

MEETING MINUTES

November 16, 2011

GOVERNOR'S COMMITTEE FOR THE PURCHASE OF COMMODITIES AND SERVICES FROM THE HANDICAPPED

The meeting was called to order by Chairperson Cedric Greene at 10:00 a.m. November 16, 2011 at the WVARF temporary office located in the Goodwill Building, 209 Virginia Street, West, Charleston, West Virginia.

ATTENDANCE:

Committee: Cedric Greene (Chairperson); Marsha Allman, Acting Executive Director; Everette Sullivan; Brenda Bates; Jan Smith; Phillip Mason; Mike Sheets, Executive Secretary; Carol Jarrett, Recording Secretary.

WVARF Staff: Marsha Allman, Leona Huffmann, Sherry Briggs

Absent: Sherry Briggs and Leona Huffmann were absent today.
Jan Smith attended by conference call.

Guests: Greg Morris, PACE Enterprises, Inc.
Tim Morris, Goodwill Industries
Joyce Birley, Goodwill Industries

COMMITTEE CHAIR REPORT:

Mr. Greene, I went to the Purchasing Conference a couple of weeks ago and did a presentation using the power point that was used last year, although I scaled it back some then Ms. Allman updated it also. We had two or three classes. I spoke to them about numbers, if the State Use program was not there, the people that have jobs from the State Use program they would be on some other program in State government or not working. I tried to explain to the State agencies that this program is intricate to the people they service as they are involved in their work and bring good services. We are trying to explain to the State employees that train the employees to show them, to have patience with them. We can slow down and help them. If someone shows up as a temporary employee I think it is important that WVARF do the best match they can, but we can or I can help them and tweak them to move to the left or right. They talked about the waivers. The waivers would take longer than the 48 hours and I talked with Ms. Allman to take whatever actions needed to take care of any problems. At least three (3) people made a comment regarding the 48 hours. I told them to give Ms. Allman a call then they can call me, that is direct customer service. They were all very receptive. Most of them had Goodwill employees. I had no negative comments. They thought they could go in and tell state agencies they had to do this, this and this. We need to all work together and for State agencies and Ms. Allman to come up with a fair wage, being 25% of the employees make \$8.00 an hour,

and 75% make \$7.25 an hour. I guess I don't understand why that is that way. Regarding the hourly wage, we should do what we can do. We need to remember what they get has nothing to do with state employees. Remember, 1) being receptive to hourly wage increase and do what they do for \$7.25 a hour; and 2) customer service and we told them what responsibility is, go through the chain of command.

Mr. Sullivan, I appreciate you talking about the concern for their wages.

Mr. Greene, my expenses for the conference come from the Purchasing Division. No funds will be taken from WVARF as it was all paid by the Purchasing Division, they paid for everything.

EXECUTIVE SECRETARY'S REPORT:

\$5,055.00	– Annual Allocation
110.92	– A/P Amount
262.91	– Disbursement
<u>0.00</u>	– Transfer Out
\$4,681.17	– Balance Remaining

MOTION #1

Mr. Sullivan, I make a motion to accept the minutes from our previous meeting. Brenda Bates seconded. Motion passed.

EXECUTIVE DIRECTOR'S REPORT:

- 1) The CNA Contract was renewed by Deborah Lovely, former Director of WV Division of Rehabilitation Services on October 25th, effective December 1, 2011 – May 31, 2012. We will be working with Acting Director Donna Ashworth.
- 2) One of WVARF's responsibilities listed in the State Code for the State Use Program is the quarterly report of work hours and wages of persons with and without disabilities in State Use jobs. These reports are sent in from each CRP and consolidated into one report for the Governor's Committee. In the past year the reports have not been accurate because the CRPs were not completing the forms correctly. One of the main items is the ratio of workers with disabilities to non-disabled workers. State code requires a minimum of 75% workers with disabilities for each CRP. I have been working with some of the CRPs to teach them how to complete the reports correctly. I also plan on training the Contract Managers so that they can assist CRPs with the reports.
- 3) I have been working with CRPs in getting water supplied throughout the State. So far three CRPs – Development Center and Workshop (Keyser); SW Resources (Parkersburg); and, Lillian James Learning Center (Beckley) have shown some interest. We have had to issue several waivers since we are presently not able to serve the entire State.

