



FORGING THE
FUTURE



2020 ANNUAL REPORT

OUR MISSION

Pheasantland Industries is an enterprise fund within the South Dakota Department of Corrections that offers more than just great products and exceptional service. We take pride in our workforce by supporting pathways to instill marketable job skills by providing the training, development and dedication required in creating unique products for our customers.

MAKING
WITH
PRIDE
ON THE
INSIDE



January 12, 2021

Dear Governor Kristi Noem and Members of the 2021 Legislature:

Pursuant to SDCL 24-7-37, Pheasantland Industries has published its Annual Report for Fiscal Year 2020. 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 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 pages below.



Pheasantland Industries recorded operating income of \$290,649 on sales of \$3,780,161 for Fiscal Year 2020. Profits from Pheasantland Industries are 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,

A handwritten signature in black ink that reads "Mike Leidholt". The signature is written in a cursive, flowing style.

Mike Leidholt
Secretary of Corrections

ABOUT US

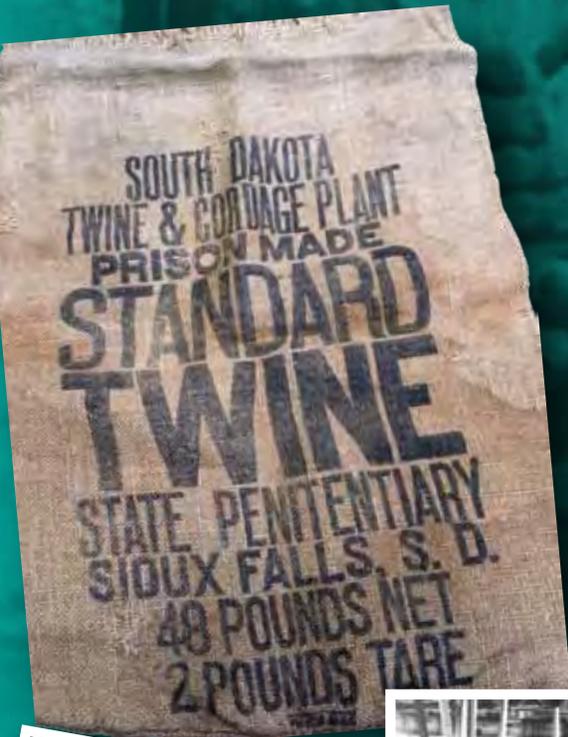


Pheasantland Industries can trace its roots back to 1890, when funds were appropriated to establish the first permanent correctional industry in South Dakota, a knitting shop.

At the close of Fiscal Year 2020,

our team consisted of 19 full-time employees, an inmate workforce of 219, nine traditional prison industries, and three private industry partnerships at the South Dakota State Penitentiary in Sioux Falls, Mike Durfee State Prison in Springfield, and the South Dakota Women's Prison in Pierre.

Even though Pheasantland operates as a business within a secure environment, we are committed to supporting a diverse workforce with marketable job skills and a solid work ethic learned here that will prove useful for successful reentry into their communities, and to producing high-quality products and services for our customers.



INDUSTRIES

Today, Pheasantland Industries oversees the following shops: Braille, Cabinets, Custom Carpentry, Garment and Embroidery, License Plates, Metal, Print, Sign and Upholstery. Except for the Garment shop in Springfield and the embroidery operation in Pierre, all of our traditional industries and the main office are based at the State Penitentiary campus in Sioux Falls.



Our hours of operation are Monday through Friday, 7:30 am to 3:30 pm.



CUSTOMERS

By policy, products and services of Pheasantland Industries are available for sale only to government entities, state employees, schools, churches, and other non-profit organizations operating in South Dakota.

OUR TEAM



- BRAILLE
- CARPENTRY/UPHOLSTERY
- GARMENT/EMBROIDERY
- LICENSE PLATES
- METAL
- PRINT
- SIGNS
- METALCRAFT*
- BADLANDS QUILTING
- PI SUPPORT

*Under the federal guidelines, inmates who work in PS/PIE programs must be paid the prevailing wage.



BENEFITS

PATHWAYS TO OPPORTUNITY

Through on-the-job training our workers develop tangible skills they can use upon release, but just as important, we strive to teach them “soft skills.” Those skills include a good work ethic, interaction with other employees and pride in their work.

EARLY RELEASE

With the establishment of Early Discharge Credits (EDCs) in 2018, Pheasantland workers were given an additional incentive to work by actually earning time off their sentence.

PAY SCALE*

- All workers start at \$0.25/hr.
- \$0.30/hr.- After 90 days.
- \$0.40/hr.- After 6 months.
- \$0.50/hr.- Selection as a lead worker.
- \$0.70/hr.- Top hourly rate under previous policy.

*All workers hired after December 2001 earn \$0.25-\$0.50/hr.

PRIVATE INDUSTRY

Private Industry Enhancement

There is always a demand for more work opportunities for inmates. Traditional industries also have a very limited market in which to sell their 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 (PS/PIE). 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.

Federal law requires that inmates working for private industry must be paid prevailing, local market wages for the type of work performed. Payroll deductions for inmates working at private industry jobs include social security, federal income taxes, incarceration fees, victim compensation and family support. A percentage of their wage is also retained in an inmate account for use upon release or parole.

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.



FY20 Numbers

3 number of contracts
with outside enterprises

49 number of workers
employed by PS/PIE
program contracts

\$49,146
contributed to the South Dakota
Crime Victims' Compensation
Fund from private sector
workers' wages



PREVAILING WAGE

Federal law requires that inmates working for private industry must be paid prevailing, local market wages for the type of work performed.

