Girls Club of Marion-Polk County which serves about 10,000 school children every year. He was the co-founder of the South Salem Rotary. He is a business advisor and has served for 33 years as Treasurer of the Board of Goodwill Industries of the Columbia Willamette (GICW) which has 53 stores and about 3,000 employees.

Kent and Claudia enjoy spending time with their family of two children and five grandchildren.

Advisory Council (Cont)



Justin Martin

Justin Martin has over twenty years of experience in government, working at the federal, state, local and tribal levels. He owns and operates, Perseverance Strategies, Inc. (Government Relations / Public Affairs). His clients include the Confederated Tribes of Grand Ronde, where he is also a tribal member.

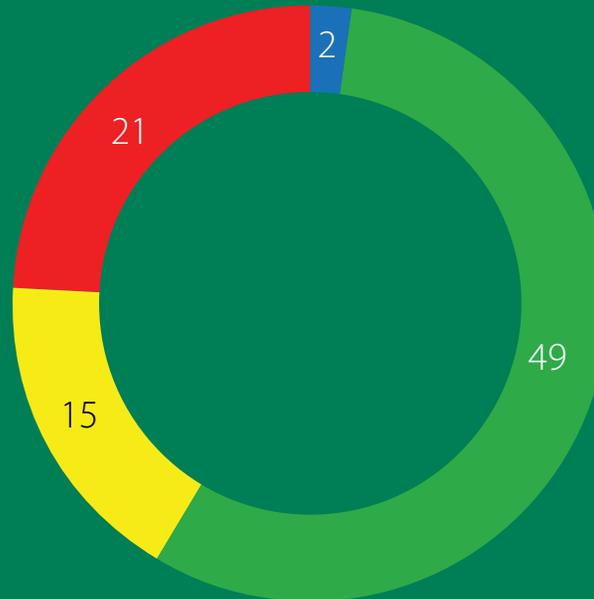
Justin served as The Confederated Tribes of Grand Ronde's Intergovernmental Affairs Director for seven years. While at Grand Ronde, Justin's government relations

program was nationally recognized by the Harvard Project on American Indian Economic Development as one of the most progressive in the country. Justin worked as a Legislative Assistant during the 1995 Oregon Legislative Session for State Representative Terry Thompson and for the City of Salem's Public Works Department in transportation planning.

Prior to working in government, Justin played professional baseball in the California Angels minor league system between 1988-1992. Justin received his Masters Degree in Public Administration from Harvard University John F. Kennedy School of Government and his Bachelors Degree in Public Policy and Public Administration from Western Oregon University.

Performance Improvement

- T** We are **transparent** in the work we do, modeling integrity to the adults in custody who work and train in our programs.
- R** We practice outcome-based management, focusing on **results** to assist the Department of Corrections in improving public safety by reducing recidivism.
- A** We do this work to **advance** adult in custody work and soft skills, helping them to secure employment upon release.
- I** We model a good work ethic. Our **interactions** with adults in custody and our fellow corrections colleagues alike are a model of professionalism.
- N** We continually seek out **new solutions** and more efficient ways to conduct daily business and train adults in custody using methods with the most impact.



87 combined performance measures

- 49 - ■ Performing
- 15 - ■ Needs Improvement
- 21 - ■ Below Expectations
- 2 - ■ Inactive



\$3.5 million contact center savings to the state of Oregon



18% growth in revenue



14% of OCE annual revenue from DOC



\$88,590 paid to victims assistance

Measure Number	Measure Name	Measure Calculation	Range			Target	Desired Direction	Freq	Data Source	Data Owner	Active/Inactive	Action Required	Comments	Measure Trend	12/31/2018 Measure	3/31/2019 Measure	6/30/2019 Measure
			Red	Yellow	Green												
OM_4 - Reduce Costs of Government, Process Owner: S Ryan																	
OM_4A	Saving the state \$-DOC PRAS	Quarterly total PRAS	< 210,000	210000-222000	> 222,000	300,000	↑	Monthly	PRAS report	S Thomas	A	No	A rise in the number of AIC assigned drives a rise in this measure.		258,870	266,521	271,671
OM_4B	Saving the state \$, DOC support of OCE Programs	DOC sales/OCE total revenue	> 24%	24%-17%	< 17%	15%	↓	Monthly	OCE Sales Report	M Kezeor	A	No	DOC Sales total \$941,028.57 for the quarter with total sales for the quarter at \$7,540,099.52. Decrease due to funding at the end of the biennium.		15%	16%	12%
OM_4E	Saving the State \$-DOJ victims funding	Quarterly total payments to fund	< 10,000	10000-13000	> 13,000	15,000	↑	Monthly	PRAS report	S Thomas	A	No	Victim's Fund dollars are calculated from PRAS and PIECP		20,982	20,599	27,085
OM_5 - Customer Satisfaction, Process Owner: S Willis																	
OM_5A	Service Level Performance	Satisfied or Not	< 97%	97%-99%	> 99%	100%	↑	Quarterly	Survey	S Willis	A		11 customer calls. Will work with OSP and EOCl to get more data for next QTR.		100%	100%	100%
OM_7 - Revenue, Process Owner: A Struxness																	
OM_7B	Revenue growth	% increase in revenue for the previous rolling 12 month period	< 1%	1%-2%	> 2%	5%	↑	Monthly	Financials	T Kite	A	No	Revenue increased \$4,899,438 from the previous 12 months. This is due in part to an increase in manufacturing sales from the previous year and additional contact center seats.		5%	11%	18%
OM_11 - AICs Assigned to OCE Programs, Process Owner: B Ward																	
OM_11A	AICs assigned to OCE programs	Average number of AICs assigned to OCE programs	< 1,200	1200-1400	> 1400	1,500	↑	Monthly	Offender Services Report	B Ward	A	No	Numbers will rise as contact centers grow.		1,457	1,494	1,452
OM_12 - OCE Recidivism, Process Owner: B Cannard																	
OM_12A	New felony convictions	36-month recidivism rate of offenders. AIC must have at least 180 days exposure to OCE during most recent incarceration cycle.	> 20%	20%-15%	< 15%	10%	↓	Annual	CMIS	Offender Services	A	Monitor	This annual measure is reported in 2nd quarter. Our trend is improving. 57 out of 275 releases returned within 3 years. DOC rate: 31% with 1455/4652 releases		20.73%	20.73%	20.73%

Reducing Environmental Impact

The OCE core value of innovation is defined as follows: We seek to develop creative and efficient methods to advance our products and services while reducing costs to government and our impact on the environment. Going beyond the typical recycling of cardboard, batteries, plastic containers, and office paper, OCE constantly evaluates its programs to discover additional ways to operate in a more environmentally-friendly manner.



Reduce *Use of Harmful Chemicals*

Custodial Cleaning Products

OCE joined the efforts of all Oregon state agencies in switching custodial cleaning products to those less harmful to the environment. This removed harmful chemicals from the air and Oregon waterways, as well as, reducing the risk of exposure for those using the products.

Wood Finishing

OCE researched alternative products and switched from chemical-based stains to water-based stains and cleaning products. This removed 4.24 tons of volatile organic compounds (VOCs) from the air and the risk of respiratory exposure for DOC and OCE employees, those in the OCE training programs, and the general public in close proximity to the affected facilities.

Switching to the water-based cleanup/thinners reduced thinner waste by almost one barrel per year, not to mention the reduction in chemicals needed to launder the used rags.

Printing Inks

By switching from petroleum-based inks to soy-based inks in 2004, the OCE Print Shop reduced the high levels of solvents leaching into the water table when printed material ends up in landfills. Soy-based inks are also easier to remove in the recycling process, thus saving energy as well. While the new inks are slower to dry, they result in brighter, more vibrant colors – a win-win for everyone.