- 4) On October 20th I attended the Division of Rehabilitation Services' Ability Works Ceremony at the Cultural Center. Each of the six DRS districts nominated one individual which they felt exemplified success after going through a DRS sponsored program. Of the six, four individuals either received services or were employed by CRPs doing State Use work. These included Jackson County Developmental Center; Gateway Industries; Developmental Center and Workshop and, Goodwill-KYOWVA.
- 5) The WV State Use Program Awards Banquet was held on October 27th at the Embassy Suites Hotel in Charleston. Chuck Kinder was our keynote speaker. Awards were presented to nearly 20 individuals and organizations who were nominated by the CRPs for outstanding service or participation in State Use projects or in the field of rehabilitation for people with disabilities.
- 6) The WVARF Board met on October 28th. Rowan and Associates was approved to perform the audit and the IRS Form 990 for year ending June 30, 2011. The Executive Committee is to begin work on developing a job description for the Executive Director's position. I was also instructed to request quotes for a new website and to work with the WVARF's Planning Committee to determine our requirements for new office space.
- 7) Melinda Tucker from Suttle & Stalnaker continues to do month-end bookkeeping chores, performing the bank reconciliations and journal entries to separate CNA funds from WVARF's general funds. My goal is to have our accounting system in good working order by the end of the year so that all accounts are on one company file.
- 8) WVARF now has most of the CRPs on electronic payment system, which insures quicker payment for State Use jobs.

Mr. Greene, you actually use paper?

Ms. Allman, yes, we do have a couple that require paper checks with signatures.

Mr. Greene, how many employees?

Ms. Allman, six (6) employees.

Ms. Allman, I met with Mr. Greene and DOH regarding flagging services training costs that WVARF and DOH would have to absorb. They agreed they would pay a training wage for training people on that contract. Have a training wage and also to compensate them for travel to those meetings. Eight (8) hours training at an hourly rate of \$9.73 and up to \$18.69. Direct labor \$9.75. Reimbursement for wages and travel expense for flagger and boating safety training (per worker) is \$16.09 per hour, including taxes and travel to and from. I would like to get with Mr. Greene for the initial phase for CRPs for the training. Approval of the contract provided that Mr. Greene and I come up with limits.

Mr. Greene, we approved this last month and then I was approached and I got with Ms. Allman and two (2) people from DOH. They needed to get paid for the training. DOH asked Ms. Allman to come up with what was fair for the employees who get paid. I will work on the verbiage.

MOTION #2

Mr. Sullivan made a motion for flagging services training (to write a letter) for \$10.80 an hour after the training. Brenda seconded. Motion passed.

Ms. Allman, when state agencies call WVARF and request waivers for anything they want to buy, air fresheners for their car as an example, they think they have to have a waiver for anything they want to buy. We are keeping a list of what people are asking for, (see copy handed out to all members).

CONTRACT COMPLAINTS:

Ms. Allman, we have had no written complaints. Occasionally, as an example, someone will call and say their trash wasn't picked up last night, things such as this. I can step in and take care of that and get the issue resolved. They need to develop a relationship with the CRP if something is not taken care of on site.

Ms. Allman, Quarterly Report. I have two (2) CRP's that have not turned in their report and I will have that information for the next meeting.

Ms. Allman, the CNA Financial Report. I have provided you with the financial report as of September 30, 2011, as well as the Statement of Activities and Aged Receivables. (copies handed out to all members).

Mr. Greene, what is the Professional Fees?

Ms. Allman, that is for bookkeeping fees for the attorney.

Mr. Sullivan, how many bridges are there in West Virginia and what is the mileage rate?

Ms. Allman, we have a total of 5,600 bridges. The State mileage reimbursement rate increased from 42.5 cents/mile to 47.0 cents/mile effective July 20, 2011.