Private Industry FY 2020 Activities

Inmate wages paid in the private sector for FY 2020 was \$819,101. Forty-nine inmates employed in these industries paid out of their wages \$49,146 to the South Dakota Crime Victims' Compensation Fund, \$327,641 for incarceration costs, \$49,146 in a family support account, \$60,619 in federal taxes and \$62,472 in social security.

Private sector businesses operating during FY2020 included Metalcraft Industries, which has welding and machine tool operations at the Jameson Annex and a window component assembly line at the Penitentiary and Badlands Quilting, which does quilting operations at the Women's Prison in Pierre, SD.

Both Metalcraft Industries and Badlands Quilting are a Prison Industries Enhanced Program so they must pay their inmate employees wages that are comparable to local industry.



BADLANDS QUILTING AT THE WOMEN'S PRISON

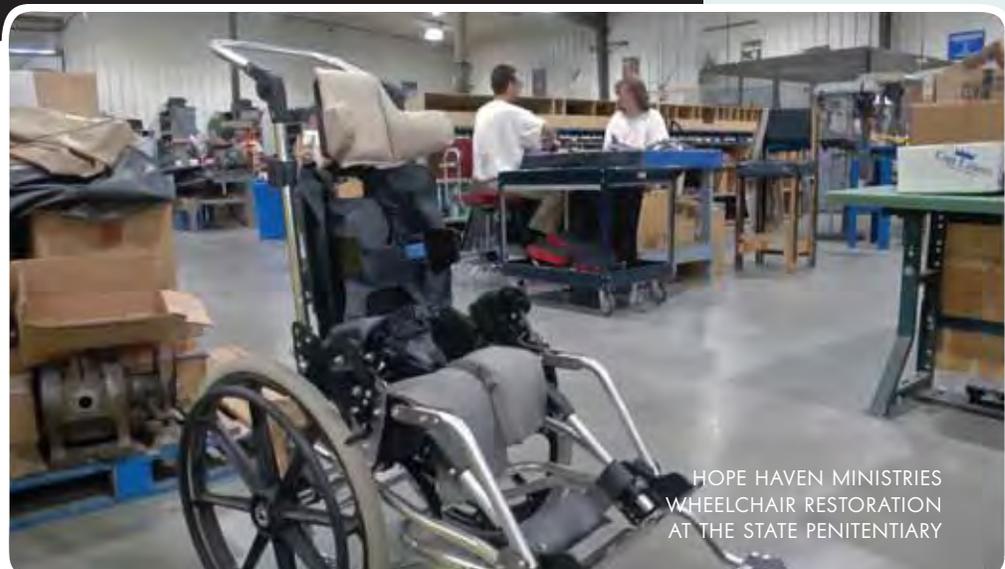
OUTSIDE CONTRACTS

In FY20 Pheasantland Industries contracted with:

- Metalcraft Industries for the PS/PIE program
- Hope Haven Ministries for the Wheelchair Restoration Program (Community Service Program)
- Badlands Quilting for the PS/PIE program



Badlands Quilting was approved as a PS/PIE program in December 2017. Here, inmates at the Women's Prison cut fabric that is sewn together to complete star quilts for the company based in Martin, SD.



HOPE HAVEN MINISTRIES WHEELCHAIR RESTORATION AT THE STATE PENITENTIARY

TRADITIONAL INDUSTRIES

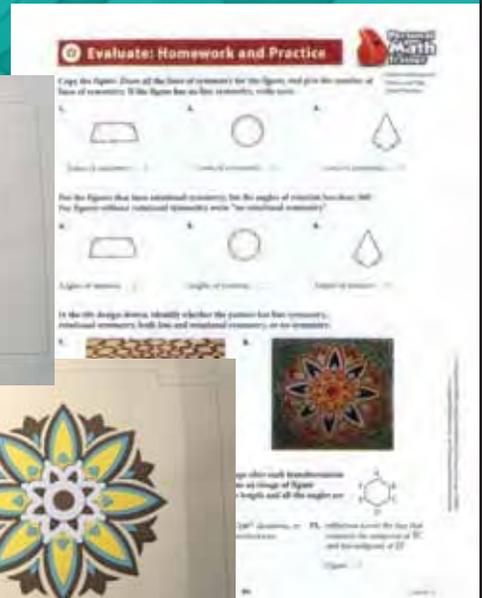
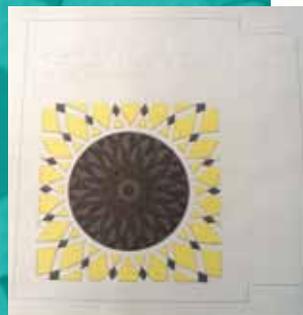


BRAILLE SHOP

Our nationally-recognized team of transcribers and graphic artists turn printed materials, including kindergarten to college-level books, into Braille for the blind and visually impaired utilizing Unified English Braille code and the production of tactile graphics.



To illustrate our work we converted this textbook page into these tactile graphics.



FY 20 REVENUES

\$127,710

\$149,418 (FY 19)

\$112,558 (FY 18)

30

 WORKERS

BY THE NUMBERS

37,145

NUMBER OF BRAILLE PAGES
TRANSCRIBED AND PRINTED

7,071

NUMBER OF TACTILE GRAPHICS
PRODUCED

6,374

NUMBER OF LARGE PRINT
PAGES PRODUCED



CARPENTRY SHOP

Our workers build all of the cabinetry featured in the Governor's House program construction and undertake a wide range of projects built to our customers' specifications.



