DEPARTMENT OF CORRECTIONS
PHEASANTLAND INDUSTRIES
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January 12, 2010

Dear Governor Rounds and Members of the 2010 Legislature:

Pursuant to the SDCL 24-7-37, Pheasantland Industries has published its Annual Report for Fiscal Year 2009. 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 loss of $(883,267) on sales of $2,547,571 for Fiscal Year 2009. This loss is a result of a $1,000,000 transfer to the state general fund. 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

Tim Reisch
Secretary of Corrections

Mission

To provide products and services to South Dakota governmental entities, federal agencies, non-profit organization 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 2009, the Pheasantland Industries Staff consisted of 15 FTE. The work force totaled 258 inmates in traditional industries and 21 inmates in private sector industries.

Outlook for FY2010

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 2009, traditional prison industries consisted of 12 industries: upholstery, printing, sign, decal, bookbindery, Braille unit/tactile graphics, license plates, cabinet and custom furniture, garments/screen printing, data entry, wheelchair refurbishing and stocking hat knitting.

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 FY2009

- 907-mattresses and 534-pillows for Department of Corrections
- 222,478 pages of Braille, transcribed and printed
- 7,897-tactile pages of graphics produced
- 61,000-large print pages printed
- 3,619,331-printing impressions
- 1,211-books refurbished
- 219,180-decals for boats, snowmobiles, prorate tags and housing
- 92,492-square feet of signage for DOT, local and county governments
- 81-sets of cabinets for the Governor's Housing Program and daycare centers
- 111,919-license plates
- 13,246-khaki pants
- 1,872-khaki shirts
- 27,018-T-shirts
- 25,488-boxer shorts
- 3,080-kitchen pants, shirts and jackets
- 67,588-garments screened ("DOC"/"Inmate") for Department of Corrections
- 353,024,358-data entry keystrokes for the Department of Social Services.
- 6,257,274 pages scanned for the Department of Social Services
- 1,395-knitted stocking hats
- 2,837-wheelchairs refurbished
- 335-new "Roc" manufactured wheelchairs

Industry Descriptions:

Custom Furniture Shop: Custom furniture including desks, credenzas, conference tables, bookshelves, chairs, bed frames and wardrobes. They also refurbish pews for churches.

Cabinet Shop: Kitchen and bathroom cabinets and vanities, counter tops, linen cabinets and trim.

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

Print Shop: Business cards, envelopes, brochures, letterhead and business forms.

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

Decals: License Decals for mobile homes, boats, & snowmobiles.

Book Bindery: Repairs and binds books, magazines and meeting minutes.

Braille Unit: Certified by the American Printing House for the Blind for transcription. Transcribes books, magazines, greeting cards, business cards, and brochures into Braille or large print. 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 becoming well known nationally for its quality of work.

License Plates: Auto and truck, motorcycle, trailer, apportioned vehicle, tribal, and state vehicle plates.

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 Shop: Manufactures khaki trousers and shirts, jackets, coveralls, parkas, boxers, blankets, sheets and t-shirts.

Screen Print Shop: Prints for governmental and non-profit agencies.

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

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 2009 Activities

Inmate wages paid in the private sector for FY 2009 was $583,376. Inmates employed in these industries paid $35,005 to the South Dakota Crime Victims' Compensation Fund, $174,923 for incarceration costs, $35,005 in family support obligation, $41,407 in federal taxes, and $44,628 in social security.

Private sector businesses operating during FY2009 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 2009 Contracts

Pheasantland Industries during FY2009 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 Penitentiary

Pheasantland Industries' total sales and net income since FY 1996 is as follows:

FY 1996	Total sales	$ 2,398,031
	Net Income	$ 260,372
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)**