MOTION #3

Mr. Sullivan moved to accept Ms. Allmans report. Ms. Smith seconded. Motion passed.

Ms. Allman, this was a contract that was discussed at our October 7, 2011 meeting and was approved by the Governor's Committee on October 19, 2011. Mr. Sheets had a number of questions. Mr. Morris with PACE Tec will address those concerns.

Mr. Morris, the questions proposed were reasonable and we tried to respond accordingly.

Mr. Greene, I have the document, a (notebook) by PACE Shredding and a copy was handed out to all members. Mr. Greene read off all the questions of concern and members had a brief discussion.

QUESTIONS & ANSWERS REGARDING SECURE DOCUMENT DESTRUCTION PROPOSAL

Q: What efforts were undertaken for determination of the fair market price?

A: PACE compiled pricing information for a similar standard of service typical in the document destruction industry. Pricing information represents fair market pricing. Included was a review of the General Services Administration Schedule 36, study of representative national healthcare and financial industry secure document destruction agreements, WV Purchasing website, and information provided by Secure Document Alliance, (an industry association representing CRP's nationwide). Included with this response is the following documentation:

- GSA Contract CS-03F-0138V (Nexcut Shredding)
- GSA Contract GS-25F-0030N (Cintas)
- GSA Contract GS-25F-0031S (NISH)

In addition to the above referenced information there are existing State of West Virginia Purchase Orders that include document destruction services. Specifically:

- Purchase Order ISCM0038 – Vendor: Cornerstone Records Management; Price: \$2.50/1cf box (if already at their warehouse) plus \$1.50 box retrieval
- Purchase Order WVARF 10 – Vendor: WVARF/Precision Services; Price \$6.287 per box.

PACE Enterprises maintains it is the only secure document destruction company that is willing and able to do all of the following for each state agency and location serviced:

- *Provide a 'single source' solution to standardize service, pricing and security;
- *Provide NAID "AAA" security certification service standards to all locations;
- *Provide a service territory stretching throughout all of West Virginia; and
- *Utilize a "plant based" destruction process that maximizes "green" recycling objectives.

Q: What are the sizes of the two containers included in the minimum stop charge?

A: Sizes can vary by location depending on the agency preferences and needs. The two sizes typically offered are a) 64 gallon on wheels or b) an "executive console" with removable bag.

Q: What is an executive console?

A: This is the terminology used by PACE in referring to a particular type of container popular in most offices that has a removable bag for servicing purposes.

Q: Are these containers provided by the CRP?

A: Yes, they remain the property of PACE and maintained by PACE at no charge.

Q: How does an agency initiate service?

A: Contact PACE account manager who will schedule on on-site visit to assess needs.

Q: Must an agency call for Pickup?

A: Each office is on a pre-determined service schedule based upon the agency needs and site assessment. Can initiate a special pick-up by contacting PACE.

Q: Will stops be made without prior notification and a charge levied?

A: No, service schedule and pricing will be based upon prior agreement and the statewide contract.

Q: How often is service rendered?

A: This will vary by location and the agency needs based upon the site assessment. Typically weekly, bi-weekly, monthly, bi-monthly or quarterly.

Q: Are additional forms anticipated?

A: All service locations should execute a standard one page Service Request form that will detail service frequency, pricing, type and number of containers, and all particulars for that location.

Ms. Bates, I think it should be fine.

Mr. Greene, Tim Morris with Goodwill Industries will speak to the Governor's Committee.

Mr. Morris, I want to reiterate what Mr. Sullivan said about wages. I received a call recently and they wanted to purchase a mattress and in that process these individuals get further and further behind. We have people working 40 hours a week but still falls below the poverty level. With that said, I need your guys help on another issue. You are aware of the scope-of-work. If we have an issue, we really try to do our hardest to try to do the right thing with everyone. We are in a situation on these contracts where we can't supply labor on the contracts to fill what is needed. I am passing out an email from Robert Kilpatrick with General Services to all members. We try to fulfill what they want. The agency is saying we haven't supplied enough people to fulfill and WVARF has to pay CRP's within 60 days regardless of whether the state pays. WVARF says we are taking the risk with regard of that gap. Our dilemma is that they require full time staffing. If we only pay that day then we have to pay for a replacement. They do not want replacements, they want full time people.