Laundry Chemicals

The staff and crew of one of OCE's laundry facilities noticed an increase in material fibers in drain traps, film residue on t-shirts, and seemingly excessive bleach usage. Using this as a training opportunity, the shop began auditing the wash programs on the aging equipment. Working in partnership with OCE's laundry chemical provider, over 25 wash programs were individually analyzed and updated. The shop was able to reduce the usage levels of three chemicals, reducing wear and tear on linens and lessening the impact on Oregon's waterways.

Reuse Raw Material Falloff

Trailer Refurbishing

In 2015, OCE added flatbed trailer refurbishing services to our catalog. Through this offering, customers like Oregon Parks and Recreation are able to save money by having a trailer repaired instead of replaced.

OCE is able to use falloff material from other projects, reducing the amount of scrap sent to recycling facilities and landfills.

Laundry Heat Reclamation

Water is the most expensive natural element to heat and carries a significant amount of energy. Any hot water going down the drain carries energy away with it. (That's typically 80–90% of the energy used to heat water.) OCE Laundries use a drain-water-heat-recovery system. Drain water (or gray water) heat recovery systems capture the maximum amount of heat contained in wastewater before it is discharged to the sewer. This heat is then used to pre-heat cold and tempered make up water for the wash cycles.

F-1 Program

An OCE employee in the Garment Factory, producer of the world famous Prison Blues, looked at the poundage of fabric and thread falloff and thought, "Someone must be able to use this." The DOC



housing unit (designated F-1) for AICs with severe mental health issues needed a project to help the adults prepare to return to general population's full-time training programs. In a perfect partnership, the F-1 program was born.

From 2005-2018 the participants in this part-time program utilized the falloff material to make Prison Blues marketing spiffs, such as potholders and oven mitts. In addition, the program made denim bags donated to the Community Action Program of East Central Oregon (CAPECO) and the local food bank to deliver emergency food and supplies. Besides the benefit of helping these AICs transition to lower-cost housing, the environment benefited from less fabric waste in landfills.

Laundry Water Usage

Even before OCE became a semi-independent agency, it operated laundries in DOC for many years. In the early 1990s, a laundry program participant used his knowledge and skills to propose a water reclamation system. Working with the institution Physical Plant staff, the system was tested and put into place. Inspired by the success of the system, OCE's other laundries began updating equipment and installing reclamation systems. While all five facilities have installed at least one water saving device or system,

in its largest facility alone, operating seven days a week with two shifts, OCE estimates it now saves over 10 million gallons of water per year.

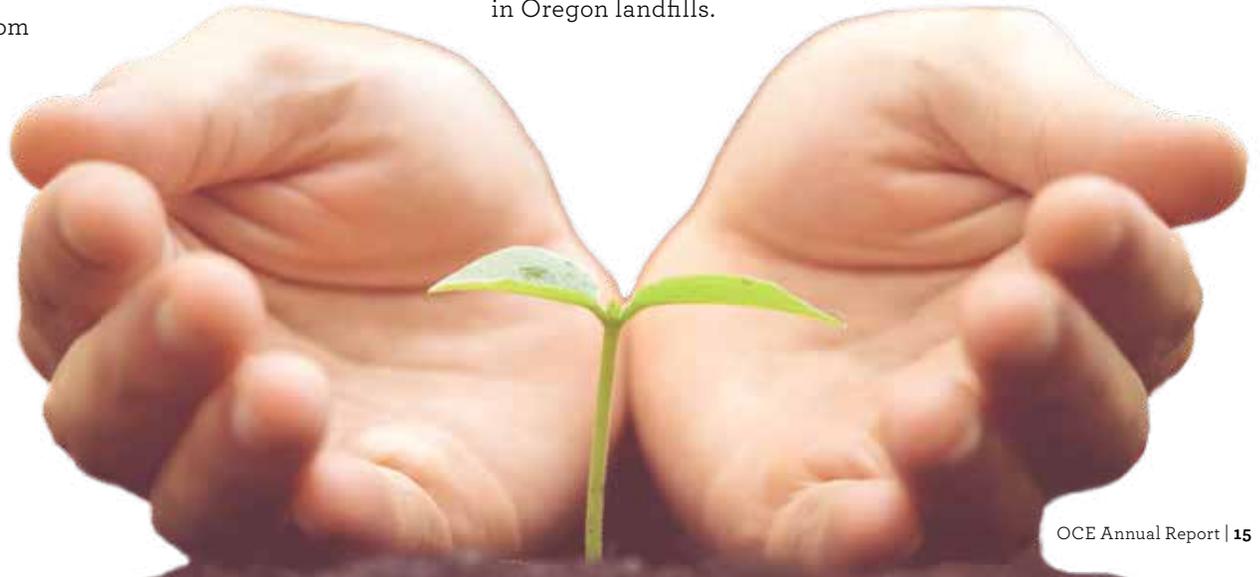
Recycle Non-reusable Materials

Metal Scrap

One advantage of metal working is the ability to reuse falloff in multiple projects, but, as with all metal fabrication shops, OCE projects can result in fall off which cannot be reused – around 500 – 600 lbs. per month. In addition, the Print Shop sends out used aluminum printing plates every month. In such cases, OCE sells the scrap to local recyclers who return the metals to foundries to be melted down into usable product.

Scanning Program

The OCE Scanning Program converts paper records into searchable digital files for its customers. While this benefits the customers with more efficient records-request response times and less warehousing costs, it can result in countless pallets of paper no longer needed. Upon request, OCE uses efficient cross-cut shredders to prepare the paper for recycling. This paper is then sent to recyclers who place the product back into production streams, thus reducing waste in Oregon landfills.



Emergency Preparedness | Wild Fire Prevention



Ash Dumpster Trailers provide a safe containment site for ash disposal, reducing the risk of forest fires.

Oregon's Emergency Preparation Checklist

- 1) Call OCE and order:
 - ✓ Ash dump trailers
 - ✓ Mobile Command Centers
 - ✓ Sanders
 - ✓ Dump beds
 - ✓ De-Icers
 - ✓ Hospital Laundry Services
 - ✓ Safety Vests
 - ✓ Signs and Banners
 - ✓ Tiny Shelters
- 2) Practice emergency responses
- 3) Make process improvements
- 4) Repeat practice exercise

Working with customers throughout the years, OCE has established itself as a vital solution for emergency preparedness needs. Oregon has experienced its fair share of emergencies from all of the elements: water (flooding, snow, and ice), fire (man-made and lightning-caused), earth (earthquakes and landslides), and air (tornadoes). Many responses to these types of situations require special equipment and services.

OCE continues to partner with customers to develop products and

services and encourage all emergency preparedness coordinators to bring forward ideas for new solutions.

Last year, when battling the Silver Creek Fire, OCE and Oregon Parks and Recreation Department partnered to create the new OCE Mobile Command Center (MCC). Adaptable for countless applications and situations, the towable MCC serves as a model for agencies to create and adapt to their own needs.

Committed to being part of the Oregon wildfire solution, OCE manufacturing

has developed a long line of fire prevention, suppression, and recovery items including: hot coal receptacles, ash dump trailers in multiple sizes, ash dumpsters, and a line of high-walled and easily accessible ADA fire pits and grills. Our wildfire prevention products focus on protecting communities, improving preventative measures, and enhancing organization and response in the event of an emergency.



This mobile command center was created and manufactured to coordinate fire control efforts.