FY 20 REVENUES*

\$810,713

\$682,904 (FY 19)

\$564,083 (FY 18)

49

 WORKERS*

BY THE NUMBERS

88

NUMBER OF FULL CABINET SETS BUILT FOR THE SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY'S GOVERNOR'S HOUSE PROGRAM

81

NUMBER OF FAITH CHESTS PRODUCED

* Carpentry and Upholstery Shops figures shown are combined.



GARMENT SHOP

The Garment and Embroidery Shop offers custom screen-printed and embroidered products, such as t-shirts, sweatshirts, and athletic team uniforms, as well as a full line of institutional clothing. It also supplies the South Dakota DOT and many communities with ANSI Class 2-approved safety garments for their employees.



FY 20 REVENUES

\$516,036

\$416,212 (FY 19)

\$410,841 (FY 18)

35

 WORKERS

BY THE NUMBERS

21,417

NUMBER OF ITEMS SCREEN PRINTED

7,283

NUMBER OF ITEMS EMBROIDERED

3,749

NUMBER OF SAFETY GREENS PRODUCED

35,072

NUMBER OF FACE MASKS PRODUCED

5,999

NUMBER OF GOWNS PRODUCED



LICENSE PLATE SHOP

While our License Plate and Decal Shop may be one of the oldest correctional industries, it utilizes the latest technology to print all the motor vehicle tags issued by the state and produces souvenir plates to commemorate special events.



FY 20 REVENUES

\$1,238,994

\$1,299,098 (FY 19)

\$1,105,985 (FY 18)

3

 WORKERS

BY THE NUMBERS

335,156

NUMBER OF LICENSE PLATES PRODUCED

48,215

NUMBER OF DECALS (SNOW, BOAT, IFTA, TRAIL PASS) PRODUCED



METAL SHOP

If it's made of metal the Metal Shop can most likely build or repair it. Our fabricators and welders work to ensure that all projects meet and exceed our customers' specifications and satisfaction.



FY 20 REVENUES

\$200,394

\$210,241 (FY 19)

\$104,024 (FY 18)

12



WORKERS

BY THE NUMBERS

3,270

NUMBER OF FACE SHIELDS PRODUCED



PRINT SHOP

From business cards, forms and stationery to laser-engraved custom awards, the Print Shop and Book Bindery offers every customer the same commitment to quality, regardless of the size of their order.

FY 20 REVENUES

\$370,348

\$296,441 (FY 19)

\$247,588 (FY 18)

15

 WORKERS

BY THE NUMBERS

452,300

NUMBER OF BUSINESS CARDS PRINTED

935

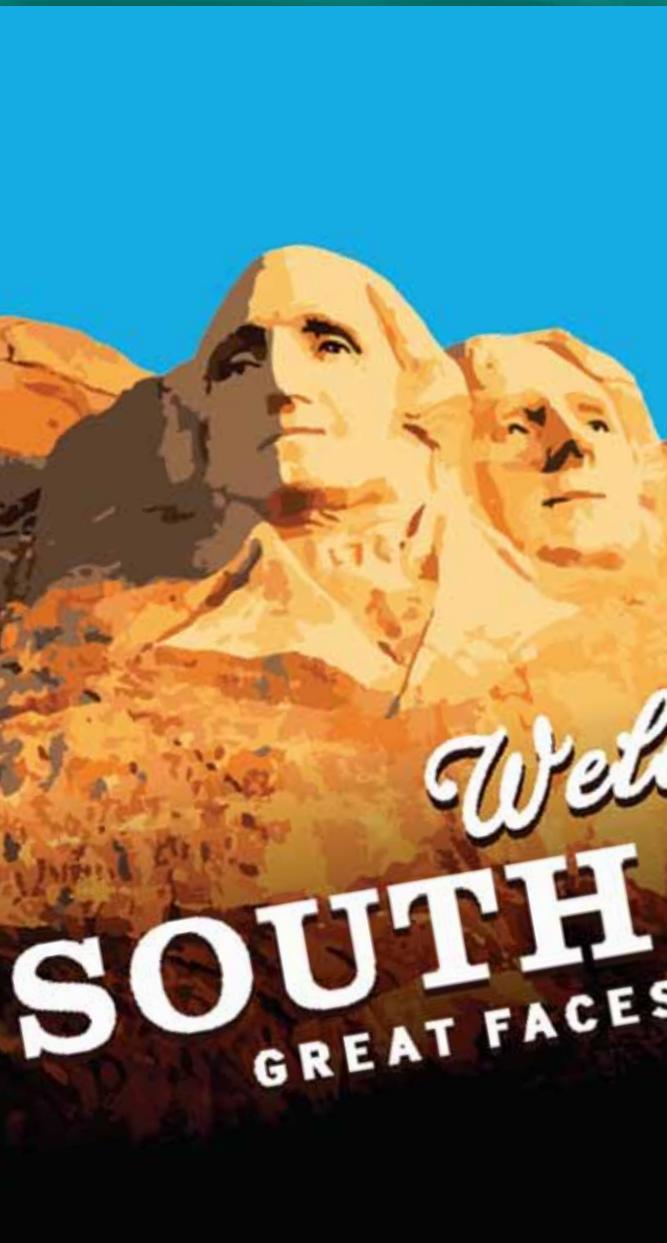
NUMBER OF BOOKS REFURBISHED





SIGN SHOP

The Sign Shop is able to accommodate most large or small volume orders in a variety of sizes for indoor/outdoor signage, parking and street signs, vehicle decals, banners, magnets, and window clings. We use only the best quality materials to stand up to the elements and meet all uniform traffic codes.



