



*South Dakota*

PHEASANTLAND  
INDUSTRIES

FY 2010  
ANNUAL  
REPORT



SOUTH DAKOTA  
DEPARTMENT OF CORRECTIONS  

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PHEASANTLAND INDUSTRIES



DEPARTMENT OF CORRECTIONS  
**PHEASANTLAND INDUSTRIES**  
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January 11, 2011

Dear Governor Dennis Daugaard and Members of the 2011 Legislature:

Pursuant to the SDCL 24-7-37, Pheasantland Industries has published its Annual Report for Fiscal Year 2010. This report provides a general overview of Pheasantland Industries as well as summaries of activities and notable production numbers for the year. The complete report is accessible for your viewing on the world-wide web at <http://doc.sd.gov/about/publications/>. If you would like a printed copy of the complete report, please let me know and I will be happy to have one delivered to you. A synopsis of the year's activities can be found on the five pages below.

Pheasantland Industries recorded a net income of \$1,280,098 on sales of \$2,402,787 for Fiscal Year 2010. Part of this net income is a result of a \$1,000,000 transfer from Department of Revenue at the direction of Senate Bill 65, revision of license plate issuance. Profits from Pheasantland Industries are typically used to fund programs and services designed to enhance inmates' ability to lead productive lives upon their release from prison.

Our focus continues to be on developing a solid work ethic, enhancing inmates' opportunities for employment upon their release from prison and on producing high quality goods and services for South Dakota governmental entities, federal agencies and nonprofit organizations.

Sincerely,

Tim Reisch  
Secretary of Corrections



## **Mission**

*To provide products and services to South Dakota governmental entities, federal agencies, non-profit organizations and state employees. To provide work opportunities for inmates, preparing them for successful return to their communities.*

## **Unique Employment**

Industries in a prison environment operate differently than businesses in a free society. Strict security procedures and scheduling are set by prison officials. Industry shops operate Monday through Friday from 7:30 a.m. to 3:30 p.m. Inmate count procedures and staff scheduling usually prohibit overtime and weekend work.

Inmates in traditional prison industries earn \$.25 per hour. Federal law requires that inmates working for private industry must be paid prevailing, local market wages for the type of work performed. Inmates typically use their wages to buy toiletries and foodstuffs. A percentage is also retained in an inmate worker's savings account for use upon release or parole. Payroll deductions for inmates working at private industry jobs include, but are not limited to, social security, federal income taxes, incarceration fees, victim compensation and family support.

At the close of Fiscal Year 2010, the Pheasantland Industries Staff consisted of 14 FTE. The work force totaled 248 inmates in traditional industries and 45 inmates in private sector industries.

## **Outlook for FY2011**

Pheasantland Industries will continue to look for new industries that will provide more opportunity for inmate employment. As always, we will not expand to any industry that would be in direct competition with the local private sector.

## **Traditional Industries**

In Fiscal Year 2010, Pheasantland Industries consists of traditional prison industries: license plates/decals, carpentry, upholstery, print/bookbinding, Braille shop/tactile graphics, sign, machine, garments/screen printing and data entry.

All traditional industries operate at the State Penitentiary in Sioux Falls, except the garment and screen print shops which are located at the Mike Durfee State Prison in Springfield and the data entry and scanning project which is located at the Women's Prison in Pierre. Prison industry shops are designed to meet standards established by the Occupational Safety and Health Administration. They are also inspected annually by the State Fire Marshal and Risk Management and must meet all standards established by those offices.

By policy, traditional prison industries can provide work only for government agencies, non-profit organizations and employees of the State of South Dakota.

Most notable shop production numbers for FY2010

**Data Entry and Scan Shop**

303,611,382 -data entry keystrokes  
5,358,633 -pages scanned

**Print/Book Bindery Shop**

4,039,973 -printing impressions  
1,748 -books refurbished

**Braille Transcription/Graphics Shop**

184,913 -pages of Braille, transcribed and printed  
7,059 -tactile pages of graphics produced  
84,214 -large print pages printed

**License Plate Shop**

240,000 -decals for boats, snowmobiles, prorated tags and housing  
182,211 -license plates