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

** Transferred $1,000,000 to Office of Governor

STATE OF SOUTH DAKOTA
DEPARTMENT OF CORRECTIONS
PHEASANTLAND INDUSTRIES
STATEMENT OF NET ASSETS
06/30/2009

ASSETS	Admin. Office	Building Fund	License Plate	Furniture	Book-Bindery	Braille Unit	Sign	Machine Shop	Customer Model-BSI	Customer Model-TLDW
Current Assets:										
Cash and Cash equivalents	$(207,272.63)	$(559,441.85)	$ 720,875.04	$400,968.27	$32,362.70	$256,991.85	$432,782.81	$25,920.50		
Receivables:										
Interest and Dividends	1,412.95		26,843.12	13,592.10	1,474.34	8,832.78	15,870.40	905.21		
Other Funds	226,100.19		58,251.47	5,253.53	7,350.85	47.96	52.43			-
Component Units				10,764.00			2,201.83			
Other				9,296.38	1,200.30	17,680.90	612.16			-
Other Governments			70,892.43	5,085.99		21,950.08	4,327.19		-	-
Inventory	-	-	450,747.72	112,895.77	11,180.77	28,164.90	29,551.45	3,377.87	-	-
Total Current Assets	$ 20,240.51	$(559,441.85)	$1,327,609.78	$557,856.04	$53,568.96	$333,668.47	$485,398.27	$30,203.58	$ -	$ -
Capital Assets:										
Construction In Progress				-						
Buildings and Improvements		719,301.72	-	-						
Accum Depreciation - Bldg.		(176,559.01)	-	-						
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	(35,938.83)	-	(221,254.49)	(45,314.50)	(35,356.75)	(18,652.31)	(5,215.00)	(5,206.45)		-
Total Capital Assets	23,328.61	542,742.71	99,636.89	27,236.02	1,180.00	12,656.82	-	7,043.55	-	-
Other Noncurrent Assets	4,813.42	-		-	-		12,845.69			
Total Assets	$ 48,382.54	$ (16,699.14)	$1,427,246.67	$585,092.06	$54,748.96	$346,325.29	$498,243.96	$37,247.13	$ -	$ -
Liabilities										
Current Liabilities										
Accounts Payable	$ 740.57		$ 2,275.15	$ 4,616.50	$ 561.76	$ 4,184.21	$ 98.42			$ -
Due to Other Funds	607.03	1,055.33	41,912.01	31,561.59	6,776.54	22,969.87	5,397.71	930.45		-
Component Units	3,466.06		1,920.03	3,575.43	432.82	3,706.40	4,373.76	179.00		
Salaries Payable	9,866.12		3,378.95	8,659.85	3,518.05	389.50	3,347.29			-
Deferred Revenue	-	1,568.63	-	3,385.00	-	-	-	-	-	-
Total Current Liabilities	14,679.78	2,623.96	49,486.14	51,798.37	11,289.17	31,249.98	13,217.18	1,109.45	-	-
Noncurrent Liabilities										
Accrued Employee Benefits - LT	32,289.81	-	11,637.75	15,991.47	12,711.10	-	12,845.69	-	-	-
Total Liabilities	46,969.59	2,623.96	61,123.89	67,789.84	24,000.27	31,249.98	26,062.87	1,109.45	-	-
Net Assets										
Unreserved Retained Earnings	1,412.95	(19,323.10)	1,366,122.78	517,302.22	30,748.69	315,075.31	472,181.09	36,137.68		
Total Net Assets	1,412.95	(19,323.10)	1,366,122.78	517,302.22	30,748.69	315,075.31	472,181.09	36,137.68	-	-
Total Liabilities and Net Assets	$ 48,382.54	$ (16,699.14)	$1,427,246.67	$585,092.06	$54,748.96	$346,325.29	$498,243.96	$37,247.13	$ -	$ -

