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REPORT TO THE CONGRESS

Examination Of Financial Statements Of Federal Prison Industries, Inc., Fiscal Year 1969 B-114826

Department of Justice

*BY THE COMPTROLLER GENERAL
OF THE UNITED STATES*

~~715524~~

JAN. 12. 1970

[092358]



COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

B-114826

To the President of the Senate and the
Speaker of the House of Representatives

The accompanying report presents the results of the examination by the General Accounting Office of the financial statements of Federal Prison Industries, Inc., Department of Justice, for the fiscal year ended June 30, 1969. The examination was made pursuant to the Government Corporation Control Act (31 U.S.C. 841).

Copies of this report are being sent to the Director, Bureau of the Budget, and to the Attorney General.

A handwritten signature in cursive script that reads "James B. Stacks".

Comptroller General
of the United States

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WHY THE EXAMINATION WAS MADE

The Government Corporation Control Act requires the Comptroller General to make an annual audit of the Federal Prison Industries, Inc. (the corporation), and to submit a report thereon directly to the Congress.

FINDINGS AND CONCLUSIONS

In the opinion of the General Accounting Office (GAO) the financial statements included in this report (schedules 1 through 3), which were prepared by the corporation, present fairly the financial position of the corporation at June 30, 1969, and the results of its operations and the sources and application of its funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year--except for a change in accounting practice which had the effect of reducing retained income at June 30, 1968, by \$233,619, representing adjustments affecting prior years which GAO approves--and with applicable Federal laws.

The corporation conducts industrial operations in Federal penal and correctional institutions and in the military barracks at Fort Leavenworth, Kansas, for the purpose of providing employment for physically fit inmates. The nature of the industrial operations established in the institutions is determined on the basis of the type of work that will give the inmates an opportunity to acquire knowledge and skill in trades and occupations which will enable them to earn a livelihood upon their release and, at the same time, keep to a minimum the competition with private industry.

The corporation also conducts a vocational training program for qualified inmates in connection with the institutional industrial activities and operates a placement service to assist inmates in obtaining employment upon their release.

The corporation's fiscal year 1969 sales to Government agencies totaled about \$47.5 million, or about \$0.7 million less than the preceding year. Although its 1969 profit of \$7.3 million was less than the profit of \$9.5 million in fiscal year 1968, the corporation paid a

dividend of \$5 million into the U.S. Treasury during fiscal year 1969, the same amount as paid in the preceding year. (See p. 5.)

RECOMMENDATIONS OR SUGGESTIONS

None.

AGENCY ACTIONS AND UNRESOLVED ISSUES

None.

MATTERS FOR CONSIDERATION BY THE CONGRESS

This report is submitted to the Congress as required by the Government Corporation Control Act to disclose the results of the annual examination of the corporation's financial statements and such other information deemed necessary to keep the Congress informed of the operations and financial condition of the corporation.

GENERAL COMMENTS

The General Accounting Office has made an examination of the financial statements of the Federal Prison Industries, Inc., for the fiscal year ended June 30, 1969. The scope of the examination is described on page 8 of this report. The corporation, which is a wholly owned Government corporation created pursuant to the act of June 23, 1934 (48 Stat. 1211; 18 U.S.C. 4121), functions within the Department of Justice under the general direction and supervision of the Attorney General.

The corporation conducts industrial operations in Federal penal and correctional institutions and in the military disciplinary barracks at Fort Leavenworth, Kansas, for the purpose of providing employment for physically fit inmates. These operations are designed to give the inmates an opportunity to acquire knowledge and skill in trades and occupations that will enable them to earn a livelihood upon their release. The nature of the industrial operations established in the institutions is determined on the basis of the type of work that will furnish the most appropriate training and, at the same time, keep to a minimum competition with private industry. The number of inmates employed in the industries during fiscal year 1969 averaged 4,858.

Under the act which created the corporation, Government agencies are required to purchase, at prices not to exceed current market prices, such products of the industries as meet their requirements and as may be available. The corporation's board of directors has established the policy that prices shall not be materially below current market price.

The corporation also conducts a vocational training program for qualified inmates in connection with the institutional industrial activities and operates a placement service to assist inmates in obtaining employment upon their release. During fiscal year 1969, 7,844 inmates were enrolled in 337 groups for training in agriculture, industry, trades, institutional maintenance, and other special subjects and 4,116 inmates completed courses.