**Sign Shop**

163,219 -square feet of signage

**Upholstery Shop**

915 -mattresses  
637 -pillows  
3,732 -bath towels

**Garment/Screen Print Shop**

21,719 -garments screened ("DOC"/"Inmate") for Department of Corrections  
13,355 -khaki pants  
432 -khaki shirts  
33,244 -T-shirts  
35,685 -boxer shorts  
5,259 -fleece blankets, pillowcases, sheets  
1,026 -kitchen pants, shirts and jackets  
1,944 -navy pants

**Carpentry Shop**

87 -sets of cabinets for the Governor's Housing Program and daycare centers

## **Industry Descriptions:**

License Plates/Decal Shop: Produces auto and truck, motorcycle, trailer, apportioned vehicle, tribal and state vehicle plates and license decals for mobile homes, boats and snowmobiles.

Carpentry Shop: Cabinet shop builds kitchen and bathroom cabinets and vanities, counter tops, linen cabinets and trim. Custom furniture builds desks, credenzas, conference tables, bookshelves, chairs, bed frames and wardrobes. They also refurbish pews for churches.

Upholstery Shop: Provides a full line of office seating, reupholsters all types of furniture in fabric, vinyl and leather, manufactures mattresses, and pillows.

Print/Bindery Shop: Prints business cards, envelopes, brochures, letterhead, and business forms. Repairs and binds books, magazines and meeting minutes

Braille/Tactile Graphic Shop: Workers are individually certified by the Library of Congress for transcription. Transcribe books, magazines, greeting cards, business cards, and brochures into Braille. Large print books are also produced for those with limited sight. The services of the Braille unit are available to the South Dakota State Library, to students and teachers nationwide. An expansion into Tactile Graphics has increased the production of maps, graphs, and science pictures for all textbooks. The Tactile Graphics Shop is setting the standards for graphics and is well known nationally for its quality of work.

Sign Shop: Produces highway and road signs for the South Dakota Department of Transportation and other local governments, as well as decals for county sheriffs, city police departments, South Dakota Highway Patrol, and state and local government vehicles.

Machine Shop: Provides metal fabrication and welding services to state and federal governments and non-profit organizations. Current products include steel bed frames, belly chains, inmate clothing lockers and hazardous materials cabinets.

Garment/Screen Print Shop: Manufactures khaki trousers and shirts, jackets, coveralls, boxers, blankets, sheets, and T-shirts and prints for governmental and non-profit agencies.

Data Entry Shop: Provides data entry and scanning services for the Department of Social Services and the Department of Health.

# Private Industry Enhancement

As the inmate population of adult corrections system grows, so does the need to provide more work opportunities for inmates. Traditional industries also have a very limited market in which to sell its goods. These two facts prompted the decision to explore private sector industry possibilities.

In June of 1989, the Department of Corrections applied for certification in the Private Sector/Prison Industries Enhancement Program. This application was forwarded to the United States Bureau of Justice Assistance after the South Dakota Legislature passed legislation permitting private sector involvement in prison industries. South Dakota was granted certification in 1990.

In addition to the State's certification, each private sector enterprise must be approved by the federal government. The application for each enterprise must include the enterprise market, the number of inmates to be employed, the wages to be paid, and verification that the venture will not impact the local market.

## **FY 2010 Activities**

Inmate wages paid in the private sector for FY 2010 was \$470,481. Inmates employed in these industries paid \$28,229 to the South Dakota Crime Victims' Compensation Fund, \$141,145 for incarceration costs, \$28,229 in family support obligation, \$25,429 in federal taxes, \$35,992 in social security and \$51,669 in Private Sector Prison Industry Supplemental.

Private sector businesses operating during FY2010 included Metalcraft Industries, which has welding and machine tool operations at the Jameson Annex and a window component assembly line at the Penitentiary. Because Metalcraft Industries is a Prison Industries Enhanced Program they must pay their inmate employee's wages that are comparable to local industry.

## **FY 2010 Contracts**

Pheasantland Industries during FY2010 contracted with:  
Metalcraft Industries for the Private Industries Enhancement Program  
Hope Haven Ministries for the Wheelchair Restoration Program  
Personal Group for the Data Entry & Scanning Program at the Women's Prison.

