



**A Failed Privatization Experiment:
Aramark and the Michigan Department of Corrections**

Report Prepared by:
Progress Michigan
August 18, 2015

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Progress Michigan conducted an investigation into the Michigan Department of Corrections' contract with food service vendor Aramark. The investigation was conducted based on documents obtained through a Freedom of Information Act (FOIA) request. The information in this report is based on department-provided materials and communications that refer to "Aramark" from March 1, 2014 to the date of request on September 12, 2014. This information was selected and identified by the Department and provided to Progress Michigan by June 1, 2015.

The investigation was prompted by reports of Aramark's failure to properly run food service operations in Michigan's prisons and the discovery in a previous Progress Michigan FOIA request that the Snyder administration quietly cancelled an announced fine in early 2014.

Using Letters of Recommendation from the Department to Aramark and Plan of Action documents from Aramark to the Department, we have developed the following snapshot of food service operations between March and October of 2014.

Examples of Letters of Recommendation and Plans of Action can be found in Appendix A.

Key Findings

Based on a thorough review of thousands of pages of documents we have concluded the following:

- Aramark's performance consistently failed to meet the standards set forth for quality food service, prisoner safety and facility security. In total, there were 3,707 issues with Aramark's performance.
- The Department of Corrections and the Snyder administration failed to force this contractor to improve its performance.
- Aramark and the Department failed to address 48.3% of the 3,707 issues raised by contract monitors, which allowed them to be persistent or recurring.
- The lack of meaningful accountability was a part of Gov. Rick Snyder's governing culture that was unable or unwilling to hold the contractor accountable for its failures and gives questions to whether similar failures will happen in the future.

Contract Issues

As part of the Department's duties of monitoring the contract, Letters of Recommendation were sent to Aramark for each prison. The letters pointed out areas of improvement for Aramark, focusing on food quality, facility sanitation, prisoner safety, facility security and contract administration. From March through October of 2014, the Department cited Aramark for thousands of issues. Our research found the following:

Total Issues: 3,707

Food Quality/Facility Sanitation: 2,945

These issues include poor food preparation practices that can lead to the spread of food-borne pathogens as well as incidents that cite poor cleanup of food preparation area. The second cites issues such as food debris, slime, mold and rodent droppings.

Example from Central Michigan West Facility-7/09/14:

"Observation#1: Observed several areas where sanitation of food contact and floor surfaces are a major concern.

- Serving line: Observed sides, edges and undersides with grease and old food debris buildup.
- Serving line: Tray rails on serving lines of line are damaged and propped up with milk carts that are heavily contaminated with old food product debris.
- Floors: Floor drains under serving line are littered with paper, plastic ware and old food product.
- Carts: Food carts that were being used on serving line both showed heavy signs of old food product buildup.
- Drink area: Floors under drink area are sticky and show heavy evidence of old beverage stuck to floor.
- Pest: Observed flies and gnats in serving area"

Prisoner Safety/Facility Security: 485

These include issues observed with poor handling of facility security, which also can negatively affect the prisoners' safety. In large part this follows whether guidelines are observed in the use of prep tools and caustic chemicals for cleaning.

Example from Macomb Correctional Facility - 4/2/14

"Observation #2: Upon inspection, several tools were issued out but not logged out. All tools must be accounted for in accordance with MDOC policy at all times. These same issues were reported back on 02-24-2014 and again 03-10-2014, an action plan was submitted by you on 03-13-2014 that this issue would be corrected through additional training by the FSD."

Administrative: 277

This type of issue involves poor management such as maintaining staffing levels, responding to MDOC letters of recommendation and other areas to maintain contract compliance unrelated to sanitation or security.

Example from Muskegon Correctional Facility – 3/3/14

“Observation#4: The FSD (Food Service Director) is not ServeSafe certified. No evidence was provided that indicated any Aramark staff maintain the required certification.”

Once identified, Aramark was responsible for taking corrective action and the Department was then responsible for ensuring that improvements were implemented. The documents show that of the 3,707 issues identified by the Department, 1,791 of the issues were either persistent or recurring, the majority of which involved food quality and sanitation practices.

Raw data can be found the Appendix B of this report. Letters of Recommendation are sorted by facility and are in chronological order.