Hot Coal Disposal Receptacle

OUR People, Success



Success in any organization essentially comes down to its PEOPLE. It is OCE's people who help make a difference in the lives of those participating in our programs and provide a solid foundation of caring and commitment to encourage changes in the lives of those we serve.

In 2019, there were just over 100 staff members within the OCE organizational structure. The Administrator and Deputy Administrator have 14 executive level staff who report directly to them and make up the agency's Executive Management Team. This team of individuals directly supports the administrators in major agency policy decisions and strategic initiatives. Reporting to the Executive

Management Team are the 12 Program and Production Managers. The Program and Production Managers supervise more than 70 production and support staff who oversee almost 1,500 AICs on a daily basis.

This team is truly engaged in furthering OCE's mission, shared vision, and values. Through daily interactions, OCE mentors,

coaches, and teaches work ethics to the men and women incarcerated in Oregon, many of whom did not hold regular employment before incarceration. Service to AICs and to customers in the state of Oregon is OCE's top priority. OCE seeks input from its customers and partners, as well as encourages them to contact OCE with any questions or concerns.



Manager of the Year Scott Willis

approachability toward all levels of staff and positive demeanor demonstrates his unrelenting commitment to providing outstanding service and support to our internal and external customers.

Over the past several months Scott has either lead or been a part of very important projects in support of OCE staff, AICs, and customers. Scott demonstrates excellence by keeping others well informed, preparing himself, continuously educating others about technology needs, and holding others accountable to important IT procedures.

Scott has been instrumental at ensuring we safeguard from cyber-crime by overseeing the development and implementation of standards outlined in the State of Oregon's Cyber Crime plan. His work on this plan has resulted in OCE being PCI compliant and having a website compliant for ecommerce. The collaborative work performed by Scott and the

IT department resulted in OCE being declared in the top 1% of all state agencies for meeting the standards of the Governor's Cyber Security Executive Order.

Scott has made important contributions toward improvements in OCE's IT systems, website advances and scoping of future IT needs. For example, Scott and his team recently developed plans to upgrade the agency's 600+ desktop operating systems and server platforms which will ensure system stability and compliance for years to come. This important project is being implemented throughout 2019, requiring planning, communication, and partnerships with staff throughout the state. Scott's dedication to TRAIN, his fellow managers, his team, and OCE, are a great example for all OCE staff.

Scott Willis has spent the past 32 years serving Oregon citizens and providing valued support to employees and AICs. As the IT Manager, he supervises a unit usually only appreciated when something goes wrong. To help rectify that image, he fully embraced TRAIN as a way to evidence the quality work his unit produces and became an owner of eight TRAIN measures. He used the tools of TRAIN to create and showcase improvements in response times and project completions. With measures usually in the green, there seems to be less and less room for improvement.

Having staff located around the state, he delegates tasks and makes sure every member of his team feels heard. Scott keeps the financial health of OCE at the forefront of his decision-making. His



Employee of the Year Tommy Kite

reported as required by OCE policies and industry best practices. Tommy stepped up this past year, filling in for payroll and accounts receivables, ensuring operations remained seamless for both our internal and external customers. She also began processing donation and promotion requests when OCE realigned some internal duties. Tommy quickly learned the process and continued to hold people accountable to standard operating procedures.

Quality assurance measures and external audits have tested these important functions which have verified the excellence demonstrated by Tommy. OCE has received the Gold Star, presented by the Oregon Chief Financial Officer, each year. The Gold Star represents excellence in financial reporting and achieving statewide accounting goals.

Tommy is one of those employees who often puts work ahead of

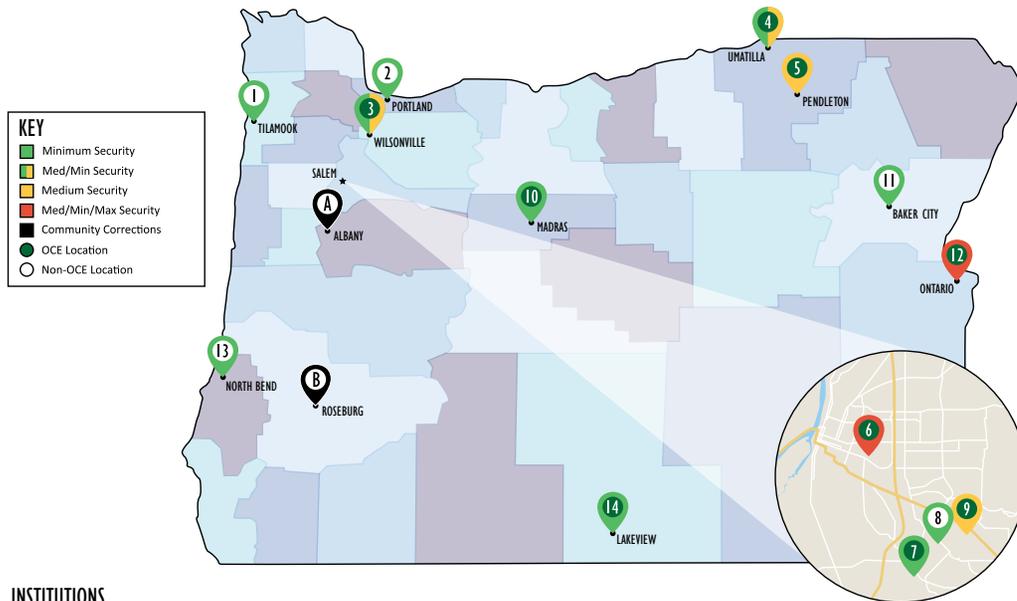
Tommy Kite possesses an inspirational, can-do attitude. She is the type of employee and leader that makes her department and OCE successful. OCE would not be the organization it is without dedicated, hardworking employees like Tommy Kite. Tommy has been recognized for her extraordinary commitment to ensuring customers and employees receive quality support. Working as OCE's Accountant, Tommy has the important responsibility to help ensure fiscal matters are reported accurately and in a timely manner. Tommy takes a great deal of pride in this important responsibility, which has been recognized by others.

As an example of the important responsibilities held by Tommy, she ensures all financial documents related to revenue, expenses, and property inventory are compiled and

personal matters. She regularly demonstrates her commitment to our success by going the extra mile, which includes occasionally staying late, double-checking financial documents, following up on problem areas, asking challenging questions, and providing input to make all of us better. Her dedication to customer satisfaction, and OCE in general, is evident in everything she does.

A Year in Review

OCE is a vehicle to second chances for people like you and me who have feelings, ambitions, and dreams of a better life. Prison industries have existed in Oregon in some form for over 150 years. Created in 2000 in response to Measure 17 legislation, and now in its 19th year operating as a self-sustaining semi-independent agency, OCE has realized the results of hard work and dedication of both staff and the AICs assigned to OCE programs. During this last fiscal year, OCE generated \$31.5 million in revenue, more than ever before. The manufacturing shops developed innovative new products, like a cell tower disguised as a water tower and fabricated-fire-training cars for firefighter training. OCE and the University of Oregon embarked on their second joint venture, this time with Prison Blues. The success of OCE partnerships and programs result in positive press and contribute to successful re-entry efforts for both OCE and DOC, as well their community partners.