STATE OF SOUTH DAKOTA
DEPARTMENT OF CORRECTIONS
PHEASANTLAND INDUSTRIES
STATEMENT OF NET ASSETS
06/30/2009

ASSETS	Print	Garment	Private Sector	Decals	Customer Model	Data Entry	Total
Current Assets:							
Cash and Cash equivalents	$ 7,487.91	$113,315.79	$410,130.33			$416,586.79	$2,050,707.51
Receivables:							
Interest and Dividends		2,599.21	14,025.37			12,949.63	98,505.11
Other Funds	4,171.99	51.04					301,279.46
Component Units							12,965.83
Other	7,630.85	12,530.52	15,017.94				63,969.05
Other Governments	4,517.84	4,957.20	9,527.88			29,846.44	151,105.05
Inventory	42,010.38	211,736.23	-		-	-	889,665.09
Total Current Assets	$ 65,818.97	$345,189.99	$448,701.52		$ -	$459,382.86	$3,568,197.10
Capital Assets:							
Construction In Progress							-
Buildings and Improvements			801,320.63				1,520,622.35
Accum Depreciation - Bldg.			(345,475.55)				(522,034.56)
Equipment	234,787.76	23,569.00					796,376.98
Accum Depreciation - Equipment	(196,237.34)	(15,894.94)	-	-	-	-	(579,070.61)
Total Capital Assets	38,550.42	7,674.06	455,845.08	-	-	-	1,215,894.16
Other Noncurrent Assets	-	-	66.02	-	-	-	17,725.13
Total Assets	$104,369.39	$352,864.05	$904,612.62	$ -	$ -	$459,382.86	$4,801,816.39
Liabilities							
Current Liabilities							
Accounts Payable	$ 5,792.86	$ 3,497.83				$ 20,397.84	$ 42,165.14
Due to Other Funds	103,233.27	36,488.85	16,806.74			33,540.07	301,279.46
Component Units	1,870.29	2,716.94	520.64			5,358.98	28,120.35
Salaries Payable	389.55	2,937.12	5,580.83			-	38,067.26
Deferred Revenue		-	-		-	-	4,953.63
Total Current Liabilities	111,285.97	45,640.74	22,908.21	-	-	59,296.89	414,585.84
Noncurrent Liabilities							
Accrued Employee Benefits - LT	2,075.73	7,714.35	18,523.68		-	-	113,789.58
Total Liabilities	113,361.70	53,355.09	41,431.89	-	-	59,296.89	528,375.42
Net Assets							
Unreserved Retained Earnings	(8,992.31)	299,508.96	863,180.73			400,085.97	4,273,440.97
Total Net Assets	(8,992.31)	299,508.96	863,180.73	-	-	400,085.97	4,273,440.97
Total Liabilities and Net Assets	$104,369.39	$352,864.05	$904,612.62	$ -	$ -	$459,382.86	$4,801,816.39

STATE OF SOUTH DAKOTA										
DEPARTMENT OF CORRECTIONS										
PHEASANTLAND INDUSTRIES										
STATEMENT OF REVENUES, EXPENSES										
AND CHANGES IN FUND NET ASSETS										
TWELVE MONTHS ENDED 06/30/09										
	Admin. Office	Building Fund	License Plate	Furniture	Book-Bindery	Braille Unit	Sign	Machine Shop	Customer Model-BSI	Customer Model-TLDW
Operating Revenue:										
Sales and Services	$ 5,044.68	$ 11,147.18	$ 488,480.47	$ 322,185.92	$ 34,715.12	184,158.87	55,073.15	9,827.14	279,354.97	
Rent Income				-						
Other Revenue	229,376.66		2,381.19	-					31,718.40	
Total Operating Revenue:	234,421.34	11,147.18	490,861.66	322,185.92	34,715.12	184,158.87	55,073.15	9,827.14	311,073.37	-
Operating Expenses:										
Personal Services and Benefits	171,421.71		56,606.92	103,698.54	17,821.09	51,860.03	6711.36		241,644.94	
Travel	8,423.00		-	-						
Contractual Services	25,233.54		36,332.95	23,648.34	16,677.61	46,485.84	9,434.24	954.33	17,723.69	
Supplies	23,353.65		246,388.77	205,125.67	4,675.59	33,332.14	36,048.24	7,440.13	8,647.15	
Depreciation	6,247.08	26,157.12	15,297.96	7,832.05		7,028.64		1,224.96		
Other Expense		1,055.33	41,912.01	30,505.08	3,286.88	17,436.46	5,214.41	930.45	20,242.42	
	-									
Total Operating Expenses	234,678.98	27,212.45	396,538.61	370,809.68	42,461.17	156,143.11	57,408.25	10,549.87	288,258.20	-
Operating Income (Loss)	(257.64)	(16,065.27)	94,323.05	(48,623.76)	(7,746.05)	28,015.76	(2,335.10)	(722.73)	22,815.17	-
Nonoperating Revenue (Expenses):										
Loss on Disposal of Assets			(28,227.01)		-					
Interest Income (expense)	1,410.95		26,843.12	13,592.10	1,474.34	8,832.78	15,870.40	905.21		
Other Income (Expense)			-							
Total Nonperating Revenue (Expenses)	1,410.95	-	(1,383.89)	13,592.10	1,474.34	8,832.78	15,870.40	905.21	-	-
Income (Loss) Before Operating Transfers	1,153.31	(16,065.27)	92,939.16	(35,031.66)	(6,271.71)	36,848.54	13,535.30	182.48	22,815.17	-
Transfers:										
Transfers In	10,256.50	-	8,818.49						11,162.57	
Transfers Out	(11,162.57)	-	(1,096,341.72)	-	-					(656.61)
Net Transfers in (Out)	(906.07)	-	(1,087,523.23)	-	-	-	-	-	11,162.57	(656.61)
Change in Net Assets	247.24	(16,065.27)	(994,584.07)	(35,031.66)	(6,271.71)	36,848.54	13,535.30	182.48	33,977.74	(656.61)
Net Assets at Beginning of Year	1,165.71	(3,257.83)	2,360,706.85	552,333.88	37,020.40	278,226.77	458,645.79	35,955.20	(33,977.74)	656.61
Net Assets at End of Year	$ 1,412.95	$(19,323.10)	$ 1,366,122.78	$ 517,302.22	$ 30,748.69	$ 315,075.31	$ 472,181.09	$ 36,137.68	$ -	$ -