MANAGEMENT

The operating policies of the Federal Prison Industries, Inc., are prescribed by a board of six directors appointed by the President of the United States to serve for indefinite terms without compensation. At June 30, 1969, the board members were:

<u>Name</u>	<u>Representing</u>
Sanford Bates, consultant in public administration	United States Attorney General
William E. Morgan, president, Colorado State University	Agriculture
George Meany, president, AFL-CIO	Labor
James L. Palmer, member, board of directors, Marshall Field Company	Retailers and consumers
John Marshall Briley, lawyer-industrialist	Secretary of Defense
Berry N. Beaman, industrialist	Industry

The officers of the corporation at June 30, 1969, were:

Sanford Bates	President
James L. Palmer	Vice President
Myrl E. Alexander	Commissioner of Industries
John T. Willingham, Jr.	Associate Commissioner of Industries
William E. Zachem	Secretary/Deputy Associate Commissioner

The president and the vice president are members of, and are selected by, the board of directors. Under the bylaws, the director of the Bureau of Prisons, Department of Justice, is the commissioner of industries and the acting executive officer of the corporation. The associate commissioner of industries and the secretary/deputy associate commissioner serve as the chief operating and administrative officers of the corporation.

OPERATIONS

Fiscal year 1969 sales to Government agencies totaled about \$47.5 million, or \$0.7 million less than the preceding year. Sales by 19 of the 38 manufacturing and processing industries and by three of the 11 servicing units increased about \$3.9 million. Sales by the remaining industries and servicing units, however, decreased about \$4.6 million.

We were informed by corporation officials that the decrease was attributable principally to:

1. A reduction in the Post Office Department's requirements for mail bags that resulted in a \$1.1 million decrease in sales by the canvas specialty industry at Atlanta, Georgia.
2. Difficulties experienced in acquiring component parts necessary to manufacture cable assemblies that caused a \$0.9 million reduction in sales by the electronics shop at McNeil Island, Washington.
3. Reductions by the Department of Defense and the General Services Administration in their orders for metal beds, shelving, and lockers. These reductions resulted in a decrease of about \$1 million in sales by the metal industries at Milan, Michigan, and Lewisburg, Pennsylvania.

The corporation's profit for fiscal year 1969 was \$7.3 million compared with a profit of \$9.5 million for the preceding year. However, the board declared, and the corporation paid, a dividend of \$5 million into the Treasury during fiscal year 1969, the same amount as paid in the preceding year.

The terms of the corporation's charter limit the number of products and services that can satisfactorily be produced by its industries. In an attempt to identify new products which could be produced by the industries and which could provide employment and skills for inmates that would help them become employable upon release, the corporation, during fiscal year 1969, entered into a contract

with a private organization in the amount of about \$60,000, principally, to identify products and services procured by the Government which might be provided by the corporation.

CHANGE IN ACCOUNTING PRACTICE

In preparing its financial statements for fiscal year 1969, the corporation adopted the practice of adjusting retained income for transactions affecting prior years--a change in accounting practice that we had suggested. The former practice was to include such transactions as items of income or expense for the current year. This change had the effect of reducing net income since inception and retained income.

The net change in the investment of the U.S. Government during the year was an increase of \$2,158,984. This change resulted from a net income of \$7,280,729 for fiscal year 1969 and an increase of \$111,874 in the value of property received from other Government agencies less a dividend of \$5 million paid to the U.S. Treasury and an adjustment of \$233,619 for prior years' transactions.

SCOPE OF EXAMINATION

Our examination of the financial statements of Federal Prison Industries, Inc., for fiscal year 1969 was made in accordance with generally accepted auditing standards and included such tests of the accounting records and financial transactions and such other auditing procedures as we considered necessary in view of the nature and volume of the transactions and the effectiveness of the internal controls, including the internal audit functions.

Our examinations at the various institutions are made on a cyclical basis. The fiscal year 1969 examinations were made at the institutions in Ashland, Kentucky; Atlanta, Georgia; La Tuna, Texas; and Springfield, Missouri, and at the central office in Washington, D.C.

OPINION OF FINANCIAL STATEMENTS

In our opinion, the accompanying financial statements (schedules 1, 2, and 3) present fairly the financial position of the Federal Prison Industries, Inc., at June 30, 1969, and the results of its operations and the sources and application of its funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year--except for a change in accounting practice to provide for adjusting net income since inception and retained income for transactions affecting prior years which had the effect of reducing retained income at June 30, 1968, by \$233,619, which we approve--and with applicable Federal laws.