FY 20 REVENUES

\$157,033

\$98,890 (FY 19)

\$108,496 (FY 18)

17



WORKERS

BY THE NUMBERS

57,482

SQUARE FEET OF SIGNAGE PRODUCED FOR THE SOUTH DAKOTA DOT

19,792

SQUARE FEET OF SIGNAGE AND DECALS PRODUCED FOR VARIOUS PHEASANTLAND CUSTOMERS



UPHOLSTERY SHOP

We refurbish home and office furniture and produce an assortment of items such as institutional mattresses, pillows, towels, and our new popular line of sensory items.



FY 20 REVENUES*

\$810,713

\$682,904 (FY 19)

\$532,392 (FY 18)

49

 WORKERS*

BY THE NUMBERS

1,309

NUMBER OF CHAIRS, RECLINERS,
AND SOFAS REUPHOLSTERED

930

NUMBER OF INSTITUTIONAL
PILLOWS PRODUCED

* Carpentry and Upholstery Shops figures shown are combined.



FINANCIAL REPORT FY2020

For Fiscal Year 2020, Pheasantland Industries recorded operating income of **\$290,649** on sales of **\$3,780,161**.



Pheasantland Industries' total sales, operating income and net income (does not include non-operating revenue, i.e. interest income) since FY 2012 is as follows:

- BRAILLE
- GARMENT/EMBROIDERY
- METAL
- SIGNS
- BADLANDS QUILTING
- CARPENTRY/UPHOLSTERY
- LICENSE PLATES
- PRINT
- METALCRAFT*
- PI SUPPORT

FISCAL YEAR		AMOUNT	% INCOME TO SALES
FY 2020	Total Sales	\$ 3,780,161	
	Operating Income	\$ 290,649	7.69%
	Net Income	\$ 147,701	
	Transferred \$179,908 to the General Fund		
FY 2019	Total Sales	\$ 3,607,335	
	Operating Income	\$ 354,705	9.83%
	Net Income	\$ (97,605)	
	Transferred \$492,294 to the General Fund		
FY 2018	Total Sales	\$ 2,990,450	
	Operating Income	\$ 289,095	9.67%
	Net Income	\$ 86,238	
	Transferred \$206,864 to the General Fund		

FISCAL YEAR		AMOUNT	% INCOME TO SALES
FY 2017	Total Sales	\$ 4,050,679	10.53%
	Operating Income	\$ 426,530	
	Net Income	\$ (927,322)	
Transferred \$1,354,954 to the General Fund			
FY 2016	Total Sales	\$ 9,604,953	15.03%
	Operating Income	\$ 1,443,419	
	Net Income	\$ (605,051)	
Transferred \$444,340 to the Department of Corrections Transferred \$1,698,380 to the General Fund			
FY 2015	Total Sales	\$ 2,740,892	12.83%
	Operating Income	\$ 351,772	
	Net Income	\$ (425,584)	
Transferred \$806,168 to the Department of Corrections			
FY 2014	Total Sales	\$ 2,584,148	6.84%
	Operating Income	\$ 176,698	
	Net Income	\$ 3,517	
Transferred \$204,918 to the Department of Corrections			
FY 2013	Total Sales	\$ 2,561,878	8.31%
	Operating Income	\$ 212,915	
	Net Income	\$ (693,107)	
Transferred \$920,295 to the Department of Corrections			
FY 2012	Total Sales	\$ 2,605,355	8.46%
	Operating Income	\$ 220,539	
	Net Income	\$ (1,054,955)	
Transferred \$1,341,848 to the Department of Corrections			

STATEMENT OF NET POSITION

STATE OF SOUTH DAKOTA
DEPARTMENT OF CORRECTIONS
PHEASANTLAND INDUSTRIES
STATEMENT OF NET POSITION
June 30, 2020

	Admin. Office	License Plate	Carpentry	Upholstery	Books/ Print	Braille Unit
ASSETS						
Current Assets:						
Cash and Cash equivalents	\$ 200.00	\$ 516,656.22	\$ 5,164.14	\$ -	\$ 3,423.14	\$ 509.26
Receivables:						
Interest and Dividends	-	1,220.49	378.41	-	250.83	37.32
Other Funds	387,064.63	201,055.16	1,651.18	-	32,810.61	1,866.99
Component Units	1,220.00	-	50,090.07	-	-	-
Other	10.65	-	11,421.00	-	5,883.07	10,855.23
Other Governments	144.79	222,289.09	6,280.81	-	14,630.74	-
Inventory	-	5,377.88	219,314.23	-	55,225.19	13,077.65
Total Current Assets	388,640.07	946,598.84	294,299.84	-	112,223.58	26,346.45
Other Restricted Assets	803.00	362.00	319.00	-	266.00	218.00
Capital Assets:						
Property, Plant and Equipment	819,854.55	276,273.38	159,459.96	-	223,034.39	23,069.13
Accumulated Depreciation	(548,448.18)	(252,941.38)	(94,910.64)	-	(137,158.47)	(23,069.13)
Total Capital Assets	271,406.37	23,332.00	64,549.32	-	85,875.92	-
Other Noncurrent Assets	10,133.55	-	-	-	-	-
Total Assets	670,982.99	970,292.84	359,168.16	-	198,365.50	26,564.45
Deferred Outflows of Resources						
Deferred Amount from Refunding of Bonds	3,150.00	1,419.00	1,251.00	-	1,041.00	858.00
Deferred Outflow Related to Pensions	39,324.00	17,712.00	15,613.00	-	13,012.00	10,695.00
Total Deferred Outflows or Resources	42,474.00	19,131.00	16,864.00	-	14,053.00	-
Liabilities						
Current Liabilities						
Accounts Payable	3,290.51	84,883.64	17,694.11	-	7,889.27	808.99
Due to Other Funds	762,004.13	117,576.68	98,490.49	-	44,127.74	32,354.20
Component Units	5,259.03	1,136.99	7,678.96	-	4,190.14	4,630.30
Salaries Payable	22,628.20	3,963.39	8,669.69	-	3,927.02	3,691.62
Benefits Payable	26,830.63	12,120.54	1,854.73	-	1,175.01	2,038.35
Deferred Revenue	-	-	26,688.93	-	2,865.00	-
Net Pension Liability	-	-	-	-	-	-
Total Current Liabilities	820,012.50	219,681.24	161,076.91	-	64,174.18	43,523.46
Noncurrent Liabilities						
Accrued Employee Benefits - LT	23,669.34	10,692.45	1,636.20	-	1,036.57	1,798.19
Total Liabilities	843,681.84	230,373.69	162,713.11	-	65,210.75	45,321.65
Deferred Inflows of Resources						
Deferred Inflow Related to Pensions	16,361.00	7,369.00	6,495.00	-	5,413.00	4,450.00
Total Deferred Inflows or Resources	16,361.00	7,369.00	6,495.00	-	5,413.00	4,450.00
Net Position						
Unreserved Retained Earnings	(146,585.85)	751,681.15	206,824.05	-	141,794.75	(11,654.20)
Total Net Position	\$(146,585.85)	\$ 751,681.15	\$206,824.05	\$ -	\$141,794.75	\$(11,654.20)