STATE OF SOUTH DAKOTA							
DEPARTMENT OF CORRECTIONS							
PHEASANTLAND INDUSTRIES							
STATEMENT OF REVENUES, EXPENSES							
AND CHANGES IN FUND NET ASSETS							
TWELVE MONTHS ENDED 06/30/09							
			Private		Customer	Data	
	Print	Garment	Sector	Decals	Model	Entry	Total
Operating Revenue:							
Sales and Services	212,826.19	385,384.83	172,824.97		$ 26,323.34	354,240.37	$ 2,541,587.20
Rent Income			240.00				$ 240.00
Other Revenue	62.74		3,300.00		2,605.73		$ 269,444.72
Total Operating Revenue:	212,888.93	385,384.83	176,364.97	-	28,929.07	354,240.37	2,811,271.92
Operating Expenses:							
Personal Services and Benefits	48,388.24	47,813.76	127,514.00		19,642.95	70.61	893,194.15
Travel							8,423.00
Contractual Services	68,152.06	15,463.97	3,990.88		1,572.28	242,578.19	508,247.92
Supplies	92,287.39	228,029.37	5,157.54			1,661.06	892,146.70
Depreciation	17,512.50	1,141.92	29,678.76				112,120.99
Other Expense	20,156.67	36,488.85	51,079.83		1,852.33	33,540.07	263,700.79
						-	-
Total Operating Expenses	246,496.86	328,937.87	217,421.01	-	23,067.56	277,849.93	2,677,833.55
Operating Income (Loss)	(33,607.93)	56,446.96	(41,056.04)	-	5,861.51	76,390.44	133,438.37
Nonoperating Revenue (Expenses):							
Loss on Disposal of Assets							(28,227.01)
Interest Income (expense)	-61.75	2599.21	14,629.31			12,949.63	99,045.30
Other Income (Expense)							-
Total Nonperating Revenue (Expenses)	(61.75)	2,599.21	14,629.31	-	-	12,949.63	70,818.29
Income (Loss) Before Operating Transfers	(33,669.68)	59,046.17	(26,426.73)	-	5,861.51	89,340.07	204,256.66
Transfers:							
Transfers In							30,237.56
Transfers Out			-		(9,599.89)		(1,117,760.79)
Net Transfers in (Out)	-	-	-	-	(9,599.89)	-	(1,087,523.23)
Change in Net Assets	(33,669.68)	59,046.17	(26,426.73)	-	(3,738.38)	89,340.07	(883,266.57)
Net Assets at Beginning of Year	24,677.37	240,462.79	889,607.46	-	3,738.38	310,745.90	5,156,707.54
Net Assets at End of Year	$ (8,992.31)	$ 299,508.96	$ 863,180.73	$ -	$ -	$ 400,085.97	$ 4,273,440.97