**Pheasantland Industries’ total sales and net income since FY 1997 is as follows:**

FY 1997	Total sales	\$ 1,588,700
	Net Income	\$ 192,487
FY 1998	Total sales	\$ 1,925,971
	Net Income	\$ 312,591
FY 1999	Total sales	\$ 1,901,404
	Net Income	\$ 232,762
FY 2000	Total sales	\$ 2,678,927
	Net Income	\$ 150,774
FY 2001	Total sales	\$ 2,643,707
	Net Income	\$ 405,083
FY 2002	Total sales	\$ 1,975,086
	Net Income	\$ 303,322
FY 2003	Total sales	\$ 2,312,306
	Net income	\$ 148,020
FY 2004	Total sales	\$ 2,471,744
	Net income	\$ 97,884
FY 2005	Total sales	\$ 2,778,389
	Net income	\$ (354,261) *
FY2006	Total sales	\$ 6,008,960
	Net Income	\$ 754,187
FY2007	Total sales	\$ 3,279,756
	Net Income	\$ 412,197
FY2008	Total sales	\$ 2,808,433
	Net Income	\$ 278,602
FY 2009	Total Sales	\$2,541,571
	Net Income	\$ (883,267)**
FY 2010	Total Sales	\$2,396,234
	Net Income	\$1,280,098***

\*Transferred \$525,651 to DOC for construction costs for Jameson Unit D and MDSP Barracks.

\*\* Transferred \$1,000,000 to General Fund

\*\*\* Transferred \$1,000,000 from Department of Revenue

# Statement of Net Assets

STATE OF SOUTH DAKOTA								
DEPARTMENT OF CORRECTIONS								
PHEASANTLAND INDUSTRIES								
STATEMENT OF NET ASSETS								
6/30/2010								
	Admin.	License			Book-	Braille/		
ASSETS	Office	Plate/Decals	Carpentry	Upholstery	Bindery	Tactile Graphics	Sign	Machine
Current Assets:								
Cash and Cash equivalents	\$ (741,927.88)	\$ 1,591,707.56	\$ 122,955.88	\$ 340,736.38	\$ 21,704.87	\$ 315,365.47	\$ 495,037.19	\$ 30,973.18
Receivables:								
Interest and Dividends	584.97	25,076.99	3,877.29	10,004.01	1,122.68	10,197.18	16,685.64	1,059.17
Other Funds	224,422.42	58,313.76		4,219.59	4,339.24			195.00
Component Units			11,875.85				429.21	
Other			10,794.99	3,025.41	5,459.38	16,113.24	902.81	
Other Governments	15.94	114,643.18	141.31		104.56	10,477.23	2,872.09	
Inventory	-	584,534.81	81,598.88	45,496.85	10,080.79	21,732.85	27,479.83	4,326.48
Total Current Assets	\$ (516,904.55)	\$ 2,374,276.30	\$ 231,244.20	\$ 403,482.24	\$ 42,811.52	\$ 373,885.97	\$ 543,406.77	\$ 36,553.83
Capital Assets:								
Construction In Progress								
Buildings and Improvements	719,301.72							
Accum Depreciation - Bldg.	(202,716.13)							
Equipment	59,267.44	320,891.38	72,550.52		36,536.75	31,309.13	5,215.00	12,250.00
Accum Depreciation - Equipment	(42,185.91)	(235,469.66)	(52,205.63)	-	(35,356.75)	(25,680.95)	(5,215.00)	(6,431.41)
Total Capital Assets	533,667.12	85,421.72	20,344.89	-	1,180.00	5,628.18	-	5,818.59
Other Noncurrent Assets								
	3,585.00	8,794.42	-	-	-	40.75	11,127.49	-
<b>Total Assets</b>	<b>\$ 20,347.57</b>	<b>\$ 2,468,492.44</b>	<b>\$ 251,589.09</b>	<b>\$ 403,482.24</b>	<b>\$ 43,991.52</b>	<b>\$ 379,554.90</b>	<b>\$ 554,534.26</b>	<b>\$ 42,372.42</b>
<b>Liabilities</b>								
Current Liabilities								
Accounts Payable	\$ 3,752.29	\$ 3,299.70	\$ 5,243.39	\$ 327.79	\$ 635.83	\$ 651.67	\$ 2,039.51	\$ 190.21
Due to Other Funds	1,757.94	96,392.52	17,718.31	6,820.19	1,958.27	17,620.76	11,278.91	688.99
Component Units	2,870.42	1,688.26	3,150.18	785.73	659.94	3,711.73	2,522.61	202.56
Salaries Payable	11,136.98	3,409.71	5,528.24	3,215.92	4,053.90	894.11	3,166.61	
Deferred Revenue	-	-	9,525.00	52,766.60	-	-	-	1,490.00
Total Current Liabilities	19,517.63	104,790.19	41,165.12	63,916.23	7,307.94	22,878.27	19,007.64	2,571.76
Noncurrent Liabilities								
Accrued Employee Benefits - LT	31,451.92	11,288.30	6,231.85	10,475.82	13,443.58	-	10,266.76	-
Total Liabilities	50,969.55	116,078.49	47,396.97	74,392.05	20,751.52	22,878.27	29,274.40	2,571.76
<b>Net Assets</b>								
Unreserved Retained Earnings	(30,621.98)	2,352,413.95	204,192.12	329,090.19	23,240.00	356,676.63	525,259.86	39,800.66
Total Net Assets	(30,621.98)	2,352,413.95	204,192.12	329,090.19	23,240.00	356,676.63	525,259.86	39,800.66
Total Liabilities and Net Assets	\$ 20,347.57	\$ 2,468,492.44	\$ 251,589.09	\$ 403,482.24	\$ 43,991.52	\$ 379,554.90	\$ 554,534.26	\$ 42,372.42