INSTITUTIONS

- | | | |
|---|---|--|
| 1. South Fork Forest Camp (SFFC) | 6. Oregon State Penitentiary (OSP)(OCE) | 12. Snake River Correctional Inst. (SRCI)(OCE) |
| 2. Columbia River Correctional Inst. (CRI) | 7. Mill Creek Correctional Facility (MCCF)(OCE) | 13. Shutter Creek Correctional Inst. (SCCI) |
| 3. Coffee Creek Correctional Facility (CCCF)(OCE) | 8. Santiam Correctional Inst. (SCI) | 14. Warner Creek Correctional Facility (WCCF)(OCE) |
| Coffee Creek Intake Center (CCIC) | 9. Oregon State Correctional Inst. (OSCI)(OCE) | |
| 4. Two Rivers Correctional Inst. (TRCI)(OCE) | 10. Deer Ridge Correctional Inst. (DRCI)(OCE) | |
| 5. Eastern Oregon Correctional Inst. (EOCI)(OCE) | 11. Powder River Correctional Facility (PRCF) | |
- COMMUNITY CORRECTIONS**
 A. Linn County B. Douglas County

OREGON CORRECTIONS ENTERPRISES (OCE) LOCATIONS

Coffee Creek Correctional Facility, Wilsonville

• Sewing	12
• Contact Center	28
• Web Analysts	14
• General Labor	18

Oregon State Penitentiary, Salem

• Laundry	334
• Contact Center	111
• Computer-Aided Drafting	23
• Metal Fabrication	52
• Wood Fabrication	76

Deer Ridge Correctional Institution, Madras

• Laundry	11

Santiam Correctional Institution, Salem

• Administration	1

Eastern Oregon Correctional Institution, Pendleton

• Laundry	16
• Garment Factory	59
• Embroidery	5
• Contact Center	

Snake River Correctional Institution, Ontario

• Laundry	22
• Sign Fabrication	18
• Contact Center	145

Mill Creek Correctional Facility, Salem

• Metal Fabrication	9
• Laundry Sort	56
• Warehouse	11

Two Rivers Correctional Institution, Umatilla

• Laundry	197
• Upholstery	9
• Wood Fabrication	39

Oregon State Correctional Institution, Salem

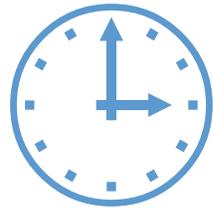
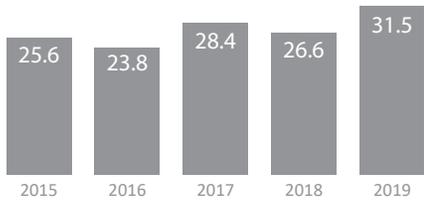
• Contact Center	30
• Print Services	53
• Mail Fulfillment	6
• Digital Design	3

Warner Creek Correctional Facility, Lakeview

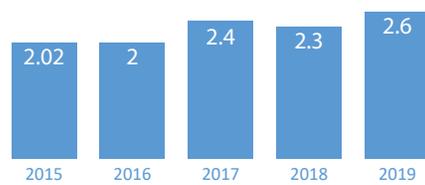
• Contact Center	54



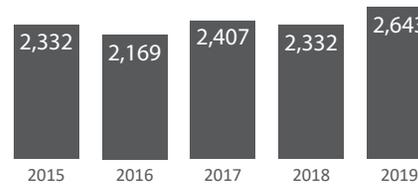
Total Revenue



Adult In Custody Participation Hours



Adult in Custody Participation in OCE Programs



Adult in Custody Awards

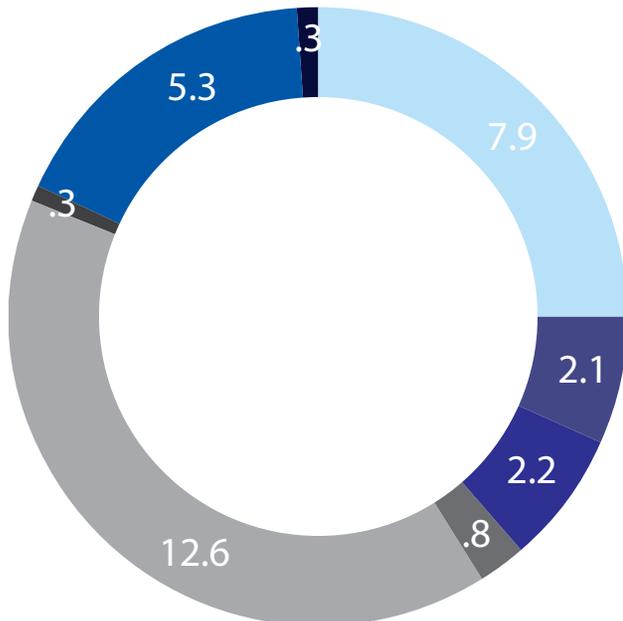


Revenue for 2019 totaled **\$31.5 million.**

AIC hours totaled **2.6 million** for 2019.

Number of AICs assigned to OCE was **2,643** in 2019.

\$2.85 million in total monetary awards to participants.



2019

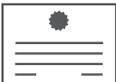
Revenue in millions by Industry

- 7.9 - Wood & Metal Fabrication
- 2.1 - Print
- 2.2 - Garment/Embroidery
- .8 - Sign
- 12.6 - Laundry
- .3 - Mail Services
- 5.3 - Contact Centers
- .3 - Other





**Certification
Graduates**



148

69	Commercial Laundry
10	Textiles/Embroidery
26	Laundry Sort
5	Sign Design
11	Wood Fabrication
7	Welding
6	Commercial Printing
9	Commercial Sewing
4	CADD
1	Mail Fulfillment
11	Contact Center

OCE Work Skills Certifications

Eligibility

In order to participate in our Work Skills Certification program, AICs must:

- Have at least six months of clear conduct.
- Be within six years of their release date.
- Possess a high school diploma, GED certificate, or be in the process of obtaining a GED within a specified period of time.
- Be compliant with all other institution programming.

Certification

Our certification process allows designated industry managers and certified proctors to track participants' progress through certification at two different levels:

- Certificate of Participation - A six-month program to safely orient workers in the Laundry Sort operations and telecommunications.
- Work Skills Certificate - Six and 12-month industry-specific training program.

Program

Similar to the Federal Job Corps model, participating AICs receive entry-level experience with technical and industry-specific skills, as well as training to help develop social skills and work ethic. They also learn decision-making, social interaction, teamwork, reliability, follow-through, and accountability. As closely as possible, the program duplicates a real-world experience to best prepare those releasing to compete for jobs in the community.

OCE's goal is to build confidence and skills in preparation for re-entry and, ultimately, aid in successful employment after release.

Federal statistics show two-thirds of recidivists were unemployed prior to re-incarceration, making rehabilitation and training crucial factors in public safety.

Work

The AICs continue to work in an OCE program, enhancing technical skills.

Employment

The OCE certificate, program participation, and summary sheet can be used as a starting point for building a resume and filling out job applications once released.



Bureau of Labor and Industries (BOLI)

Industry-recognized training and certification opportunities are an important component for re-entry, preparing those in custody to successfully obtain employment upon release. OCE offers both welding and custodial BOLI certified apprenticeships. Both the welding and custodial programs opportunities further enhance skill development and help AICs obtain employment upon re-entry with a recognizable and portable industry certification.

The Program Process

Four components contribute to the high quality and positive results of our BOLI certification programs:

Partnership -DOC and OCE share coordination of BOLI programs to offer these opportunities to a greater number of AICs.

Eligibility - Requirements for BOLI programs mirror those of OCE Work Skills Certification programs.

Data Tracking - Test scores and training hours are tracked by OCE employees and reported to BOLI.