FINANCIAL STATEMENTS

SCHEDULE 1

FEDERAL PRISON INDUSTRIES, INC.

STATEMENT OF FINANCIAL CONDITION

JUNE 30, 1969 AND 1968

A S S E T S	<u>1969</u>	<u>1968</u>	<u>Increase or decrease(-)</u>
FUNDS WITH U.S. TREASURY:			
Available for operations	\$ 12,412,568	\$ 9,339,732	\$3,072,836
Special deposits (bond and tax deductions)	<u>29,399</u>	<u>262,115</u>	<u>-232,716</u>
ACCOUNTS RECEIVABLE, principally from Government agencies	<u>7,488,667</u>	<u>10,124,055</u>	<u>-2,635,388</u>
INVENTORIES, at cost:			
Finished goods	2,620,419	2,727,417	-106,998
Work in process	2,538,596	2,083,755	454,841
Materials and supplies	<u>8,518,492</u>	<u>9,612,050</u>	<u>-1,093,558</u>
	<u>13,677,507</u>	<u>14,423,222</u>	<u>-745,715</u>
PLANT AND EQUIPMENT, at cost or appraised value less depreciation:			
Machinery and equipment	8,476,103	7,511,769	964,334
Buildings and improvements	13,160,113	11,532,769	1,627,344
Construction in process	<u>2,760,568</u>	<u>2,805,308</u>	<u>-44,740</u>
	<u>24,396,784</u>	<u>21,849,846</u>	<u>2,546,938</u>
SUNDRY ASSETS	<u>169,733</u>	<u>151,213</u>	<u>18,520</u>
Total assets	<u>\$ 58,174,658</u>	<u>\$ 56,150,183</u>	<u>\$2,024,475</u>
L I A B I L I T I E S A N D C A P I T A L			
LIABILITIES:			
Accounts payable	\$ 1,903,917	\$ 1,993,749	\$ -89,832
Accrued liabilities	717,816	606,753	111,063
Employees' accrued annual leave	721,050	643,545	77,505
Deposit fund liabilities (bond and tax deductions)	<u>29,399</u>	<u>262,644</u>	<u>-233,245</u>
Total liabilities	<u>3,372,182</u>	<u>3,506,691</u>	<u>-134,509</u>
INVESTMENT OF U.S. GOVERNMENT:			
Initial capital	4,176,040	4,176,040	-
Property received from other Government agencies, net	<u>2,122,565</u>	<u>2,010,691</u>	<u>111,874</u>
Capital	<u>6,298,605</u>	<u>6,186,731</u>	<u>111,874</u>
Net income since inception (schedule 2)	125,503,871	118,456,761 ^a	7,047,110
Less dividends paid into U.S. Treasury	<u>77,000,000</u>	<u>72,000,000</u>	<u>5,000,000</u>
Retained income	<u>48,503,871</u>	<u>46,456,761</u>	<u>2,047,110</u>
Total investment of U.S. Government	<u>54,802,476</u>	<u>52,643,492</u>	<u>2,158,984</u>
Total liabilities and investment of U.S. Government	<u>\$ 58,174,658</u>	<u>\$ 56,150,183</u>	<u>\$2,024,475</u>

^a Exclusive of a reduction of \$233,619 representing adjustments affecting prior years' transactions.

SCHEDULE 2

FEDERAL PRISON INDUSTRIES, INC.