STATE OF SOUTH DAKOTA
DEPARTMENT OF CORRECTIONS
PHEASANTLAND INDUSTRIES
TWELVE MONTHS ENDED 06/30/09

Cash Flows From Operating Activities	Admin. Office	License Plate	Furniture	Books	Braille	Sign	Machine	Customer Model-BSI	Customer Model-TLDW	Print	Garment	Private Sector	Decals
Receipts From Customers And Users	5,036.81	4,514.13	244,616.73	17,535.60	98,284.33	31,119.62	2,201.80	336,005.65	-	47,878.22	66,599.82	13,388.54	
Receipts from Interfund Services Provided	272,165.07	490,171.28	87,669.53	17,817.84	79,502.77	25,598.00	7,625.34	35,996.82	-	164,736.45	315,232.17	191,547.12	
Payments to Supplies	(41,941.94)	(299,343.75)	(194,062.56)	(21,497.21)	(84,031.66)	(39,763.38)	(9,680.02)	(11,178.01)		(174,751.28)	(221,381.83)	(12,130.05)	
Payments for Employee Services	(189,415.86)	(56,813.61)	(100,029.29)	(17,730.88)	(52,686.87)	(10,340.91)		(267,909.53)		(48,860.05)	(47,502.58)	(133,112.38)	
Payments for Interfund Services Used	(48,100.23)	(48,784.26)	(43,059.02)	(3,922.07)	(19,465.32)	(9,677.72)	(542.41)	(71,452.16)	-	(4,789.86)	(36,654.29)	(64,508.74)	(3,300.31)
Net Cash Provided by Operating Activities	(2,256.15)	89,743.79	(4,864.61)	(7,796.72)	21,603.25	(3,064.39)	(395.29)	21,462.77	-	(15,786.52)	76,293.29	(4,815.51)	(3,300.31)
Cash Flows From Capital And Related Financing Activities:													
Purchase of Fixed Assets			(12,966.32)										
Construction In Progress	-		-										
Sales of Fixed Assets	-	9.99	-	-	-	-	-	-	-	-	-	-	-
Net Cash	-	9.99	(12,966.32)	-	-	-	-	-	-	-	-	-	-
Cash Flows from Noncapital Financing													
Residual Equity Transfer Out	(906.07)	(1,096,341.72)							(656.61)				
Operating Transfer in	-	8,818.49	-	-	-	-	-	11,162.57	-			-	
Net Cash	(906.07)	(1,087,523.23)	-	-	-	-	-	11,162.57	(656.61)	-	-	-	-
Cash Flows From Investing													
Investment Income	1,165.71	62,083.75	14,617.45	1,700.22	7,698.38	15,789.68	952.48	-	25.19		782.79	14,256.68	
Investment Expense	(2.00)									(61.75)			
Rent Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash	1,163.71	62,083.75	14,617.45	1,700.22	7,698.38	15,789.68	952.48	-	25.19	(61.75)	782.79	14,256.68	-
Net increase	(1,998.51)	(935,685.70)	(3,213.48)	(6,096.50)	29,301.63	12,725.29	557.19	32,625.34	(631.42)	(15,848.27)	77,076.08	9,441.17	(3,300.31)
Beginning	(764,715.97)	1,656,560.74	404,181.75	38,459.20	227,690.22	420,057.52	25,363.31	(32,625.34)	631.42	23,336.18	36,239.71	400,689.16	3,300.31
Ending	(766,714.48)	720,875.04	400,968.27	32,362.70	256,991.85	432,782.81	25,920.50	-	-	7,487.91	113,315.79	410,130.33	-
Reconciliation of Operating Income To Net Cash Provided by Operating Activities													
Operating Income	(16,322.91)	94,323.05	(48,623.76)	(7,746.05)	28,015.76	(2,335.10)	(722.73)	22,815.17	-	(33,607.93)	56,446.96	(41,056.04)	-
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities													
Depreciation Expense	32,404.20	15,297.96	7,832.05	-	7,028.64	-	1,224.96	-	-	17,512.50	1,141.92	29,678.76	-
Increase/Decrease in Assets:													
(Increase)/Decrease In Interest Proration													
(Increase)/Decrease In Accounts Receivable			(6,070.70)	608.39	4,184.91	2,148.03		56,650.68		(2,251.17)	(4,949.64)	8,110.88	
(Increase)/Decrease In Due From Other Funds	4,511.93	27.82	(15.28)	(1,854.70)	(47.96)	(52.43)		4,278.42		(3,524.02)	(51.04)		
(Increase)/Decrease In Due From Component			21,410.39			(1,005.77)							
(Increase)/Decrease In Due From Other Agency	4,133.73	3,795.93	395.77	125.97	(10,546.56)	262.68				1,784.64	1,435.37	13,253.23	
(Increase)/Decrease In Securities Lending													
(Increase)/Decrease in Prepaid Expense	(4,813.42)	15,750.00	11,954.00			(12,588.79)						2,391.66	
(Increase)/Decrease In Inventory		(20,187.37)	31,679.69	(2,963.47)	(12,746.15)	(1,304.73)	(1,392.16)			(16,890.31)	17,243.83		
Increase/Decrease in Liabilities:			-										
Increase/(Decrease) in Accounts Payable	(6,783.86)	(25,222.89)	(17,251.96)	(197.89)	3,393.85	6.16	(57.34)	(1,875.25)		(329.31)	525.45	(1,675.95)	
Increase/(Decrease) in Empl Benefits Payable	719.75	(110.87)	(230.19)	(346.72)	(26.39)	256.69		(25,108.83)		(26.39)	(47.16)	(3,230.46)	
Increase/(Decrease) in Deferred Revenue	1,568.63		(5,225.00)										
Increase/(Decrease) in Due to Other Funds	432.59	5,759.54	(4,206.11)	4,114.72	1,968.89	(194.82)	553.52	(32,709.83)		21,902.27	4,274.50	(9,254.96)	(3,300.31)
Increase/(Decrease) in Due to Other Components	607.11	406.44	387.50	(24.00)	378.26	2,757.21	(1.54)	(2,587.59)		138.72	(85.24)	(664.71)	
Increase/(Decrease) in Due to Securities Lending													
Increase/(Decrease) in Accrued Leave Liability	(18,713.90)	(95.82)	3,098.99	487.03	-	8,986.48	-	-	-	(495.52)	358.34	(2,367.92)	-
Total Adjustments	14,066.76	(4,579.26)	43,759.15	(50.67)	(6,412.51)	(729.29)	327.44	(1,352.40)	-	17,821.41	19,846.33	36,240.53	(3,300.31)
Net Cash Proved by Operating Activities	(2,256.15)	89,743.79	(4,864.61)	(7,796.72)	21,603.25	(3,064.39)	(395.29)	21,462.77	-	(15,786.52)	76,293.29	(4,815.51)	(3,300.31)