Issues Were Widespread

The failures of Aramark and the Snyder administration were spread throughout the entire Michigan prison system. A review of the total violations shows that each facility had numerous issues.

Name	Food Quality and Sanitation	Safety and Security Issues	Administrative Issues	Total Facility Issues	Persistent Issues	Issue non-fix
Baraga	194	20	34	248	120	48%
Gus Harrison	63	9	2	76	34	45%
Detroit Re-entry	89	22	7	118	48	41%
Carson City	126	26	15	167	43	26%
Oaks	107	21	8	136	64	47%
Bellamy	93	21	27	141	45	32%
Ionia	46	5	4	55	22	40%
G. Robert Cotton	83	15	8	104	33	36%
Cooper City	61	7	5	73	21	29%
Kinross	57	7	5	69	21	30%
Lakeland	61	10	9	80	35	44%
Alger	30	0	0	30	6	20%
Brooks	76	17	9	102	30	29%
Marquette	70	7	5	82	25	30%
Muskegon	80	13	10	103	60	58%
Pugsley	45	9	13	67	23	37%
Macomb	148	40	5	193	108	56%
West Shoreline	56	13	5	74	30	41%
Richard Handlon	79	11	11	101	46	46%
Newberry	16	0	2	18	1	6%
Ojibway	77	9	11	97	49	51%
Charles "Egeler"	98	14	7	119	60	50%

Michigan Reformatory	54	3	11	68	37	54%
Special Alternates	50	5	3	58	23	46%
St Louis	127	14	7	148	75	51%
Parnall	98	27	2	127	60	47%
Saginaw	118	19	6	143	90	63%
Central Michigan	247	32	17	296	216	73%
Thumb	139	23	8	170	91	54%
Chippewa	116	10	10	136	76	56%
Woodland	198	31	8	237	151	64%
Women's Huron Valley	47	27	1	75	38	51%
	2945	485	277	3707	1791	48.31%

The table above shows that issues were present in each facility and facilities allowed a low of 6% to a high of 74% of these issues to be persistent or recurring. On average nearly half of all problems were reoccurring issues that were not addressed by the Department.

Lack of Proper Follow-Through by Department/Snyder Administration

In September of 2014, Progress Michigan released emails between then-MDOC Director Dan Heyns and Gov. Snyder's Chief of Staff Dennis Muchmore that showed that the Snyder administration cancelled a \$98,000 fine imposed on Aramark for prior contract violations.

This failure to protect Michigan citizens from misuse of taxpayer dollars trickled down from the top level of the Snyder administration to the contract monitors in the Department of Corrections. On numerous occasions, the Department failed to procure a plan of action from Aramark. Furthermore, enforcement of the contract was lacking, thus allowing for nearly half of the identified issues to remain unfixed.

This lack of follow-through is concerning despite the fact that the Snyder administration switched contractors for this privatization experiment. The failure to have proper systems in place that lead to real accountability will result in a high probability of future problems with food service in Michigan's prisons. While Aramark was unable to properly provide food service without numerous violations, it is clear from the evidence that the Snyder administration was unable or unwilling to ensure the proper use of taxpayer dollars over the profits of private, for-profit contractors.

Conclusion

The Snyder administration bears ultimate responsibility for the failures associated with this privatization experiment. The failures led to significant problems in Michigan's prisons. This lack oversight gives serious doubt to whether improvements will be made even with a change in food service vendor.

This failure is evidenced by the cancelled fine, the lack of proper follow through on issues by the Department and Gov. Rick Snyder's inaction in the face of over 3,000 issues identified with just one vendor.

This failure speaks volumes about privatization. The failure to adequately hold a private corporation accountable for easily fixable and already identified issues raises questions about the ability of the State of Michigan to outsource work beyond normal channels of public accountability.