# Statement of Net Assets (continued)

STATE OF SOUTH DAKOTA					
DEPARTMENT OF CORRECTIONS					
PHEASANTLAND INDUSTRIES					
STATEMENT OF NET ASSETS					
6/30/2010					
<b>ASSETS</b>	<b>Print</b>	<b>Garment/ Screen Print</b>	<b>Private Sector</b>	<b>Data Entry</b>	<b>Total</b>
Current Assets:					
Cash and Cash equivalents	\$ 21,222.45	\$ 170,586.58	\$ 452,405.25	\$ 469,171.90	\$ 3,289,938.83
Receivables:					
Interest and Dividends		3,933.21	15,101.94	15,380.65	103,023.73
Other Funds	1,272.42				292,762.43
Component Units					12,305.06
Other	5,668.56	7,312.88	7,862.33		57,139.60
Other Governments	12,711.73	2,791.46	20,783.73	23,948.50	188,489.73
Inventory	<u>34,494.94</u>	<u>261,787.89</u>	<u>-</u>	<u>-</u>	<u>1,071,533.32</u>
Total Current Assets	\$ 75,370.10	\$ 446,412.02	\$ 496,153.25	\$ 508,501.05	\$ 5,015,192.70
Capital Assets:					
Construction In Progress					-
Buildings and Improvements			801,320.63		1,520,622.35
Accum Depreciation - Bldg.			(375,154.31)		(577,870.44)
Equipment	234,787.76	23,569.00			796,376.98
Accum Depreciation - Equipment	<u>(210,437.06)</u>	<u>(17,036.86)</u>	<u>-</u>	<u>-</u>	<u>(630,019.23)</u>
Total Capital Assets	24,350.70	6,532.14	426,166.32	-	1,109,109.66
Other Noncurrent Assets					
	-	-	1,405.80	-	24,953.46
<b>Total Assets</b>	<b>\$ 99,720.80</b>	<b>\$ 452,944.16</b>	<b>\$ 923,725.37</b>	<b>\$ 508,501.05</b>	<b>\$ 6,149,255.82</b>
<b>Liabilities</b>					
Current Liabilities					
Accounts Payable	\$ (1,686.63)	\$ 4,041.73		\$ 20,109.93	\$ 38,605.42
Due to Other Funds	80,408.46	27,386.56	9,996.16	20,735.36	292,762.43
Component Units	1,533.20	2,950.41	1,138.76	5,324.50	26,538.30
Salaries Payable	393.20	3,065.98	5,621.92	-	40,486.57
Deferred Revenue	-	21,046.05	-	-	84,827.65
Total Current Liabilities	80,648.23	58,490.73	16,756.84	46,169.79	483,220.37
Noncurrent Liabilities					
Accrued Employee Benefits - LT	2,075.73	7,952.19	19,309.85	-	112,496.00
Total Liabilities	82,723.96	66,442.92	36,066.69	46,169.79	595,716.37
<b>Net Assets</b>					
Unreserved Retained Earnings	<u>16,996.84</u>	<u>386,501.24</u>	<u>887,658.68</u>	<u>462,331.26</u>	<u>5,553,539.45</u>
Total Net Assets	<u>16,996.84</u>	<u>386,501.24</u>	<u>887,658.68</u>	<u>462,331.26</u>	<u>5,553,539.45</u>
Total Liabilities and Net Assets	\$ 99,720.80	\$ 452,944.16	\$ 923,725.37	\$ 508,501.05	\$ 6,149,255.82