STATEMENT OF NET POSITION

(continued)

	Sign	Machine Shop	Garment	Private Sector	Total
ASSETS					
Current Assets:					
Cash and Cash equivalents	\$ 2,882.43	\$ -	\$ 15,693.46	\$ -	\$ 544,528.65
Receivables:					
Interest and Dividends	211.21	-	1,149.95	-	3,248.21
Other Funds	1,045.68	952.28	304,071.14	890,660.36	1,821,178.03
Component Units	32.28	-	-	-	51,342.35
Other	13,268.25	5,479.86	19,390.57	6,677.14	72,985.77
Other Governments	13,299.86	6,041.88	18,517.16	48,165.72	329,370.05
Inventory	305,570.09	38,918.64	360,496.53	-	997,980.21
Total Current Assets	336,309.80	51,392.66	719,318.81	945,503.22	3,820,633.27
Other Restricted Assets	85.00	271.00	206.00	691.00	3,221.00
Capital Assets:					
Property, Plant and Equipment	118,499.20	37,933.67	73,825.00	801,320.63	2,533,269.91
Accumulated Depreciation	(91,190.05)	(18,894.67)	(29,833.87)	(663,966.99)	(1,860,413.38)
Total Capital Assets	27,309.15	19,039.00	43,991.13	137,353.64	672,856.53
Other Noncurrent Assets	-	-	806.03	-	10,939.58
Total Assets	363,703.95	70,702.66	764,321.97	1,083,547.86	4,507,650.38
Deferred Outflows of Resources					
Deferred Amount from Refunding of Bonds	334.00	1,060.00	810.00	2,711.00	12,634.00
Deferred Outflow Related to Pensions	4,161.00	13,249.00	10,110.00	33,845.00	157,721.00
Total Deferred Outflows or Resources	4,495.00	14,309.00	10,920.00	36,556.00	170,355.00
Liabilities					
Current Liabilities					
Accounts Payable	1,985.90	12,787.50	8,141.54	2,365.88	139,847.34
Due to Other Funds	207,905.93	360,338.85	82,433.13	115,946.88	1,821,178.03
Component Units	11,474.53	3,202.77	5,905.86	1,323.97	44,802.55
Salaries Payable	4,188.09	5,708.79	3,934.67	6,058.41	62,769.88
Benefits Payable	1,364.76	186.10	4,988.17	4,114.93	54,673.22
Deferred Revenue	-	2,100.51	9,355.32	-	41,009.76
Net Pension Liability	-	-	-	-	-
Total Current Liabilities	226,919.21	384,324.52	114,758.69	129,810.07	2,164,280.78
Noncurrent Liabilities					
Accrued Employee Benefits - LT	1,203.96	164.18	4,400.45	3,630.09	48,231.43
Total Liabilities	228,123.17	384,488.70	119,159.14	133,440.16	2,212,512.21
Deferred Inflows of Resources					
Deferred Inflow Related to Pensions	1,731.00	5,511.00	4,206.00	14,080.00	65,616.00
Total Deferred Inflows or Resources	1,731.00	5,511.00	4,206.00	14,080.00	65,616.00
Net Position					
Unreserved Retained Earnings	138,344.78	(304,988.04)	651,876.83	972,583.70	2,399,877.17
Total Net Position	\$138,344.78	\$(304,988.04)	\$651,876.83	\$972,583.70	\$2,399,877.17