STATE OF SOUTH DAKOTA			
DEPARTMENT OF CORRECTIONS			
PHEASANTLAND INDUSTRIES			
TWELVE MONTHS ENDED 06/30/09			
	Customer	Data	
Cash Flows From Operating Activities	Model	Entry	Total
Receipts From Customers And Users	26,323.34		893,504.59
Receipts from Interfund Services Provided	2,605.73	361,643.45	2,052,311.57
Payments to Supplies	-	(198,973.23)	(1,308,734.92)
Payments for Employee Services	(19,642.95)	(70.61)	(944,115.52)
Payments for Interfund Services Used	(8,167.56)	(67,332.94)	(429,756.89)
Net Cash Provided by Operating Activities	1,118.56	95,266.67	263,208.83
Cash Flows From Capital And Related Financing			
Activities:			
Purchase of Fixed Assets			(12,966.32)
Construction In Progress			-
Sales of Fixed Assets	-	-	9.99
Net Cash	-	-	(12,956.33)
Cash Flows from Noncapital Financing			
Residual Equity Transfer Out	(9,599.89)		(1,107,504.29)
Operating Transfer in	-	-	19,981.06
Net Cash	(9,599.89)	-	(1,087,523.23)
Cash Flows From Investing			
Investment Income		10,457.31	129,529.64
Investment Expense			(63.75)
Rent Income	-	-	-
Net Cash	-	10,457.31	129,465.89
Net increase	(8,481.33)	105,723.98	(707,804.84)
Beginning	8,481.33	310,862.81	2,758,512.35
Ending	-	416,586.79	2,050,707.51
Reconciliation of Operating Income To			
Net Cash Provided by Operating Activities			
Operating Income	5,861.51	76,390.44	133,438.37
Adjustments to Reconcile Operating Income to			
Net Cash Provided by Operating Activities			
			-
Depreciation Expense	-	-	112,120.99
Increase/Decrease in Assets:			
(Increase)/Decrease In Interest Proration			
(Increase)/Decrease In Accounts Receivable			58,431.38
(Increase)/Decrease In Due From Other Funds			3,272.74
(Increase)/Decrease In Due From Component			20,404.62
(Increase)/Decrease In Due From Other Agency		7,403.08	22,043.84
(Increase)/Decrease In Securities Lending			-
(Increase)/Decrease in Prepaid Expense			12,693.45
(Increase)/Decrease In Inventory			(6,560.67)
Increase/Decrease in Liabilities:			-
Increase/(Decrease) in Accounts Payable		(773.28)	(50,242.27)
Increase/(Decrease) in Empl Benefits Payable			(28,150.57)
Increase/(Decrease) in Deferred Revenue			(3,656.37)
Increase/(Decrease) in Due to Other Funds	(4,662.80)	12,050.06	(3,272.74)
Increase/(Decrease) in Due to Other Components	(80.15)	196.37	1,428.38
Increase/(Decrease) in Due to Securities Lending			-
Increase/(Decrease) in Accrued Leave Liability	-	-	(8,742.32)
Total Adjustments	(4,742.95)	18,876.23	129,770.46
Net Cash Proved by Operating Activities	1,118.56	95,266.67	263,208.83