# Statement of Revenues, Expenses and Changes in Fund Net Assets

STATE OF SOUTH DAKOTA								
DEPARTMENT OF CORRECTIONS								
PHEASANTLAND INDUSTRIES								
STATEMENT OF REVENUES, EXPENSES								
AND CHANGES IN FUND NET ASSETS								
TWELVE MONTHS ENDED 06/30/2010								
	Admin.	License			Book-	Braille/		
	Office	Plate/Decals	Carpentry	Upholstery	Bindery	Tactile Graphics	Sign	Machine
Operating Revenue:								
Sales and Services	\$ 15,313.29	\$ 536,625.90	\$ 254,739.56	\$ 101,100.71	\$ 29,028.94	181,639.76	162,421.44	10,213.34
Rent Income								
Other Revenue	<u>222,080.42</u>	<u>1,252.95</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Revenue:	237,393.71	537,878.85	254,739.56	101,100.71	29,028.94	181,639.76	162,421.44	10,213.34
Operating Expenses:								
Personal Services and Benefits	164,720.30	55,476.49	90,468.15	10,429.79	16,127.34	51,171.45	6,517.04	
Travel	3,695.00		214.84					
Contractual Services	37,201.23	50,362.51	19,379.19	3,974.39	12,591.31	38,506.30	8,691.15	1,050.54
Supplies	11,635.18	250,301.60	138,925.49	59,402.28	6,983.39	41,275.93	99,863.28	4,645.04
Depreciation	32,404.20	14,215.17	6,891.13			7,028.64		1,224.96
Other Expense	<u>1,034.60</u>	<u>96,275.42</u>	<u>17,236.03</u>	<u>6,820.19</u>	<u>1,958.27</u>	<u>12,253.30</u>	<u>10,956.84</u>	<u>688.99</u>
Total Operating Expenses	250,690.51	466,631.19	273,114.83	80,626.65	37,660.31	150,235.62	126,028.31	7,609.53
Operating Income (Loss)	(13,296.80)	71,247.66	(18,375.27)	20,474.06	(8,631.37)	31,404.14	36,393.13	2,603.81
Nonoperating Revenue (Expenses):								
Loss on Disposal of Assets								
Interest Income	584.97	25,076.99	3,877.29	10,004.01	1,122.68	10,197.18	16,685.64	1,059.17
Other Income (Expense)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Nonoperating Revenue (Expenses)	584.97	25,076.99	3,877.29	10,004.01	1,122.68	10,197.18	16,685.64	1,059.17
Income (Loss) Before Operating Transfers	(12,711.83)	96,324.65	(14,497.98)	30,478.07	(7,508.69)	41,601.32	53,078.77	3,662.98
Transfers:								
Transfers In		1,000,000.00						
Transfers Out	<u>-</u>	<u>(110,033.48)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Transfers in (Out)	-	889,966.52	-	-	-	-	-	-
Change in Net Assets	(12,711.83)	986,291.17	(14,497.98)	30,478.07	(7,508.69)	41,601.32	53,078.77	3,662.98
Net Assets at Beginning of Year	(17,910.15)	1,366,122.78	218,690.10	298,612.12	30,748.69	315,075.31	472,181.09	36,137.68
Net Assets at End of Year	<u>\$ (30,621.98)</u>	<u>\$ 2,352,413.95</u>	<u>\$ 204,192.12</u>	<u>\$ 329,090.19</u>	<u>\$ 23,240.00</u>	<u>\$ 356,676.63</u>	<u>\$ 525,259.86</u>	<u>\$ 39,800.66</u>