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

STATE OF SOUTH DAKOTA
DEPARTMENT OF CORRECTIONS
PHEASANTLAND INDUSTRIES
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Admin. Office	License Plate	Carpentry	Upholstery	Books/ Print	Braille Unit
Operating Revenue:						
Sales and Services	\$ 23,357.59	\$1,238,994.10	\$810,712.82	\$ -	\$370,347.77	\$127,710.35
Rent Revenue		-	-	-	-	-
Total Operating Revenue:	<u>23,357.59</u>	<u>1,238,994.10</u>	<u>810,712.82</u>	<u>-</u>	<u>370,347.77</u>	<u>127,710.35</u>
Operating Expenses:						
Personal Services and Benefits	295,783.55	89,207.91	180,973.42	-	83,712.26	87,240.36
Travel	10,951.47	-	14.00	-	-	1,429.46
Contractual Services	56,973.48	8,669.23	44,139.83	-	98,956.57	38,800.80
Supplies	34,450.75	861,932.35	486,732.17	-	124,461.96	18,248.36
Depreciation	29,474.92	-	10,738.22	-	15,081.96	-
Other Expense	(385,778.10)	117,576.68	86,358.55	-	39,450.09	13,603.93
Total Operating Expenses	<u>41,856.07</u>	<u>1,077,386.17</u>	<u>808,956.19</u>	<u>-</u>	<u>361,662.84</u>	<u>159,322.91</u>
Operating Income (Loss)	(18,498.48)	161,607.93	1,756.63	-	8,684.93	(31,612.56)
Nonoperating Revenue (Expenses):						
Interest Income	(848.67)	8,944.84	1,385.87	1,993.98	2,363.37	69.32
Other Income (Expense)	-	(44.12)	(13.68)	-	(9.07)	(1.34)
Total Nonoperating Revenue (Expenses)	<u>(848.67)</u>	<u>8,900.72</u>	<u>1,372.19</u>	<u>1,993.98</u>	<u>2,354.30</u>	<u>67.98</u>
Income (Loss) Before Transfers	(19,347.15)	170,508.65	3,128.82	1,993.98	11,039.23	(31,544.58)
Transfers:						
Transfers In	-	-	148,673.20			
Transfers Out	-	(69,386.99)		(148,673.20)	(2,945.84)	
Net Transfers in (Out)	-	(69,386.99)	148,673.20	(148,673.20)	(2,945.84)	-
Change in Net Position	(19,347.15)	101,121.66	151,802.02	(146,679.22)	8,093.39	(31,544.58)
Net Position at Beginning of Year	(127,238.70)	650,559.49	55,022.03	146,679.22	133,701.36	19,890.38
Net Position at End of Year	<u>\$(146,585.85)</u>	<u>\$ 751,681.15</u>	<u>\$206,824.05</u>	<u>\$ -</u>	<u>\$141,794.75</u>	<u>\$(11,654.20)</u>

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

(continued)

	Sign	Machine Shop	Garment	Private Sector	Total
Operating Revenue:					
Sales and Services	\$ 157,033.29	\$ 200,394.42	\$516,036.43	\$335,098.90	\$3,779,685.67
Rent Revenue	-	-	-	475.00	475.00
Total Operating Revenue:	<u>157,033.29</u>	<u>200,394.42</u>	<u>516,036.43</u>	<u>335,573.90</u>	<u>3,780,160.67</u>
Operating Expenses:					
Personal Services and Benefits	21,400.97	88,136.80	75,124.64	117,051.85	1,038,631.76
Travel	-	-	973.80	-	13,368.73
Contractual Services	14,646.92	16,240.72	33,817.79	8,260.92	320,506.26
Supplies	88,191.87	124,705.90	288,497.99	2,901.59	2,030,122.94
Depreciation	-	1,801.48	8,078.52	21,706.91	86,882.01
Other Expense	16,727.46	21,346.36	54,969.10	35,745.93	-
Total Operating Expenses	<u>140,967.22</u>	<u>252,231.26</u>	<u>461,461.84</u>	<u>185,667.20</u>	<u>3,489,511.70</u>
Operating Income (Loss)	16,066.07	(51,836.84)	54,574.59	149,906.70	290,648.97
Nonoperating Revenue (Expenses):					
Interest Income	3,100.19	-	11,761.78	1,702.40	30,473.08
Other Income (Expense)	(7.64)	-	(41.57)	-	(117.42)
Total Nonoperating Revenue (Expenses)	<u>3,092.55</u>	<u>-</u>	<u>11,720.21</u>	<u>1,702.40</u>	<u>30,355.66</u>
Income (Loss) Before Transfers	19,158.62	(51,836.84)	66,294.80	151,609.10	321,004.63
Transfers:					
Transfers In	6,604.03				115,277.23
Transfers Out			(27,374.22)	(80,200.95)	(328,581.20)
Net Transfers in (Out)	6,604.03	-	(27,374.22)	(80,200.95)	(173,303.97)
Change in Net Position	25,762.65	(51,836.84)	38,920.58	71,408.15	147,700.66
Net Position at Beginning of Year	112,582.13	(253,151.20)	612,956.25	901,175.55	2,252,176.51
Net Position at End of Year	<u>\$ 138,344.78</u>	<u>\$(304,988.04)</u>	<u>\$651,876.83</u>	<u>\$972,583.70</u>	<u>\$2,399,877.17</u>