Out of this contract – this contract started July of this year. The effects of this contract go back to 2010, out of that entire scope-of-work we have only had one (1) complaint for the scope-of-work. We want to have this fully staffed.

Mr. Sullivan, why do our supervisors not handle absences?

Mr. Morris, that is what Joyce Birley does. We can't do that on a per contract basis. We do that at the administrative level. We want to do a good job.

Mr. Morris, we work very well, both Goodwill workers and State employees. We want them to work at the same level as the State employees.

Our goal would be for every employee that comes to us on a contract job and then do us a good job then when a job comes open at the State, they will give that job to our employee. We need some flexibility with the scope-of-work to fully staff what the state needs.

Acting in good faith, Goodwill and WVARF, I ask that you guys allow that contract be in force until the end of the year. We have people out there that need these jobs. You are never going to have 100% attendance. If it is supposed to be 20 people we may go down to 18.

Ms. Bates, the contract states a certain number of hours. I think that is where state government comes in. I didn't understand that they get paid sick leave and vacation time.

Mr. Morris, yes they do.

Ms. Bates, if they are not there the hours are not being paid out. If there are hours that are not being paid out, hours that are worked and hours that are paid out, billing should include on the job and hours paid out. It would show something that they actually accrued. The issue does become, if actual money is paid out, then that needs to be prevented.

Mr. Morris, if we could staff this with part time people, that would make it more flexible but the state requires full time. It requires someone to be there but they won't allow anyone different to come in.

Ms. Smith, that is why we need to move away from giving details as to how many people it takes to do the job. I have been preaching this for a long time, but we really need to reconsider this. You are performing the job.

Mr. Morris, we take this to the Governor's Committee and discuss what we have to do to get this job done. In the 18 months we have done this, we have had only one (1) complaint.

Ms. Bates, the state government says so many hours. If you don't get what the contract says you don't have to pay for it. I can see not submitting those hours that was paid.

Ms. Bates, if the number of hours were counted as present or annual or sick leave then could they pay that?

Mr. Greene, I think what General Services is looking for is time sheets that coincide with the contract. If you present a contract and it said Jane Doe and it had eight (8) hours of sick or annual that is a time sheet.

Ms. Bates, that is what your time sheet is missing. Where you run into a problem is you didn't actually pay the money out. If a person has 40 hours and they have 42 hours then I have only 40 you will go back to show that you paid the money you are asking for.

Ms. Smith, the contract says they are paid vacation and sick leave. I think it can show on their time sheet.

Mr. Morris, when we get with Sue Chapman, let's move on past and move forward. We are fully staffed. We actually have a contract. We could operate under the current contract or if they want to they could do a change order.

Ms. Allman, when this contract was issued in the spring of 2010, when that contract was negotiated and signed and they agreed to pay so much a month, WVARF bills them so much a month. In January we sent invoices. They said they wanted time sheets back to January. They strayed from the contract based on the time sheets to hourly rate. Goodwill billed WVARF, we

paid Goodwill the full monthly amount which was paid on the service agreement by the state. Then they came back and said we are going to pay by the hour worked. They negotiated the contract for the next fiscal year that they will pay a monthly amount for the service WVARF is trying to honor. The service agreement, we need to stop giving that to them.

Mr. Greene, they are going to stop doing that.

Ms. Smith, every building is clean, the building is actually clean, no one else gives that information.

Mr. Morris, our open door policy – everybody is taking our costing material.

Ms. Bates, it is against the law to pay for something that you didn't get. If you can't show that you provided something for those hours you put in, you are going to have to show something went out for the number of hours for that contract. I am just trying to help you for today.

Ms. Smith, if we set the contract up to provide a clean building, you don't have to give them how many hours and how many people. We have some buildings where three (3) people can do the work and then five (5) people for another building.