# Statement of Revenues, Expenses and Changes in Fund Net Assets (continued)

STATE OF SOUTH DAKOTA					
DEPARTMENT OF CORRECTIONS					
PHEASANTLAND INDUSTRIES					
STATEMENT OF REVENUES, EXPENSES					
AND CHANGES IN FUND NET ASSETS					
TWELVE MONTHS ENDED 06/30/2010					
	<u>Print</u>	<u>Garment/ Screen Print</u>	<u>Private Sector</u>	<u>Data Entry</u>	<u>Total</u>
<b>Operating Revenue:</b>					
Sales and Services	255,867.50	400,763.68	141,144.70	307,375.60	\$ 2,396,234.42
Rent Income			350.00		\$ 350.00
Other Revenue	-	-	4,950.00	-	\$ 228,283.37
<b>Total Operating Revenue:</b>	<b>255,867.50</b>	<b>400,763.68</b>	<b>146,444.70</b>	<b>307,375.60</b>	<b>2,624,867.79</b>
<b>Operating Expenses:</b>					
Personal Services and Benefits	51,448.93	48,336.23	90,234.75		584,930.47
Travel					3,909.84
Contractual Services	63,529.10	17,687.93	5,123.44	232,929.59	491,026.68
Supplies	83,439.95	223,500.30	2,152.68	6,846.01	928,971.13
Depreciation	14,199.72	1,141.92	29,678.76		106,784.50
Other Expense	17,260.65	27,038.23	9,879.06	20,735.36	222,136.94
<b>Total Operating Expenses</b>	<b>229,878.35</b>	<b>317,704.61</b>	<b>137,068.69</b>	<b>260,510.96</b>	<b>2,337,759.56</b>
<b>Operating Income (Loss)</b>	<b>25,989.15</b>	<b>83,059.07</b>	<b>9,376.01</b>	<b>46,864.64</b>	<b>287,108.23</b>
<b>Nonoperating Revenue (Expenses):</b>					
Loss on Disposal of Assets					-
Interest Income		3,933.21	15,101.94	15,380.55	103,023.63
Other Income (Expense)	-	-	-	-	-
<b>Total Nonoperating Revenue (Expenses)</b>	<b>-</b>	<b>3,933.21</b>	<b>15,101.94</b>	<b>15,380.55</b>	<b>103,023.63</b>
<b>Income (Loss) Before Operating Transfers</b>	<b>25,989.15</b>	<b>86,992.28</b>	<b>24,477.95</b>	<b>62,245.19</b>	<b>390,131.86</b>
<b>Transfers:</b>					
Transfers In					1,000,000.00
Transfers Out	-	-	-	-	(110,033.48)
<b>Net Transfers in (Out)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>889,966.52</b>
<b>Change in Net Assets</b>	<b>25,989.15</b>	<b>86,992.28</b>	<b>24,477.95</b>	<b>62,245.19</b>	<b>1,280,098.38</b>
<b>Net Assets at Beginning of Year</b>	<b>(8,992.31)</b>	<b>299,508.96</b>	<b>863,180.73</b>	<b>400,085.97</b>	<b>4,273,440.97</b>
<b>Net Assets at End of Year</b>	<b>\$ 16,996.84</b>	<b>\$ 386,501.24</b>	<b>\$ 887,658.68</b>	<b>\$ 462,331.16</b>	<b>\$ 5,553,539.35</b>