STATE OF SOUTH DAKOTA			
DEPARTMENT OF CORRECTIONS			
PHEASANTLAND INDUSTRIES			
BALANCE SHEET			
06/30/2009			
ASSETS	**Carpentry**	**Upholstery**	**Total**
Current Assets:			
Cash and Cash equivalents	$ 136,351.66	$ 264,616.61	$ 400,968.27
Receivables:			
Interest and Dividends	4,308.52	9,283.58	$ 13,592.10
Other Funds	332.45	4,921.08	$ 5,253.53
Component Units	10,764.00		$ 10,764.00
Other	8,996.68	299.70	$ 9,296.38
Other Governments	2,246.09	2,839.90	$ 5,085.99
Inventory	73,428.57	39,467.20	$ 112,895.77
Total Current Assets	$ 236,427.97	$ 321,428.07	$ 557,856.04
Capital Assets:			
Construction In Progress			-
Buildings and Improvements			-
Accum Depreciation - Bldg.			-
Equipment	72,550.52	-	72,550.52
Accum Depreciation - Equipment	(45,314.50)	-	(45,314.50)
Total Capital Assets	27,236.02	-	27,236.02
Other Noncurrent Assets		-	-
Total Assets	$ 263,663.99	$ 321,428.07	$ 585,092.06
Liabilities			
Current Liabilities			
Accounts Payable	$ 4,534.40	$ 82.10	$ 4,616.50
Due to Other Funds	22,177.77	9,383.82	$ 31,561.59
Component Units	3,090.22	485.21	$ 3,575.43
Salaries Payable	5,473.55	3,186.30	$ 8,659.85
Deferred Revenue	3,385.00		$ 3,385.00
Total Current Liabilities	38,660.94	13,137.43	51,798.37
Noncurrent Liabilities			
Accrued Employee Benefits - LT	6,312.95	9,678.52	$ 15,991.47
Total Liabilities	44,973.89	22,815.95	67,789.84
Net Assets			
Unreserved Retained Earnings	218,690.10	298,612.12	517,302.22
Total Net Assets	218,690.10	298,612.12	517,302.22
Total Liabilities and Net Assets	$ 263,663.99	$ 321,428.07	$ 585,092.06