STATEMENT OF INCOME AND EXPENSE

FISCAL YEARS ENDED JUNE 30, 1969 AND 1968

	<u>1969</u>	<u>1968</u>	<u>Increase or decrease(-)</u>
TOTAL SALES OF PRODUCTS AND SERVICES	\$52,929,204	\$55,181,590	-\$2,252,386
LESS SALES BETWEEN INDUSTRIES	<u>5,427,943</u>	<u>6,934,216</u>	<u>-1,506,273</u>
SALES TO GOVERNMENT AGENCIES	47,501,261	48,247,374	-746,113
COST OF GOODS AND SERVICES SOLD (schedule 4)	<u>35,407,890</u>	<u>34,245,486</u>	<u>1,162,404</u>
GROSS PROFIT	12,093,371-	14,001,888	-1,908,517
Add:			
Miscellaneous sales income	114,734	127,229	-12,495
Sundry income	<u>53,298</u>	<u>88,640</u>	<u>-35,342</u>
	<u>12,261,403</u>	<u>14,217,757</u>	<u>-1,956,354</u>
Less:			
Management service contracts	61,271	161,622	-100,351
Salaries--indirect civilian	497,721	472,035	25,686
Loss on disposition of assets	138,813	186,479	-47,666
Christmas packages to inmates	26,803	25,379	1,424
Industries relocating expense	-	8,302	-8,302
Sundry expense	35,578	52,728	-17,150
Organization expense	<u>38,879</u>	<u>161,141</u>	<u>-122,262</u>
	<u>799,065</u>	<u>1,067,686</u>	<u>-268,621</u>
Sales expense:			
Outgoing freight	46,496	117,449	-70,953
Shipping	162,079	100,269	61,810
Catalog, samples and sundries	<u>10,741</u>	<u>2,104</u>	<u>8,637</u>
Total sales expense	<u>219,316</u>	<u>219,822</u>	<u>-506</u>
Administrative expense:			
Salaries	557,881	523,545	34,336
Travel	38,757	33,911	4,846
Audit expense	35,000	35,000	-
Rent for Washington office	24,064	23,936	128
Other	<u>74,603</u>	<u>59,629</u>	<u>14,974</u>
Total administrative expense subject to limitation set by the Congress: (1969, \$780,000) (1968, \$726,000)	<u>730,305</u>	<u>676,021</u>	<u>54,284</u>
Depreciation on machinery and equipment	2,889	2,842	47
Depreciation on buildings and improvements	<u>-</u>	<u>287</u>	<u>-287</u>
Total administrative expense	<u>733,194</u>	<u>679,150</u>	<u>54,044</u>
Incentive awards to civilians	<u>9,955</u>	<u>10,775</u>	<u>-820</u>
	<u>1,761,530</u>	<u>1,977,433</u>	<u>-215,903</u>
NET INDUSTRIAL PROFIT	<u>10,499,873</u>	<u>12,240,324</u>	<u>-1,740,451</u>
Less:			
Accident compensation	127,758	120,956	6,802
Vocational training and placement expenses (schedule 5)	2,594,363	2,132,208	462,155
Meritorious compensation to inmates	<u>497,023</u>	<u>487,053</u>	<u>9,970</u>
	<u>3,219,144</u>	<u>2,740,217</u>	<u>478,927</u>
NET PROFIT TO RETAINED INCOME (schedule 1)	<u>\$ 7,280,729</u>	<u>\$ 9,500,107</u>	<u>-\$2,219,378</u>

FEDERAL PRISON INDUSTRIES, INC.

STATEMENT OF SOURCES AND APPLICATION OF FUNDS

FISCAL YEAR ENDED JUNE 30, 1969

FUNDS PROVIDED:

Sales of products and services	\$47,501,261
Miscellaneous sales	1,786,270
Sundry income--current year	77,661
Decrease in other assets	3,183,594
Materials and supplies donated by other Government agencies	257,253
Sundry income earned in prior years	<u>3,953</u>
Total funds provided	<u>\$52,809,992</u>

FUNDS APPLIED:

Cost of goods and services sold, less de- preciation and amortization expense	\$34,293,875
Cost of miscellaneous sales	1,671,536
Purchase of machinery and equipment	1,935,575
Purchase of buildings and improvements	2,141,552
Buildings donated to other Government agencies	95,194
Dividends to U.S. Treasury	5,000,000
Accident compensation	127,758
Inmate compensation for meritorious or outstanding service	497,023
Vocational training and placement ex- pense, less depreciation	2,378,122
Operating expenses, less expenses not af- fecting funds	1,591,664
Increase in funds with U.S. Treasury	2,840,121
Operating expenses incurred in prior years	<u>237,572</u>
Total funds applied	<u>\$52,809,992</u>

SCHEDULE 4

FEDERAL PRISON INDUSTRIES, INC.