# Statement of Net Cash Flow

STATE OF SOUTH DAKOTA								
DEPARTMENT OF CORRECTIONS								
PHEASANTLAND INDUSTRIES								
TWELVE MONTHS ENDED 06/30/2010								
	Admin.	License			Book-	Braille/		
Cash Flows From Operating Activities	Office	Plate/Decals	Carpentry	Upholstery	Bindery	Tactile Graphics	Sign	Machine
Receipts from Customers And Users	13,728.72	2,964.45	206,691.73	22,795.54	16,328.34	103,688.24	30,828.82	1,666.50
Receipts from Interfund Services Provided	226,100.19	491,163.65	53,897.79	132,206.01	8,868.03	91,503.09	133,711.42	9,841.84
Payments to Supplies	(35,493.93)	(439,854.47)	(161,741.81)	(68,239.04)	(18,989.98)	(74,480.08)	(103,039.47)	(6,313.64)
Payments for Employee Services	(164,287.33)	(55,795.18)	(90,494.56)	(9,842.76)	(14,075.51)	(50,811.36)	(6,504.10)	
Payments for Interfund Services Used	(16,697.64)	(44,455.57)	(26,057.45)	(10,083.56)	(4,263.05)	(20,359.05)	(8,612.69)	(1,047.23)
Net Cash Provided by Operating Activities	23,350.01	(45,977.12)	(17,704.30)	66,836.19	(12,132.17)	49,540.84	46,383.98	4,147.47
Cash Flows From Capital And Related Financing Activities:								
Purchase of Fixed Assets								
Construction In Progress								
Sales of Fixed Assets	-	-	-	-	-	-	-	-
Net Cash	-	-	-	-	-	-	-	-
Cash Flows from Non capital Financing								
Residual Equity Transfer Out		(110,033.48)						
Operating Transfer in	-	1,000,000.00	-	-	-	-	-	-
Net Cash	-	889,966.52	-	-	-	-	-	-
Cash Flows From Investing								
Investment Income	1,412.95	26,843.12	4,308.52	9,283.58	1,474.34	8,832.78	15,870.40	905.21
Rent Income	-	-	-	-	-	-	-	-
Net Cash	1,412.95	26,843.12	4,308.52	9,283.58	1,474.34	8,832.78	15,870.40	905.21
Net Increase	24,762.96	870,832.52	(13,395.78)	76,119.77	(10,657.83)	58,373.62	62,254.38	5,052.68
Beginning	(766,690.84)	720,875.04	136,351.66	264,616.61	32,362.70	256,991.85	432,782.81	25,920.50
Ending	(741,927.88)	1,591,707.56	122,955.88	340,736.38	21,704.87	315,365.47	495,037.19	30,973.18
Reconciliation of Operating Income To								
Net Cash Provided by Operating Activities								
Operating Income	(13,296.80)	71,247.66	(18,375.27)	20,474.06	(8,631.37)	31,404.14	36,393.13	2,603.81
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities								
Depreciation Expense	32,404.20	14,215.17	6,891.13	-	-	7,028.64	-	1,224.96
Increase/Decrease in Assets:								
(Increase)/Decrease In Accounts Receivable			(1,798.31)	(2,725.71)	(4,259.08)	1,567.66	(290.65)	
(Increase)/Decrease In Due From Other Funds	1,677.77	(62.29)	332.45	701.49	3,011.61	47.96	52.43	(195.00)
(Increase)/Decrease In Due From Component			(1,111.85)				1,772.62	
(Increase)/Decrease In Due From Other Agency	(15.94)	(43,750.75)	2,104.78	2,839.90	(104.56)	11,472.85	1,455.10	
(Increase)/Decrease in Prepaid Expense	1,228.42	(8,794.42)				(40.75)	1,718.20	
(Increase)/Decrease In Inventory		(133,787.09)	(8,170.31)	(6,029.65)	1,099.98	6,432.05	2,071.62	(948.61)
Increase/Decrease in Liabilities:								
Increase/(Decrease) in Accounts Payable	3,011.72	1,024.55	708.99	245.69	74.07	(3,532.54)	1,941.09	190.21
Increase/(Decrease) in Empl Benefits Payable	1,270.86	30.76	54.69	29.62	535.85	504.61	(180.68)	
Increase/(Decrease) in Deferred Revenue	(1,568.63)		6,140.00	52,766.60				1,490.00
Increase/(Decrease) in Due to Other funds	71.94	54,480.51	(4,459.46)	(2,563.63)	(4,818.27)	(5,349.11)	5,881.20	(241.46)
Increase/(Decrease) in Due to Other Components	(595.64)	(231.77)	59.96	300.52	227.12	5.33	(1,851.15)	23.56
Increase/(Decrease) in Accrued Leave Liability	(837.89)	(349.45)	(81.10)	797.30	732.48	-	(2,578.93)	-
Total adjustments	36,646.81	(117,224.78)	670.97	46,362.13	(3,500.80)	18,136.70	9,990.85	1,543.66
Net Cash Proved by Operating Activities	23,350.01	(45,977.12)	(17,704.30)	66,836.19	(12,132.17)	49,540.84	46,383.98	4,147.47