Recommended Actions

Based on this report and other numerous issues with this failed privatization of public services we suggest the following recommendations:

- All publicly funded entities currently using Aramark should review these documents and investigate both Aramark's performance and their own internal monitoring of Aramark.
- The Snyder administration should conduct a full investigation into the failure of Department of Corrections contract monitors to hold this contractor accountable.
- The Snyder administration should ask the Auditor General to conduct investigations into all vendor contracts to ensure that the failure to hold private companies doing public work accountable is not systemic throughout Michigan.
- Attorney General Bill Schuette should open an investigation into Aramark's practices as well as the administration's monitoring of the contract and ensure that no civil or criminal violations exist.
- The State of Michigan should make all contract monitor reports and vendor responses publically available on the corresponding Department's website within 30-days of the issuance of a monitor's report.

Plan of Action

★ ARAMARK Aramark Correctional Services

Facility Name →	Inspection Date →	Date Plan of Action Due →	Issue	Plan for Correction		Who Is Responsible	Target Date	Date Completed	Completed By
				How will Aramark prevent the issue from recurring in the future?					

Appendix A



Appendix A

RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF CORRECTIONS
LANSING

DANIEL H. HEYNS
DIRECTOR

April 23, 2014

Mr. Lars Larson, District Manager
Aramark Correctional Services Division
423 Ionia
Lansing, Michigan 48933

RE: Alger Correctional Facility Review

Dear Mr. Larson:

A review of Alger Correctional Facility was completed on April 21, 2014. The primary objective of the review is to ensure compliance with the provisions of the contractual agreement between Aramark and the Michigan Department of Corrections.

Detailed below are a summary of the findings or observations that were identified during the review process. Corresponding recommendations or required actions are also provided.

Observation #1: The dish machine is not working. Hobart Sales of Marquette has been contacted.

Recommendation: Hobart has diagnosed why the dish machine is not operating, and has provided both an estimate for repairs or replacement. Chris and I recommended that Hobart Sales be involved in the bid process by visiting the facility, to ensure the model listed on the bid will connect properly to the ventilation ducts and tables on the current dish machine.

Observation #2: There is a hole in the prep room ceiling above the entry the door.

Recommendation: Communicate with the Maintenance Superintendent to ensure work order is acted upon as soon as possible, and necessary repairs to the ceiling are completed.

Observation #3: Two ovens are not working and have been deemed not repairable by maintenance staff. Food Service Manager Pederson has prepared a request to Aramark for the replacement of these ovens.

Recommendation: Follow-up on the request to expedite the purchase of the ovens to ensure the absence of this equipment does not affect the production of meals.

Observation #4: The ovens on the left side were dirty.



Appendix A

RICK SNYDER
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STATE OF MICHIGAN
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LANSING

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DIRECTOR

Recommendation: Ovens need to be placed on a cleaning list that schedules the equipment to be cleaned and maintained on a regular basis. Develop a post shift checklist to be completed by associates to track and ensure high use equipment areas are maintained.

Observation #4: All reach-in cooler and hot box gaskets are torn and in need of replacement. Torn gaskets cause a non-cleanable surface and do not allow for a good door seal, to keep the hot and cold holding units at required temperatures.

Recommendation: Communicate with the Maintenance Superintendent to ensure work order is acted upon as soon as possible, and necessary repairs to the door gaskets/seals on all reach-in coolers and hot boxes.

Observation #5: The food processor has been removed from service and deemed unrepairable by maintenance staff. Food Service Manager Pederson has submitted a request to Aramark to replace the food processor.

Recommendation: Purchase the food processor in a timely manner to ensure the absence of this equipment does not affect the production of meals.

Observation #6: The door gasket on the milk machine in the main dining room is dirty and needs to be cleaned.

Recommendation: Place the milk machine on a regular cleaning schedule to ensure the equipment is cleaned after each use. Develop a post shift checklist to be completed by associates to track and ensure this equipment is maintained.

Observation #7: The sink at the water dispensing unit on the serving line, was dirty/stained giving the appearance of mold in the corners of the sink.

Recommendation: Clean the sink and maintain cleanliness of this area before and after each serving line. Develop a post shift checklist to be completed by associates to track and ensure the sinks and counters are cleaned after each use.

Conclusion: An action plan for corrective action on the above observations shall be submitted within (5) Business days from the date of this letter.

If there are any questions regarding this review, please contact me.