STATEMENT OF COST OF GOODS AND SERVICES SOLD

FISCAL YEARS ENDED JUNE 30, 1969 AND 1968

	<u>1969</u>	<u>1968</u>	<u>Increase or decrease(-)</u>
MATERIALS USED	<u>\$23,917,737</u>	<u>\$23,603,752</u>	<u>\$ 313,985</u>
LABOR, DIRECT INMATE	<u>2,207,458</u>	<u>1,963,003</u>	<u>244,455</u>
MANUFACTURING EXPENSES:			
Salaries--civilian	4,637,562	4,168,838	468,724
Labor, indirect--inmate	541,045	416,476	124,569
Light, heat, power, and water	790,400	734,315	56,085
Travel	59,178	70,276	-11,098
Rents and royalties	46,108	41,929	4,179
Amortization of deferred expense	61,447	149,063	-87,616
Telephone and telegraph	19,758	15,845	3,913
Depreciation:			
Machinery and equipment	684,123	609,965	74,158
Buildings and improvements	337,058	307,808	29,250
Factory supplies	1,174,824	1,264,445	-89,621
Loss and damaged goods	48,930	41,437	7,493
Building repairs and maintenance	90,309	98,134	-7,825
Machine repair parts	551,937	573,848	-21,911
Freight, express, and parcel post	69,407	59,306	10,101
Vehicle operation	27,922	25,615	2,307
Minor equipment and repairs	295,388	276,430	18,958
Accident compensation--lost time due to injury	3,953	3,580	373
Special clothing	38,167	36,009	2,158
Office supplies, printing, and stationery	56,819	49,026	7,793
Experimental expense	5,267	3,001	2,266
Publications	3,912	4,499	-587
Special meals	11,096	14,029	-2,933
Packing and storing	71,733	88,811	-17,078
Grading and testing	7,317	12,217	-4,900
Expenses reclassified--not applicable to manufacturing	-110,832	-137,280	26,448
Commercial labor and services	173,170	213,445	-40,275
Social security	1,135	1,231	-96
Life insurance	20,108	15,573	4,535
Health insurance	43,047	41,787	1,260
Retirement	290,847	263,424	27,423
Total manufacturing expenses	<u>10,051,135</u>	<u>9,463,082</u>	<u>588,053</u>
Total manufacturing charges	36,176,330	35,029,837	1,146,493
Add:			
Work in process inventory, beginning	2,083,755	1,978,394	105,361
Deduct:			
Work in process inventory, ending	<u>2,538,596</u>	<u>2,083,755</u>	<u>454,841</u>
Cost of goods manufactured	35,721,489	34,924,476	797,013
Add:			
Finished goods inventory, beginning	2,727,417	2,489,451	237,966
Deduct:			
Finished goods inventory, ending	2,620,419	2,727,417	-106,998
Costs reclassified as assets or other expenses	<u>420,597</u>	<u>441,024</u>	<u>-20,427</u>
COST OF GOODS AND SERVICES SOLD (schedule 2)	<u>\$35,407,890</u>	<u>\$34,245,486</u>	<u>\$1,162,404</u>

FEDERAL PRISON INDUSTRIES, INC.

STATEMENT OF VOCATIONAL TRAINING AND PLACEMENT EXPENSES

FISCAL YEARS ENDED JUNE 30, 1969 AND 1968

	<u>1969</u>	<u>1968</u>	<u>Increase or decrease(-)</u>
Personnel compensation	\$1,729,168	\$1,482,343	\$246,825
Personnel benefits	122,401	103,956	18,445
Travel and transportation of persons	57,873	73,414	-15,541
Transportation of things	5,488	2,584	2,904
Rent, communications, utilities	60,536	47,380	13,156
Printing and reproduction	44,595	42,513	2,082
Other services	47,101	18,579	28,522
Supplies and materials	<u>310,960</u>	<u>206,853</u>	<u>104,107</u>
Total	2,378,122	1,977,622	400,500
Less income from miscellaneous services	<u>-</u>	<u>10,720</u>	<u>-10,720</u>
	2,378,122	1,966,902	411,220
Total expenses subject to limitation set by the Congress: (1969, \$2,457,000) (1968, \$1,988,000)			
Depreciation:			
Machinery and equipment	121,311	91,832	29,479
Buildings and improvements	<u>94,930</u>	<u>73,474</u>	<u>21,456</u>
Total (schedule 2)	<u>\$2,594,363</u>	<u>\$2,132,208</u>	<u>\$462,155</u>

APPENDIX

FEDERAL PRISON INDUSTRIES, INC.