STATE OF SOUTH DAKOTA			
DEPARTMENT OF CORRECTIONS			
PHEASANTLAND INDUSTRIES			
STATEMENT OF REVENUES, EXPENSES			
AND CHANGES IN RETAINED EARNINGS			
TWELVE MONTHS ENDED 06/30/09			
	Carpentry	Upholstery	Total
Operating Revenue:			
Sales and Services	$ 224,710.34	$ 97,475.58	$ 322,185.92
Rent Income			$ -
Other Revenue		-	$ -
Total Operating Revenue:	224,710.34	97,475.58	322,185.92
Operating Expenses:			-
Personal Services and Benefits	93,208.71	10,489.83	103,698.54
Travel			-
COGS			-
Contractual Services	18,328.30	5,320.04	23,648.34
Supplies	147,424.97	57,700.70	205,125.67
Depreciation	7,832.05		7,832.05
Other Expense	21,275.94	9,229.14	30,505.08
Fixed overhead Absorbed	-	-	-
Total Operating Expenses	288,069.97	82,739.71	370,809.68
Operating Income (Loss)	(63,359.63)	14,735.87	(48,623.76)
Nonoperating Revenue (Expenses):			
Loss on Disposal of Assets			-
Interest Income	4,308.52	9,283.58	13,592.10
Other Income (Expense)			-
Total Nonperating Revenue (Expenses)	4,308.52	9,283.58	13,592.10
Income (Loss) Before Operating Transfers	(59,051.11)	24,019.45	(35,031.66)
Transfers:			
Transfers In			-
Transfers Out			-
Net Transfers in (Out)	-	-	-
Change in Net Assets	(59,051.11)	24,019.45	(35,031.66)
Net Assets at Beginning of Year	277,741.21	274,592.67	$ 552,333.88
Net Assets at End of Year	$ 218,690.10	$ 298,612.12	$ 517,302.22
	-	-	

STATE OF SOUTH DAKOTA
DEPARTMENT OF CORRECTIONS
PHEASANTLAND INDUSTRIES
TWELVE MONTHS ENDED 06/30/09

	Carpentry	Upholstery	Total
Cash Flows From Operating Activities			
Receipts From Customers And Users	212,151.92	32,464.81	244,616.73
Receipts from Interfund Services Provided	30,524.29	57,145.24	87,669.53
Payments to Supplies	(134,639.09)	(59,423.47)	(194,062.56)
Payments for Employee Services	(91,629.73)	(8,399.56)	(100,029.29)
Payments for Interfund Services Used	(34,915.67)	(8,143.35)	(43,059.02)
Net Cash Provided by Operating Activities	(18,508.28)	13,643.67	(4,864.61)
Cash Flows From Capital And Related Financing Activities:			
Purchase of Fixed Assets	(12,966.32)		(12,966.32)
Construction In Progress			-
Sales of Fixed Assets	-	-	-
Net Cash	(12,966.32)	-	(12,966.32)
Cash Flows from Non capital Financing			
Residual Equity transfer Out		-	-
Operating Transfer in	-	-	-
Net Cash	-	-	-
Cash Flows From Investing			
Investment Income	5,576.67	9,040.78	14,617.45
Rent Income	-	-	-
Net Cash	5,576.67	9,040.78	14,617.45
Net increase	(25,897.93)	22,684.45	(3,213.48)
Beginning	162,249.59	241,932.16	404,181.75
Ending	136,351.66	264,616.61	400,968.27
	-	-	
Reconciliation of Operating Income To Net Cash Provided by Operating Activities			
Operating Income	(63,359.63)	14,735.87	(48,623.76)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation Expense	7,832.05	-	7,832.05
Increase/Decrease in Assets:			
(Increase)/Decrease In Accounts Receivable	(7,473.21)	1,402.51	(6,070.70)
(Increase)/Decrease In Due From Other Funds	78.65	(93.93)	(15.28)
(Increase)/Decrease In Due From Component	21,256.56	153.83	21,410.39
(Increase)/Decrease In Due From Other Agency	258.91	136.86	395.77
(Increase)/Decrease in Prepaid Expense	11,954.00		11,954.00

(Increase)/Decrease In Inventory	29,104.73	2,574.96	31,679.69
Increase/Decrease in Liabilities:			
Increase/(Decrease) in Accounts Payable	(17,164.82)	(87.14)	(17,251.96)
Increase/(Decrease) in Empl Benefits Payable	(183.71)	(46.48)	(230.19)
Increase/(Decrease) in Deferred Revenue	3,385.00	(8,610.00)	(5,225.00)
Increase/(Decrease) in Due to Other funds	(6,418.22)	2,212.11	(4,206.11)
Increase/(Decrease) in Due to Other Components	458.72	(71.22)	387.50
Increase/(Decrease) in Accrued Leave Liability	1,762.69	1,336.30	3,098.99
Total Adjustments	37,019.30	(1,092.20)	35,927.10
Net Cash Proved by Operating Activities	(18,508.28)	13,643.67	(4,864.61)