STATEMENT OF CASH FLOWS

STATE OF SOUTH DAKOTA
DEPARTMENT OF CORRECTIONS
PHEASANTLAND INDUSTRIES
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Admin. Office	License Plate	Carpentry	Upholstery	Books/ Print	Braille
Cash Flows From Operating Activities						
Receipts From Customers And Users	\$ 12,128.47	\$ -	\$ 618,160.81	\$ 7,502.12	\$ 119,105.04	\$ 133,205.27
Receipts from Interfund Services Provided	1,105,454.58	1,170,667.21	182,360.58	175,751.12	245,161.39	282.71
Payments to Supplies	(68,497.63)	(847,313.46)	(456,735.70)	(11,876.02)	(199,196.47)	(16,799.98)
Payments for Employee Services	(251,895.08)	(76,640.06)	(160,770.71)	(5,344.08)	(74,229.15)	(79,876.36)
Payments for Interfund Services Used	(780,670.75)	(133,196.47)	(326,912.46)	(18,836.48)	(65,854.05)	(86,218.07)
Net Cash Provided (Used) by Operating Activities	<u>16,519.59</u>	<u>113,517.22</u>	<u>(143,897.48)</u>	<u>147,196.66</u>	<u>24,986.76</u>	<u>(49,406.43)</u>
Cash Flows From Capital And Related Financing Activities:						
Purchase of Fixed Assets	(18,242.39)	-	(24,160.00)	-	(27,993.23)	-
Sales of Fixed Assets	-	-	-	-	-	27,993.23
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(18,242.39)</u>	<u>-</u>	<u>(24,160.00)</u>	<u>-</u>	<u>(27,993.23)</u>	<u>27,993.23</u>
Cash Flows from Noncapital Financing Activities						
Transfers In	-	-	148,673.20	-	-	-
Transfers Out	-	(69,386.99)	-	(148,673.20)	(2,945.84)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>(69,386.99)</u>	<u>148,673.20</u>	<u>(148,673.20)</u>	<u>(2,945.84)</u>	<u>-</u>
Cash Flows From Investing Activities						
Investment Income	(659.87)	9,559.98	4,261.69	(819.17)	2,369.23	124.29
Investment Expense	-	(44.12)	(13.68)	-	(9.07)	(1.34)
Net Cash Provided (Used) by Investing Activities	<u>(659.87)</u>	<u>9,515.86</u>	<u>4,248.01</u>	<u>(819.17)</u>	<u>2,360.16</u>	<u>122.95</u>
Net Increase (Decrease) in Cash and Cash Equivalents during the Fiscal Year	(2,382.67)	53,646.09	(15,136.27)	(2,295.71)	(3,592.15)	(21,290.25)
Cash and Cash Equivalents at Beginning of Year	2,582.67	463,010.13	20,300.41	2,295.71	7,015.29	21,799.51
Cash and Cash Equivalents at End of Year	\$ 200.00	\$ 516,656.22	\$ 5,164.14	\$ -	\$ 3,423.14	\$ 509.26

STATEMENT OF CASH FLOWS

(continued)

	Sign	Machine	Garment	Private Sector	Inter office	Total
Cash Flows From Operating Activities						
Receipts From Customers And Users	\$ 80,840.10	\$ 24,133.71	\$ 104,196.50	\$ 7,105.25		\$1,106,377.27
Receipts from Interfund Services Provided	320,228.71	193,803.39	392,870.56	320,963.12		4,107,543.37
Payments to Supplies	(340,251.32)	(107,923.59)	(277,988.44)	17,780.07		(2,308,802.54)
Payments for Employee Services	(20,449.21)	(78,243.46)	(66,315.84)	(94,230.63)		(907,994.58)
Payments for Interfund Services Used	(20,165.25)	(16,551.48)	(137,992.07)	(175,238.09)	\$ -	(1,761,635.17)
Net Cash Provided (Used) by Operating Activities	<u>20,203.03</u>	<u>15,218.57</u>	<u>14,770.71</u>	<u>76,379.72</u>	<u>-</u>	<u>235,488.35</u>
Cash Flows From Capital And Related Financing Activities:						
Purchase of Fixed Assets	(27,309.15)	(17,208.17)	-	-		(114,912.94)
Sales of Fixed Assets	-	-	-	-		27,993.23
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(27,309.15)</u>	<u>(17,208.17)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(86,919.71)</u>
Cash Flows from Noncapital Financing Activities						
Transfers In	6,604.03	-	-	-	(148,673.20)	6,604.03
Transfers Out	-	-	(27,374.22)	(80,200.95)	148,673.20	(179,908.00)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>6,604.03</u>	<u>-</u>	<u>(27,374.22)</u>	<u>(80,200.95)</u>	<u>-</u>	<u>(173,303.97)</u>
Cash Flows From Investing Activities						
Investment Income	2,912.26	-	11,640.16	1,702.40		31,090.97
Investment Expense	(7.64)	-	(41.57)	-		(117.42)
Net Cash Provided (Used) by Investing Activities	<u>2,904.62</u>	<u>-</u>	<u>11,598.59</u>	<u>1,702.40</u>		<u>30,973.55</u>
Net Increase (Decrease) in Cash and Cash Equivalents during the Fiscal Year	2,402.53	(1,989.60)	(1,004.92)	(2,118.83)		6,238.22
Cash and Cash Equivalents at Beginning of Year	479.90	1,989.60	16,698.38	2,118.83		538,290.43
Cash and Cash Equivalents at End of Year	\$ 2,882.43	\$ -	\$ 15,693.46	\$ -		\$ 544,528.65

STATEMENT OF CASH FLOWS

(continued)