STATEMENT OF SALES BY INDUSTRY
FISCAL YEARS ENDED JUNE 30, 1969 AND 1968

Industry	Location	Sales		Increase or decrease(-)	Average number of inmates in industry, 1969
		1969	1968		
MANUFACTURING AND PROCESSING:					
Broom	El Reno	\$ 973,196	\$ 797,271	\$ 175,925	79
Brush	La Tuna	1,040,238	934,580	105,658	79
Do.	Leavenworth	3,686,983	2,572,968	1,114,015	169
Do.	Springfield	297,619	320,427	-22,808	30
Canvas specialty	Atlanta	9,141,219	10,208,645	-1,067,426	329
Do.	Terre Haute	1,812,877	1,681,831	131,046	112
Clothing	Fort Leavenworth	217,650	223,750	-6,100	63
Do.	Leavenworth	1,004,373	999,033	5,340	132
Do.	Lewisburg	666,397	540,331	126,066	88
Do.	Lompoc	280,780	404,262	-123,482	57
Do. (note a)	Terminal Island	-	51,121	-51,121	-
Dairy	La Tuna	199,831	192,691	7,140	20
Electronics	McNeil Island	2,133,671	3,006,422	-872,751	158
Do.	Danbury	1,153,596	1,151,207	2,389	70
Electronic cable	Lompoc	451,973	94,863	357,110	45
Feather products	Texarkana	447,466	565,381	-117,915	32
Furniture, wood	Leavenworth	819,595	844,086	-24,491	103
Furniture, wood and fiber	Ashland	219,316	343,782	-124,466	37
Furniture, wood and refinish- ing	McNeil Island	444,450	491,256	-46,806	113
Furniture, custom	Allenwood	284,001	286,636	-2,635	67
Furniture, metal	Lewisburg	3,040,487	3,361,850	-321,363	296
Do. (note b)	Marion	156,285	-	156,285	54
Garment	Alderson	521,550	437,181	84,369	118
Glove	Danbury	517,427	502,019	15,408	131
Do.	Sandstone	335,153	414,003	-78,850	61
Machine, die, and tool	El Reno	2,117,849	2,389,126	-271,277	158
Mattress	Atlanta	1,581,591	1,595,589	-13,998	59
Metal equipment	Terminal Island	1,248,606	1,119,322	129,284	120
Metal specialty	Milan	1,273,695	1,932,652	-658,957	98
Parachute	Springfield	190,444	273,105	-82,661	12
Printing (note a)	Leavenworth	-	66,475	-66,475	-
Printing	Lompoc	375,109	244,724	130,385	37
Do.	Marion	337,261	303,967	33,294	40
Do.	Sandstone	236,255	196,552	39,703	33
Plastics	Terre Haute	363,205	230,818	132,387	25
Sign (note c)	Atlanta	-	-	-	3
Do.	McNeil Island	504,158	412,859	91,299	59
Shoe	Leavenworth	5,040,028	5,120,251	-80,223	468
Textile, cotton	Atlanta	4,820,377	6,433,912	-1,613,535	543
Textile, woolen	Terre Haute	2,680,646	1,689,837	990,809	244
Total manufacturing and processing		<u>50,615,357</u>	<u>52,434,785</u>	<u>-1,819,428</u>	<u>4,342</u>
SERVICING:					
Furniture repair and refinish- ing	La Tuna	443,353	487,019	-43,666	86
Do.	Lompoc	254,768	345,429	-90,661	78
Do.	Petersburg	145,311	147,810	-2,499	34
Do.	Seagoville	116,019	122,757	-6,738	32
Do.	Tallahassee	169,849	116,680	53,169	55
Do.	Terminal Island	427,291	494,696	-67,405	107
Do.	do.	59,760	26,983	32,777	21
Keypunch	do.	236,544	452,956	-216,412	33
Roadwheel rebuild	Texarkana	201,489	304,013	-102,524	22
Tire reconditioning	Petersburg	166,041	169,759	-3,718	21
Do.	Texarkana	93,422	78,703	14,719	27
Automatic data processing	Alderson	-	-	-	-
Total servicing		<u>2,313,847</u>	<u>2,746,805</u>	<u>-432,958</u>	<u>516</u>
Total		<u>52,929,204</u>	<u>55,181,590</u>	<u>-2,252,386</u>	<u>4,858</u>
Less sales between industries		<u>5,427,943</u>	<u>6,934,216</u>	<u>-1,506,273</u>	
Total sales to Government agencies		<u>\$47,501,261</u>	<u>\$48,247,374</u>	<u>\$ -746,113</u>	

^aIndustries were discontinued during fiscal year 1968.

^bIndustry established in but no production during fiscal year 1968.

^cIndustry established in but no production during fiscal year 1969.