# Statement of Net Cash Flow (continued)

STATE OF SOUTH DAKOTA					
DEPARTMENT OF CORRECTIONS					
PHEASANTLAND INDUSTRIES					
TWELVE MONTHS ENDED 06/30/2010					
	Print	Garment/ Screen Print	Private Sector	Data Entry	Total
<b>Cash Flows From Operating Activities</b>					
Receipts from Customers And Users	36,746.31	76,222.06	34,850.77		546,511.48
Receipts from Interfund Services Provided	212,092.67	352,981.00	114,471.56	313,273.54	2,140,110.79
Payments to Supplies	(140,203.98)	(286,171.13)	(10,731.80)	(195,360.91)	(1,540,620.24)
Payments for Employee Services	(52,386.06)	(47,969.53)	(90,427.72)		(582,594.11)
Payments for Interfund Services Used	(42,514.40)	(40,390.82)	(19,913.26)	(78,277.15)	(312,671.87)
Net Cash Provided by Operating Activities	13,734.54	54,671.58	28,249.55	39,635.48	250,736.05
<b>Cash Flows From Capital And Related Financing</b>					
Activities:					
Purchase of Fixed Assets					-
Construction In Progress					-
Sales of Fixed Assets	-	-	-	-	-
Net Cash	-	-	-	-	-
<b>Cash Flows from Non capital Financing</b>					
Residual Equity Transfer Out					(110,033.48)
Operating Transfer in	-	-	-	-	1,000,000.00
Net Cash	-	-	-	-	889,966.52
<b>Cash Flows From Investing</b>					
Investment Income		2,599.21	14,025.37	12,949.63	98,505.11
Rent Income	-	-	-	-	-
Net Cash	-	2,599.21	14,025.37	12,949.63	98,505.11
<b>Net Increase</b>	13,734.54	57,270.79	42,274.92	52,585.11	1,239,207.68
Beginning	7,487.91	113,315.79	410,130.33	416,586.79	2,050,731.15
Ending	21,222.45	170,586.58	452,405.25	469,171.90	3,289,938.83
<b>Reconciliation of Operating Income To</b>					
Net Cash Provided by Operating Activities					
Operating Income	25,989.15	83,059.07	9,376.01	46,864.64	287,108.23
Adjustments to Reconcile Operating Income to					
Net Cash Provided by Operating Activities					
Depreciation Expense	14,199.72	1,141.92	29,678.76	-	106,784.50
<b>Increase/Decrease in Assets:</b>					
(Increase)/Decrease In Accounts Receivable	1,962.29	5,217.64	7,155.61		6,829.45
(Increase)/Decrease In Due From Other Funds	2,899.57	51.04			8,517.03
(Increase)/Decrease In Due From Component					660.77
(Increase)/Decrease In Due From Other Agency	(8,193.89)	2,165.74	(11,255.85)	5,897.94	(37,384.68)
(Increase)/Decrease in Prepaid Expense			(1,339.78)		(7,228.33)
(Increase)/Decrease In Inventory	7,515.44	(50,051.66)			(181,868.23)
<b>Increase/Decrease in Liabilities:</b>					
Increase/(Decrease) in Accounts Payable	(7,479.49)	543.90		(287.91)	(3,559.72)
Increase/(Decrease) in Empl Benefits Payable	3.65	128.86	41.09		2,419.31
Increase/(Decrease) in Deferred Revenue		21,046.05			79,874.02
Increase/(Decrease) in Due to Other funds	(22,824.81)	(9,102.29)	(6,810.58)	(12,804.71)	(8,540.67)
Increase/(Decrease) in Due to Other Components	(337.09)	233.47	618.12	(34.48)	(1,582.05)
Increase/(Decrease) in Accrued Leave Liability	-	237.84	786.17	-	(1,293.58)
Total adjustments	(12,254.61)	(28,387.49)	18,873.54	(7,229.16)	(36,372.18)
Net Cash Proved by Operating Activities	13,734.54	54,671.58	28,249.55	39,635.48	250,736.05