Sincerely,

Herbert Barry



Appendix A

RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF CORRECTIONS
LANSING

DANIEL H. HEYNS
DIRECTOR

MDOC Contract Monitor

Chris Lutjens
MDOC Contract Monitor

CC:
Kevin Weissenborn
Andrew Johnson
Warden Bauman
Becky Nylander
Michael Flesch
File

Appendix B

To access raw data from Letters of Recommendation and Plans of Action sorted by facility and are in chronological order visit the links below:

Alger:

<https://www.scribd.com/doc/274862130/ARAMARK-REPORT-Alger-Raw-Data>

Baraga:

<https://www.scribd.com/doc/274862560/ARAMARK-REPORT-Baraga-Raw-Data>

Brooks:

<https://www.scribd.com/doc/274862836/ARAMARK-REPORT-Brooks-Raw-Data>

Carson:

<https://www.scribd.com/doc/274863015/ARAMARK-REPORT-Carson-Raw-Data>

Central Michigan:

<https://www.scribd.com/doc/274863131/Central-Michigan-PDF>

Charles Egeler:

<https://www.scribd.com/doc/274863227/ARAMARK-REPORT-Charles-Egeler-Raw-Data>

Chippewa:

<https://www.scribd.com/doc/274863393/ARAMARK-REPORT-Chippewa-Raw-Data>

Cooper:

<https://www.scribd.com/doc/274863577/ARAMARK-REPORT-Cooper-Raw-Data>

Cotton:

<https://www.scribd.com/doc/274863825/ARAMARK-REPORT-Cotton-Raw-Data>

Detroit Reentry:

<https://www.scribd.com/doc/274863970/ARAMARK-REPORT-Detroit-Re-Entry-Raw-Data>

Gus Harrison:

<https://www.scribd.com/doc/274864272/Gus-Harrison-PDF>

IBC Bellamy Creek:

<https://www.scribd.com/doc/274864415/IBC-PDF>

Ionia:

<https://www.scribd.com/doc/274864626/ARAMARK-REPORT-Ionia-Raw-Data>

Kinross:

<https://www.scribd.com/doc/274864773/ARAMARK-REPORT-Kinross-Raw-Data>

Lakeland:

<https://www.scribd.com/doc/274864841/ARAMARK-REPORT-Lakeland-Raw-Data>

Macomb:

<https://www.scribd.com/doc/274864944/ARAMARK-REPORT-Macomb-Raw-Data>

Marquette:

<https://www.scribd.com/doc/274865044/ARAMARK-REPORT-Marquette-Raw-Data>

Muskegon:

<https://www.scribd.com/doc/274865228/ARAMARK-REPORT-Muskegon-Raw-Data>

Newberry:

<https://www.scribd.com/doc/274865359/ARAMARK-REPORT-Newberry-Raw-Data>

Oaks:

<https://www.scribd.com/doc/274865359/ARAMARK-REPORT-Newberry-Raw-Data>

Ojibway:

<https://www.scribd.com/doc/274881236/ARAMARK-REPORT-Ojibwa-y-Raw-Data>

Parnall:

<https://www.scribd.com/doc/274881389/ARAMARK-REPORT-Parnall-Raw-Data>

Pugsley:

<https://www.scribd.com/doc/274881540/ARAMARK-REPORT-Pugsley-Raw-Data>

Richard Handlon:

<https://www.scribd.com/doc/274881662/ARAMARK-REPORT-Richard-Handlon-Raw-Data>

Saginaw:

<https://www.scribd.com/doc/274881774/ARAMARK-REPORT-Saginaw-Raw-Data>

Special Alternative:

<https://www.scribd.com/doc/274881870/ARAMARK-REPORT-Special-Alternative-Raw-Data>

St. Louis:

<https://www.scribd.com/doc/274882005/ARAMARK-REPORT-St-Louis-Raw-Data>

Thumb:

<https://www.scribd.com/doc/274882133/ARAMARK-REPORT-Thumb-Raw-Data>

West Shoreline:

<https://www.scribd.com/doc/274882211/ARAMARK-REPORT-West-Shoreline-Raw-Data>

Women's Huron Valley:

<https://www.scribd.com/doc/274882291/ARAMARK-REPORT-Women-s-Huron-Valley-Raw-Data>

Woodland:

<https://www.scribd.com/doc/274882356/Woodland-PDF>