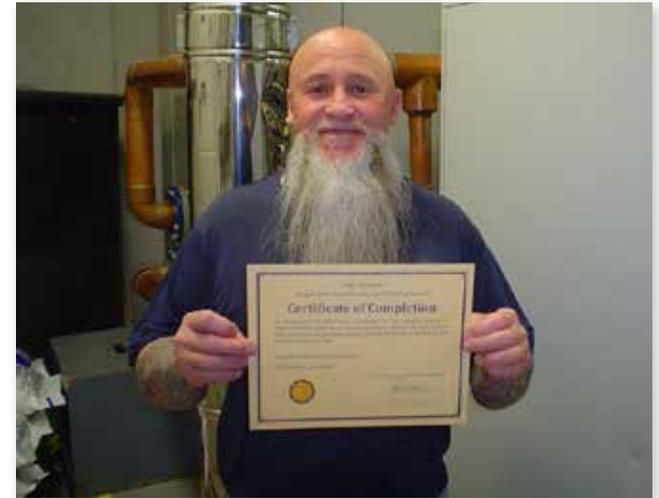
Certification -All Boli programs offered through OCE are 2000-hour training programs using BOLI-approved curriculum resulting in BOLI-issued certificates.

Welding

BOLI certification programs are offered at OSP and MCCC. Graduates receive certification through the American Welding Association, a journeyman-level welding certification with 3G and 4G qualifications for unlimited thickness.

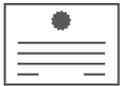
Custodial

BOLI Certification programs are offered at SRCI, TRCI, and SCI. Graduates receive certification through the Cleaning Management Institute. Two custodial certifications are offered: basic and advanced.




13
participants

BOLI Graduates


4
Structural
Welding

5
Custodial



**TAKE A STANCE
ON SECOND CHANCE**

UO Design Studio: Creative Concepts



Design Influences the Future, Meet the Future

Joint venture

Oregon Corrections Enterprises and the University of Oregon



In 2017, OCE and the University of Oregon (UO) began a relationship with new joint venture projects where students and AICs are guided through the processes of designing and producing new products. Along the way, their minds open to people, processes, and products with a new and fresh perspective, while providing real-world work skills and training to prepare them for future success.

With a focus on denim garments, the 2018 OCE-UO joint venture opened new doors and expanded the capabilities of students and AICs alike. This collaborative effort between UO and Prison Blues™ Brand Clothing brought design students together

with AICs in Oregon prisons. Students were able to see the working conditions within the EOCI and speak directly to AICs about their tasks, the machines they use, and how coveted the garment factory work assignments are within the institution.

Each year, techniques and fresh ideas from the design students' creations invigorate our workforce and offer AICs new work skills training opportunities. The process instills pride in knowing they are contributing to the community and producing pieces with the potential to be utilized for years to come. The possibility for new products and a larger market

for Prison Blues™ Brand Clothing is limitless.

Many of the new designs from this project were featured at UO and at the WantedDesign show in Brooklyn, NY. WantedDesign is a platform dedicated to promoting design and fostering the international creative community throughout the year. The students were named as a 2019 NYCxDESIGN Awards Honoree in the Student Design category. The positive exposure and relationship between both UO and OCE strengthens our mission of promoting public safety and providing work skills training programs for people incarcerated in Oregon prisons.



Developing Designers



AICs John Lanning and Todd Davilla design the annual report for the Children's Defense Fund

In July of 2018, OCE's Graphic Design program began with a small, but talented group of AICs in OSCI. The group originally came together to support OCE's Marketing department with a primary mission of producing talented designers who will have a greater chance for employment upon release. The program and AICs surpassed expectations and wanted new opportunities.

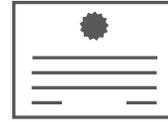
The AICs were interested in doing something positive with their design talent. With the help of OCE's Marketing department they reached out to numerous nonprofits offering free graphic design work. A few replied with interest. The AICs were happy to participate in a number of projects, most notably designing the annual report for the Children's Defense Fund. Knowing their work made an impact outside of the prison walls and OCE was rewarding. Being able to showcase their talents in these volunteer projects provided the Graphic Design team with an opportunity to perform contracted work for external clients; for example, the Salem-

Keizer Volcanoes and Council on Criminal Justice. The external projects rallied the Graphic Design team's morale, allowed them to expand their design skills, and add to their portfolios.

This group has been a valuable resource to OCE's Marketing department, producing a number of printed materials, including catalogs, flyers, and banners. This past year, the Graphic Design program excelled by developing even more sophisticated print materials and expanded into digital materials, video, branding, and more. Currently, there are three AICs taking part in a six month program. The AICs in the Graphic Design program work with mentors from design studios who provide portfolio reviews and real-world advice regarding employment options upon re-entry. Establishing a well-organized portfolio is an essential function of the Graphic Design program. This program will lead to an OCE certificate upon completion, and a solid foundation for passing industry standard Adobe Certificate Exams.



Certification
Graduates



69

Commercial Laundry

26

Laundry Sort



636

participants



32,124,712

pounds of laundry

Laundry

OCE laundries provide a critical service to both Department of Corrections and over 30 local community partners. OCE has over 500 individuals assigned to laundry programs located in Salem, Madras, Pendleton, Umatilla, and Ontario.

The OCE laundries follow all Centers for Disease Control and Prevention (CDC) standards of infection control and prevention for transporting, sorting, washing, drying, and handling soiled and clean linen. A national commercial laundry consultant prescribes all wash programs for specific types of linens to ensure proper outcomes.

The benefits of these opportunities include keeping adults in custody productive, which helps maintain prisons that are safe for both themselves and staff. OCE staff model positive, trustworthy, respectful behaviors, which creates positive changes to help adults in custody become productive citizens, better parents, and dependable family members. Our state and local communities benefit from utilizing OCE and putting those in custody to work because these jobs prepare them for their release back to the community.

Customers benefit by owning and managing their linen supplies. This is an advantage over other laundry options that require the customer to purchase linen from the laundry provider and pay for additional services, such as folding, pressing, or bundling. Community partners appreciate the flexibility offered and the quality of services provided. Customers boast about OCE's ability to consistently make on-time deliveries, even during difficult weather conditions.



Each OCE staff member both monitors and supports the efforts of AICs assigned to the shop.



744,030
contact center hours



418
telephone agents



6
locations

Contact Centers

OCE has been operating secure contact centers in Oregon for almost 30 years, in partnership with both the public and private sectors. Located in Salem, Wilsonville, Pendleton, Lakeview, and Ontario, OCE provides approximately 420 men and women with work opportunities in contact centers.

Participants must first pass an extensive security background check. All candidates are screened for concerns regarding institution security risks, past computer or telephone fraud, identity theft convictions, conflicts with other adults in custody, and any current, prior, and/or pending investigations.

All telephone contacts are recorded. In addition, staff conduct live monitoring of each telephone agent on a regular basis for quality assurance and adherence to established policies.

For added security, the contact centers utilize a kiosk computer mode. This mode takes the agent directly into the contact center programs and limits them to work with fields within the application. When finished, the agent can only log off the system; there are no other user options available.

OCE actively works toward filling all available seats throughout the state. OCE seeks companies looking

to bring jobs back to the USA and trains skilled, dependable service agents.

As with all OCE programs, contact centers focus on teaching meaningful work skills and professional communications skills to assist in bridging the gap between incarceration and employment upon release. Adults in custody receive on-the-job training and a chance to develop their confidence and work ethic. This experience is proven to change their outlook on life while incarcerated, and helps better assist them in making a successful transition into Oregon's communities.



An OCE staff member teaches AICs production techniques and quality control standards.



Partnering with DAS P&D, OCE works closely with Oregon Health Authority to distribute resource application packets.

Print Services

The print services operation, located in the Oregon State Correctional Institution in Salem, specializes in press, bindery, and computer graphics. The shop creates letterhead, business cards, envelopes, and carbonless forms for most state agencies through the Department of Administrative Services (DAS) – Print and Distribution (P&D). Printing is a value added process that saves agencies time and money.