	Admin. Office	License Plate	Carpentry	Upholstery	Books/ Print	Braille
Reconciliation of Operating Income (Loss) To Net Cash Provided by Operating Activities						
Operating Income (Loss)	\$ (18,498.48)	\$ 161,607.93	\$ 1,756.63	\$ -	\$ 8,684.93	\$ (31,612.56)
Adjustments to Reconcile Operating Income (Loss):						
Depreciation Expense	29,474.92	-	10,738.22	-	15,081.96	-
Miscellaneous Non Operating Revenue	-	-	-	-	-	-
Decrease/(Increase) in Assets:						
Accounts Receivable	(10.65)	-	(11,192.40)	7,632.29	4,476.72	7,405.40
Due From Other Funds	(52,361.24)	1,037,303.08	(1,651.18)	66,664.21	(10,620.30)	6,147.68
Due From Component	(660.00)	-	(18,864.12)	-	-	-
Due From other Agency	(98.94)	(68,326.89)	(6,280.81)	-	(12,525.46)	-
Prepaid Expense	(856.59)	-	-	-	-	-
Decrease In Inventory	-	21,348.17	(87,573.47)	107,949.98	4,034.14	3,192.35
Decrease In Net Pension Asset	(609.00)	(275.00)	(254.00)	11.00	(203.00)	(166.00)
Increase/(Decrease) in Deferred Outflow of Resources						
Deferred Amount from Refunding of Bonds	4,130.00	1,860.00	1,211.00	429.00	1,368.00	1,122.00
Deferred outflow of Resources Related to Pensions	20,916.00	9,424.00	4,756.00	3,553.00	6,924.00	5,692.00
Increase/(Decrease) in Liabilities:						
Accounts Payable	(646.45)	(6,159.45)	13,652.03	(11,876.11)	3,045.65	(815.28)
Accrued Liabilities	7,804.32	13.33	6,315.68	(4,122.89)	34.79	(318.85)
Compensated Absences Payable	5,078.31	338.44	1,854.73	(652.48)	412.48	288.68
Deferred Revenue	-	-	26,688.93	-	1,189.11	-
Due to other funds	14,903.89	(1,044,981.42)	(90,543.18)	(18,854.31)	2,214.90	(39,282.61)
Due to Other Agencies	1,384.66	157.95	2,300.26	(2,106.32)	(78.10)	(1,805.41)
Net Pension Liability	4,822.84	423.08	1,636.20	(568.71)	371.94	273.17
Deferred Inflow	1,746.00	784.00	1,552.00	(862.00)	575.00	473.00
Net Cash Provided (Used) by Operating Activities	<u>\$ 16,519.59</u>	<u>\$ 113,517.22</u>	<u>\$(143,897.48)</u>	<u>\$147,196.66</u>	<u>\$24,986.76</u>	<u>\$(49,406.43)</u>

STATEMENT OF CASH FLOWS

(continued)

	Sign	Machine	Garment	Private Sector	Total
Reconciliation of Operating Income (Loss) To					
Net Cash Provided by Operating Activities					
Operating Income (Loss)	\$ 16,066.07	\$(51,836.84)	\$ 54,574.59	\$ 149,906.70	290,648.97
Adjustments to Reconcile Operating Income (Loss):					
Depreciation Expense	-	1,801.48	8,078.52	21,706.91	86,882.01
Miscellaneous Non Operating Revenue	-	-	-	-	-
Decrease/(Increase) in Assets:					
Accounts Receivable	(9,592.37)	(5,479.86)	(9,607.55)	16,247.57	(120.85)
Due From Other Funds	66,376.19	(809.00)	(95,650.16)	(204,893.71)	810,505.57
Due From Component	(32.28)	-	-	-	(19,556.40)
Due From other Agency	(7,741.59)	(5,635.48)	(18,478.16)	(6,677.38)	(125,764.71)
Prepaid Expense	-	-	(806.03)	-	(1,662.62)
Decrease In Inventory	(254,146.68)	7,179.51	56,504.45	-	(141,511.55)
Decrease In Net Pension Asset	(65.00)	(206.00)	(156.00)	(525.00)	(2,448.00)
Increase/(Decrease) in Deferred Outflow of Resources					
Deferred Amount from Refunding of Bonds	437.00	1,393.00	1,062.00	3,555.00	16,567.00
Deferred outflow of Resources Related to Pensions	2,218.00	7,049.00	5,378.00	18,008.00	83,918.00
Increase/(Decrease) in Liabilities:					
Accounts Payable	(422.78)	9,713.57	(40,158.73)	241.10	(33,426.45)
Accrued Liabilities	(710.36)	1,588.04	154.36	2,324.90	13,083.32
Compensated Absences Payable	1,123.25	(276.59)	998.99	(1,112.51)	8,053.30
Deferred Revenue	-	2,100.51	9,355.32	-	39,333.87
Due to other funds	198,185.54	48,723.63	42,148.97	76,979.02	(810,505.57)
Due to Other Agencies	7,332.59	(432.29)	0.69	48.29	6,802.32
Net Pension Liability	993.45	(239.11)	923.45	(926.17)	7,710.14
Deferred Inflow	182.00	585.00	448.00	1,497.00	6,980.00
Net Cash Provided (Used) by Operating Activities	<u>\$ 20,203.03</u>	<u>\$ 15,218.57</u>	<u>\$ 14,770.71</u>	<u>\$ 76,379.72</u>	<u>\$ 235,488.35</u>

OUR VISION

A nationally recognized leader in correctional industries that is setting the standard and redefining incarceration with its team approach in providing purpose to its workforce while leveraging community-based partnerships to maximize potential for their success.

OUR VALUES

PEOPLE

We value our workforce, customers, and community partners, and will devote the resources to develop strong bonds with each.

HARD WORK

We value hard work and the rewards that come with going beyond what is expected.

DEDICATION

We value enthusiasm in and commitment to everything we do.

TEAMWORK

We value a collaborative workplace where our strengths and talents are harnessed to achieve success and support our mission.

CREATIVITY

We value creativity and promote an environment where inspiration and ingenuity flourish.

QUALITY

We recognize excellence and pride as our hallmarks.

TALENT

We encourage an environment where hidden abilities are recognized and cultivated into valuable skills.

DIVERSITY

We celebrate diversity and value the contributions and experiences of our workforce.

FORGING THE FUTURE



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Pheasantland Industries

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