Mr. Morris, but the contract that we look at says this is what we get paid every month. We hired people based on a certain amount of money, under the best of circumstances we are in default.

Ms. Birley, there is nothing in there for vacations.

Mr. Greg Morris, with PACE Tec, show that as cost.

Mr. Greene, I would put eight (8) hours sick or annual, you put eight (8) hours the person was there.

Ms. Birley, we can't add in a replacement.

Mr. Sullivan, if we have a contract, they have a contract. If they are going to receive for this job \$900.00 a month, stipulate \$900.00 a month. That is a contract, what is wrong with that. Why can't that contract be enforced?

Ms. Allman, because they are questioning everything. They owe us \$250,000. We had to go and borrow money. They developed what they thought was an hourly rate. They asked for copies of time sheets and they were to release the money. We have already paid Goodwill the money. We are out that money.

Mr. Morris, if you give us the ability to fill a position for the contract that has been in effect since July, it is going to start causing problems.

Mr. Greene, I have to go back and look at the contract.

Mr. Morris, let the record show that the service agreement is the contract and it says so much a month.

Greg Morris, PACE Tec, they signed the contract.

Ms. Bates, anytime we have a contract you submitted that information, and then you have also followed up and submitted time sheets. Anytime you have done your time sheets and they have paid according to the time sheets they are going to win on that.

Mr. Morris, they pay the monthly amount and we take care of the job. They won't let us replace anyone that doesn't show up.

Mr. Morris, there should be no state employee to call you and ask for time sheets.

Mr. Greene, you put it in the contract that way.

Ms. Bates, when you do business with state government, they can ask for proof.

Mr. Morris, my proof to you would be only one (1) complaint.

Ms. Allman, can a state agency sign to pay a certain amount. We are out \$250,000 and we are asking for payment from them. Goodwill has actually been paid more than what the state has paid us.

Mr. Greene, I have been involved in this.

Mr. Sullivan why would they sign a contract and not live up to it?

Mr. Greene, you said you would have 15 people here, I want to see a time sheet for that. If we would have kept the scope broad....someone got this in the weeds, ok?

Mr. Morris, can we supply the replacements?

Mr. Greene, these people involved such as Sue Chapman works for the Department of Administration. This is what we will do. We will have a meeting outside the Committee. The issue is with General Services and Department of Administration. I can guarantee Sue Chapman is in the black.

Mr. Greene, by-the-way, don't send me any more emails. This email was pretty bad. Let's be careful about tones of emails. Don't send me or my staff any more flaming emails.

Mr. Greene, 1) don't send me any nasty emails; 2) I will try to do the right thing here regarding the problem with the state with the scope. I will meet with you Marsha and Tim and get the others involved as the right people need to meet so we can come to a conclusion. I will get with Sue and then let you know about a date and time for the meeting.

Mr. Morris, the meeting we had in August, when we left that meeting Sue said we are not going to worry about that, every week this goes by, the gap gets bigger.

Mr. Morris, I am not saying this is anyone's fault; I don't have any ill feelings. We make decisions backed by the contract.

Mr. Greene, say, basically if 10 people show up for the job and the other two (2) don't show but you are billing them for the other two (2) we are paying for the 10, we are told we have 10

people but they don't want to pay for the vacations for the two people – for 10 people? It should be paying for 12 but only getting 10 people. There is no scenario to make everyone happy.

Mr. Sullivan, Cedric has agreed that he will fix it. I trust his judgment and I think he can fix it.

Mr. Greene, we will get all the people in the room perhaps on Monday. I will get with Sue and the others to meet.

Mr. Morris, we need to settle this or we will lose some state use programs.

Mr. Greene, since our next meeting is scheduled for December 21st which is Christmas week, let's have our next meeting on December 14th at 10:00 a.m. here at the Goodwill building on Virginia Street.

OLD BUSINESS:

None

NEW BUSINESS:

None

PUBLIC COMMENT:

None

The meeting was adjourned