These programs enhance adults in custody’s ability to work together in a team environment. Organizational skills, improved work ethics, teamwork, appearance, and attitude all play a role in making these shops successful.

To minimize competition with local printers, OCE only offers Print Services to government agencies.

Mail Fulfillment

The mail fulfillment shop, also known as “the mailroom,” is located at the Oregon State Correctional Institution in Salem.

The mailroom is an integral part of the print operation. While some pre-printed stock is maintained, the shop’s location as an extension of the Print Services program allows for a

quick turn around of print-to-mail orders. With a limited number of participants, this program distributes a high volume of orders. As the projects are completed, they are distributed in bulk or individually through the local United States Postal Service. Purchases made for both Print and Mail programs benefit our local vendors.



36,286,678
pieces printed

6
Commercial Printing

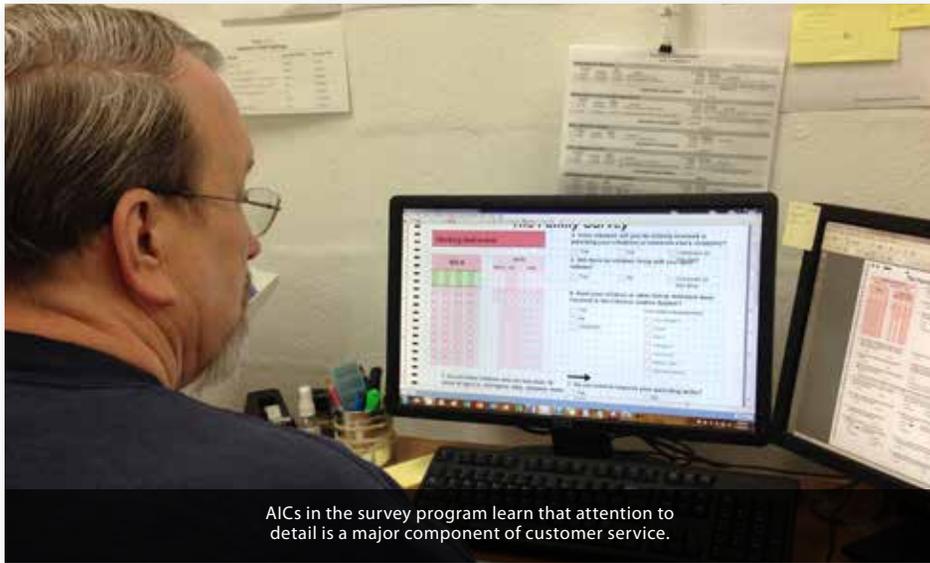
Certification Graduates



1
Mail Fulfillment



337,055
pieces mailed



AICs in the survey program learn that attention to detail is a major component of customer service.



High levels of system security allow program participants to work remotely with Marketing staff.

Survey

OCE offers design, printing, and scanning of most forms, surveys, and tests. We utilize Optical Mark Recognition (OMR) and imaging scanners to produce and process surveys for data collection. This service has been used by several process improvement teams to identify problem areas and possible solutions.

Gathering feedback through supplier surveys, employee satisfaction

surveys, 360 feedback, readiness and preparedness surveys, and more, provides invaluable insight into the expectations and needs of internal and external customers. The individuals in the OCE Survey program learn technology and expertise to conduct survey services. From design and deployment to information gathering and tracking, AICs chart and graph the customer's results in a variety of formats.



12,864

surveys processed

Graphic Design

The Graphic Design program functions as an extension of the OCE Marketing Team. AICs in this program train in everything from modern design, layouts, best practices, procedures, and preparing professional quality print-ready documents, truly learning transferrable skills. They have the opportunity to develop a working knowledge of Adobe Photoshop, Illustrator, InDesign, and Bridge,

as well as Autodesk 3DS Max and Microsoft office programs. Their work contributes directly to layouts and designs of marketing materials and presentations used to promote OCE to customers and other interested parties from the local to the national level.



30

marketing materials produced



Saving taxpayer dollars: Refurbishing trailers for Oregon Parks and Recreation

Metal Fabrication

OCE operates two metal fabrication shops – one at OSP and the other at MCCF, both in Salem. These shops manufacture a variety of high-quality metal products at a competitive cost for several state and municipal agencies. These products include bus shelters; furnishings for state parks, prisons, hospitals, and colleges; and heavy equipment such as road sanders. OCE's ability to produce these products at a relatively low cost helps reduce costs to taxpayers.

The OCE metal fabrication participants regularly fabricate cell and dorm furnishings (beds, tables, shelves, metal drawers) for Oregon's public safety facilities, and occasionally fabricate lockers, tool security cages, and specialty metal items.

Adults in custody assigned to these programs are trained in a variety of metal fabrication techniques on different types of metals. Fabrication procedures regularly performed include design, grinding, welding, cutting, forming, and finishing of metal products.

Working in the metal fabrication shops for any significant length of time allows participants to work towards BOLI certification, as well as develop a positive work ethic and social skills to enhance their opportunities for gainful employment upon re-entry to the community.



Creating complex designs on state-of-the-art software, AICs in the CADD program learn valuable skills for re-entry.

CADD

Computer Aided Drafting and Design (CADD) is located at OSP in Salem, with a second specialized group at TRCI in Umatilla. The CADD program is an integral part of OCE's manufacturing operations for wood, metal, and upholstery. AICs learn to work with cutting edge, specialized software to design and draft objects and materials for production. They

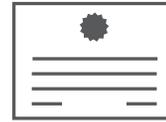
also have the opportunity to learn to program Computer Numerically Controlled machinery. They are able to generate modular 3D computer models, complete with dimensions, bills of materials, cut lists, details of the design process, and realistic renderings.





AICs expand their skill sets by functioning as team leaders and teaching trade skills to other AICs.

Certification
Graduates



11

Wood Fabrication



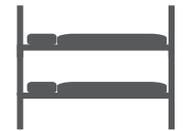
2,327

picnic table boards



9

tiny shelters



1,493

beds

Wood Manufacturing

OCE operates two wood manufacturing shops – one at Oregon State Penitentiary in Salem and the other at Two Rivers Correctional Institution in Umatilla. Both manufacture a variety of high-quality wood products at a competitive price for numerous state and municipal agencies throughout Oregon. The Umatilla operation includes a full service upholstery shop, as well. Products from both operations include dorm furnishings for Oregon colleges and universities, as well as customized and stock office furniture for various government agencies.

The wood manufacturing shops purchase lumber and hardware from local vendors whenever possible. These purchases provide revenue to local companies, helping keep people employed in Oregon.

Adults in custody are encouraged to learn a variety of woodworking and machine skills. Individuals advance to jobs with additional responsibility and difficulty as they learn more complicated tasks. This mirrors the merit system they will likely encounter when they are released from incarceration and secure employment in the community. This program

also provides the opportunity for workers to acquire training and practical experience warehousing and in computer-aided drafting and design (CADD) software.

Participants in OCE's wood manufacturing programs learn valuable work and life skills, which promote good behavior inside prisons. These pro-social behaviors lead to increased safety and security for DOC and the surrounding communities. Additionally, the adults in custody who participate in the furniture factories are trained in skill sets that help them successfully re-enter the community.

OSP Manufacturing: A Collaborative Process of Systemic Improvement



From left to right – Nick Hankland, Richard Richter, Matthew Pope, and Martin Ferrero

OCE has a constant desire to improve our products and processes. We are moving past “the way we’ve always done it” to find new efficiencies, limit waste, choose environmentally friendly raw materials, and reimagine products that no longer meet the evolving needs of our customers. Whether it is a single product or an entirely new way of approaching a product line, when opportunities for growth rise to the top, OCE staff and AICs collaborate to remove barriers in thought processes, production, efficiency, and cost-saving measures.

Recently a customer approached us with design change needs for our

Road Sanders. Knowing firsthand the elevated quality difference of OCE Sanders, they sought a solution to their needs through modifications to our existing line. This kick-started a review process that led to improvements reaching beyond a single product line.

The immediate goal was to draw and build 4 yd³ and 9 yd³ Sanders that would incorporate the upgraded and updated needs of our long-standing customer. The old drawings and jigs used to make them were becoming outdated and inefficient. With new software and machine technology, coupled with hands-on skills within

the shop, better ways to build them were becoming very evident. Having this in mind, OCE Computer Aided Drafting and Design (CADD) Specialist Nick Hankland and his team of designers set out to reimagine the Sander line as an à la carte component-based purchasing model, opening the doors to new possibilities. Having modern Autodesk Inventor 3D software and a CNC plasma cutter available to them, the same tools that once led to congestion in the fit and finish process could now be utilized to create efficiencies and cost saving measures.

While the migration cost in effort was ambitious and ostensibly high, the benefits of customer responsiveness, pricing accuracy, and product consistency were anticipated to prove invaluable. This was true in a similar project in 2018 involving a complete migration of the OCE Bus Shelter product line. A thorough vetting of the work effort affirmed the ability to meet the deadline for the outstanding customer purchase request, so the project was internally green-lighted.

The multi-disciplined team, officially tasked with the rebuild project, would now begin the forensic analysis of over 15 years of paperwork, photos, and anecdotes covering more than sixty unique components that form the complete Road Sander fleet. In excess

of 8 months of effort was accomplished in under 3 calendar months to deliver a fully functioning component-based 3D model, prints, and bills of materials (BOMs) which would ultimately incorporate the very best of each department’s work.

To make the vision a reality, many moving parts needed to work in concert. The concept of à la carte component purchasing was introduced and the Autodesk Inventor 3D modeling platform was employed to accelerate future development. A single design principle founded in modular architecture, consistent nomenclature, and cohesive build methodology was used throughout. Sales staff hosted a series of offsite and onsite meetings with Oregon Department of Transportation (ODOT) which solidified a partnership level of client interaction and engagement. Production established itself as the de facto fleet design partner with numerous quality, efficiency, and cost containment suggestions. Costing culled through build lists to standardize, consolidate, and renegotiate BOMs. CADD chased down every question or discrepancy until the ‘why’ was discovered and documented into easy to read, standardized buildable prints.

The final result was well worth the effort, showing the process to be

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as valuable as the product. OCE enhanced customer engagement to a co-development partnership level. AICs were involved in the ODOT onsite meeting and brought forth recommendations. They proposed manufacturing efficiencies and zero-cost product enhancements, increasing their tangible soft skills while providing ODOT measureable value. OCE gained operational efficiencies, created standard build and documentation to ensure against natural turnover, improved accuracy, and opened the door for continued evaluation and improvement. As new materials or customer requests prompt a need for a fresh look, the process is in place to create new possibilities. With all this work seamlessly integrated in Vault, the data management tool through Autodesk, helped the design teams track work in progress and maintain version control in multi-user environments. This feature protects the product line, manages the project, and AICs learn another viable skill useful for reintegration into the workforce and the community.

This project was a team effort from start to finish. OCE staff and AIC workers played a significant role in the success of the Sander re-build project. Darla Schachtsick, Zach Parker, Josh Turner, Mike Kezeor, Brad Anderson, Rhonda Rich, Bob Frey, and Nick Hankland were key contributors from the OCE staff side. Significant contributions by the AIC team merit recognition. They are:

- Matthew Pope – Lead, Heavy Fabrication, Metal Shop
 - Led the production team conversion effort
 - Identified numerous ease of build, fit and finish, and material consolidation efforts
 - Responsible for reduction of build time in the tens of hours



per unit while simultaneously increasing accuracy and consistency

- Richard Richter – Lead, Costing Clerk, CADD
 - Led the costing strategy to support the modular build and flexible à la carte customer purchase strategy
 - Consolidated and organized component BOMs for nimble pricing turnaround
 - Responsible for both a highly accurate costing

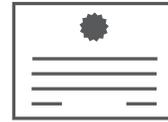


profile while significantly increasing customer quoting responsiveness

- Martin Ferrero – Purchasing Clerk, Metal Shop
 - Identified purchasing targets for materials consolidation and standardization
 - Responsible for reducing the quantity of unique parts purchased, not only for the Sanders, but for hardware standardization across all fleet products



Certification Graduates



9
Commercial Sewing
10
Embroidery



11,472
Prison Blues® hickory shirts



40,311
embroidered pieces



65,297
jeans

Garment & Embroidery

The garment program was established in 1989 to clothe Oregon's adults in custody. Today, OCE manufactures employee uniforms for various state and local industries, as well as the Prison Blues™ clothing line. Prison Blues™ work wear is sold in the United States, Europe, Japan, and Australia. In addition to our signature t-shirts and hickory shirts, we are proud to offer 100 percent U.S. made Prison Blues jeans. OCE's goal is to expand our market area even more in the coming year by continuously looking for new partners to promote and sell these products.

The embroidery program provides custom-embroidered emblems, clothing, hats, and bags. This manufacturing program enables private businesses

to offer additional products and services to their customers. On a local level, the embroidery program continues its partnership with Pendleton community leaders to provide products for the world-famous Pendleton Roundup.

Individuals working in these programs learn manufacturing skills, multi-tasking, teamwork, communication skills, and how to program and operate the computerized equipment used in this industry. Over 60 individuals are involved in these programs at Eastern Oregon Correctional Institution (EOCI) in Pendleton.

Oregon Department of Corrections (ODOC) F-1 program, proposed and developed by an OCE

Garment Factory staff member, was started over 10 years ago by the Behavioral Health Services team at EOICI. This program helps adults in custody transition from a high-intensity mental health unit (MHU) to general population by providing half-time work assignments with performance expectations in the MHU.

This meaningful work program consists of daily four-hour sessions. Staffed by ODOC professionals, the participants use scrap materials, thread, and sewing machines from the Garment Factory to make spiff items (denim bags, oven mitts, etc.), which are given away to promote Prison Blues™.



OCE programs replicate private sector work environments and require the same level of professionalism and engagement.



119
modular pieces



1,731
mattresses



4,306
chair kits

Upholstery

As manufacturing jobs have moved overseas, the number of people skilled in certain trades has declined. The OCE Upholstery Program is helping to develop skilled upholsterers for our communities' needs. With the variety of construction styles and upholstery techniques needed to make each of the OCE product lines, AICs accumulate diverse abilities that serve them well in future employment.

The Upholstery Shop provides a modular furniture line for college dorm settings as well as chairs and

reception seating for state and municipal agencies, schools, hospitals, and more. AICs are taught how to create extremely strong frames, shape foam for comfort and aesthetics, and lay out and sew fabric patterns to cover the products. They learn skills to inventory and assemble prebuilt frame parts and follow industry standard blueprints and instructions.

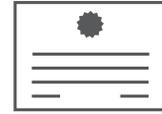
In addition to various forms of seating, the program also helps participants learn the art of making mattresses for dormitory and detention settings,

as well as for cabins and yurts in located in state and local parks. From meticulous quality control measures to the final shipping techniques, OCE workers learn the skills necessary to prepare them for real-world upholstery work.



From hand tools to high-tech machinery, AICs learn current manufacturing techniques to produce high quality products.

Certification Graduates



5
Sign Design



20,961
vinyl signs

Signage

The signage program's primary focus is quality. Since 1997, the shop has manufactured thousands of signs, plaques, and name tags, realizing substantial savings to state agencies, government organizations, businesses, and schools throughout the Northwest. OCE signs can be found in Oregon parks, school campuses, and healthcare facilities, as well as on Oregon's highways and byways.

All signs are constructed to meet state and federal standards and specifications. Staff and adults in custody take pride in high quality products and the process used to produce the signs. Only the highest quality 3M™ films and sheeting are used

for durable and cost-effective applications. We use "Lay-Up" colored films and sheeting, using negative and/or positive weeding methods to achieve excellent quality.

Work teams include highly skilled artists and signage professionals trained in design, layout, and manufacturing. This program provides the opportunity for workers to acquire training and practical experience in computer-aided drafting and design software, sign preparation, and lay-up of high density overlay and aluminum substrate signs. Additionally, some workers will learn to operate Computer Numerical Control (CNC) router and rotary

engraving equipment. Individuals receiving on-the-job training in this program gain knowledge of industry sign design standards.

An abundance of custom design work provides the opportunity to demonstrate imagination and creativity while gaining valuable design experience producing signage, banners, and plaques. Of equal value are the self-esteem, confidence, and pride experienced by participants on an everyday basis. All of these skills and values help adults in custody in their efforts towards successful re-entry into society.

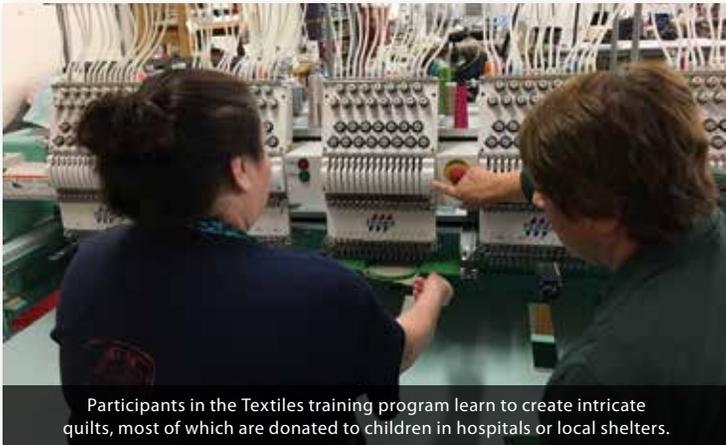


Saving taxpayer dollars: Document scanning for archiving saves agencies warehousing costs and reduces environmental impact.

Office Services

Partnering with private and public sector entities, OCE provides office services. These services are especially valuable when the local labor market cannot sustain the current need. Each customer's requirements necessitate a variety of services, so the shop is equipped and trained for such duties as:

- Non-medical transcription
- Document scanning for digital archiving
- Off-line web page analysis and reporting to grant accessibility to the visually impaired per government regulations



Participants in the Textiles training program learn to create intricate quilts, most of which are donated to children in hospitals or local shelters.

Sewing

The CCCF Sewing Program uses a combination of a sewing and embroidery curriculum, on-the-job training, and team mentors to help participants learn the skills necessary for production sewing. In addition, staff work with individuals to learn production tools from job tickets to productions schedules, from inventory to rework tickets, and more. The team works with a variety of fabrics thanks to the private partners who utilize OCE's program.

As with all other OCE training programs, the CCCF Sewing Program encourages and reinforces the soft skills necessary in any work environment. From attendance and teamwork to problem solving and work ethic, the participants receive daily coaching along with annual performance reviews. In addition, AICs in this program create individualized re-entry budgets to prepare for their financial independence upon release.



AICs learn quality control and attention to detail in sorting and shipping hangers in OCE's Hanger Sort program.

General Labor

Similar to OCE Office Services, the General Labor programs develop partnerships with both private and public sector organizations. These programs teach skills to AICs and help future employers who are experiencing labor market shortfalls.

The indoor shop is set up to handle such duties as:

- Fine detail repetitive motion
- Assembly using small tools
- Warehousing fulfillment
- And more...



Construction of the Mobile Command Center at our MCCF manufacturing shop.

Looking Forward

OCE is dedicated to continued growth in work and training opportunities, while maintaining self-sustainability in its programs to continue to reduce costs to taxpayers in Oregon. While any adult in custody who meets OCE criteria is welcome to apply for OCE assignments, OCE works with DOC to target those with higher risks of recidivating. Continuous improvement in new business development and marketing strategies ensures the agency will reach its goals and targets. To further reduce our carbon footprint, OCE continues to analyze our processes and materials to lessen our impact on the environment. OCE's main focus is currently on its self-sustainability and second-chance opportunities:

- During fiscal year 2019-20, OCE will explore establishing a career development center outside

of OSP. This center will expand the education, training, and job assignments available to AICs.

- In response to Oregon Employment Department data, OCE is giving preference to new opportunities which align with tech industry growth.
- As OCE develops partnerships with private and public organizations, priority service is given to those programs which result in second-chance employment opportunities for AICs who participated in the program.

To accomplish OCE's goals, provide support to DOC, and ensure agency efforts reflect the needs of the community, OCE will continue to participate in the Governor's Workgroup for Prison Education. OCE will continue to leverage the experience and skills provided by our Advisory Council

to form relationships with community-based business leaders and develop opportunities that work for Oregon.

OCE will continue to seek opportunities to assist DOC in developing work programs and meeting revenue benchmarks. In the coming months a new 100-seat contact center will open at DRCI, at a cost of over \$400,000, adding new OCE work opportunities for the AICs at Deer Ridge.

We are launching a new pilot program in the OSP call center, a progressive agent model. This three month pilot will start with one IT staff and four AICs who will be utilizing expanded internet and phone access to develop qualified leads for business-to-business (B2B) pipeline development.

Organizational Goals

1. Continue to diversify OCE work certifications with an emphasis on industry recognized training and certifications.
2. Develop certified workers with skills to match the current and future job markets.
3. Explore new electronic methods of delivering training.
4. Continue to improve operational efficiencies in all shops to generate positive income.

We are expanding a cutting edge program, Access2Online, a website accessibility testing center for the visually impaired. We are excited about the opportunity for the women AICs at CCCF who are often underserved in comparison to the programming options offered to male AICs. Access2Online continues to provide re-entry opportunities for OCE program participants.

Both Access2Online and Progressive Agent Model (PAM) focus on the development of real world job skills. This focus allows us to bring modern day work experiences to our AICs better preparing them for re-entry into the community.

Oregon Senator Michael Dembrow's workgroup on Prison Education supports the focus and direction of OCE in strengthening re-entry efforts. Building on

this platform, our focus is to align our programs with DOC and higher education institutions to develop a better re-entry outcome for AICs.

Reducing recidivism is a Key Performance Measure (KPM) for DOC and OCE. Together we can provide the vehicle for Oregon's AICs to re-enter society as better people.

As technology continues to advance outside of Oregon correctional facilities, the technology and certifications offered in OCE shops must advance as well to better prepare program participants for re-entry. Planning options for the development of a career readiness center are underway. The facility will include manufacturing, powder coating, sand blasting, a large paint booth, laundry, fiberglass molding and repair (laundry carts), and training/

education classrooms. This facility will offset costs to meet production demands and provide a foundation for modern certification programs and second chance employer partnerships.

Oregon is the focus of OCE's mission. OCE's future is focused on providing value and efficiencies for DOC and the citizens of Oregon.





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Oregon Corrections Enterprises

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