

MEETING MINUTES

July 16, 2014

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. July 16, 2014 at the WVARF office located at 400 Allen Drive, Charleston, West Virginia.

ATTENDANCE: Cedric Greene, (Chairperson); Aaron Jones, Executive Director; Everette Sullivan; Carol Jarrett, Recording Secretary.

WVARF Staff: Aaron Jones
Mark Jackson
Gary Wolfe
Roy Woodard

Attended by Conference Call Jan Smith, OP Shop
Brenda Bates, WV Division of Rehabilitation Services

Guests: Carla Cleek, WV Division of Rehabilitation Services
Cheri Bever, Goodwill Industries of Kanawha Valley

ABSENT: Phillip Mason

COMMITTEE CHAIR REPORT:

Mr. Greene, we have Jan and Brenda on-line with us today. Do I have a motion to approve the minutes from our last meeting?

MOTION #1

Mr. Sullivan, if no corrections or objections I move the minutes be approved. Ms. Smith seconded. Motion passed.

Mr. Greene, Aaron's staff and I have worked on the contracts and I have signed them and everything we have done was already approved by the Committee at the last Governor's Committee meeting in June.

EXECUTIVE SECRETARY'S REPORT:

No report today due to OASIS.

EXECUTIVE DIRECTOR'S REPORT:

Mr. Jones, I want to introduce Roy Woodard as he is our new Finance Director. He has been with us since the 7th of July and we are working with him on our finances. We are upgrading our Quick Books as our current version will go out of support in the next couple of months.

Mr. Woodard, I have a Bachelor degree in Accounting and an Associate Degree in Business Management. I previously worked for Ravenswood Aluminum for almost twenty years. It is great that we have something like this available in the State of West Virginia.

Mr. Jones, Roy lives in the Millwood area and he is married and has four children. We are glad to have him on board and he is fitting in well with our team and we appreciate him coming to work with us.

Mr. Greene, welcome Mr. Woodard, we look forward to working with you. Just so you don't hit any pitfalls or speed bumps, you need to have candid conversations with Aaron about what the expectations are. When you tell me something or tell the Committee something it is expected that it is accurate, it is expected that you have done the due diligence, so if you just say you don't know, but don't tell us something that gets put in our minutes that come out to be completely not accurate. So you can have candid conversation with Aaron and he will tell you that he has already been through the fire and no sense in you going through the fire. I would suggest that you have those candid conversations with him that we do expect information to be accurate as best you know and you keep us in the loop with things that we need to know. I don't think that is too much to expect. Welcome aboard and we are glad to have you. Aaron needs to be focused on vision and be looking on down the road; he doesn't need to focus as much on the financials day-to-day as that is what that lane of traffic is for you. His vision is to look on down the road to see how he can assist the CRPs and how he can grow the state use program. If he is checking financials to see why people aren't paying I think he could get side tracked and get caught in that and not be helping the agencies do other things. Welcome aboard and we are glad to have you. I know Aaron is very excited about having you join the team. I wish you well and I hope things go the way you want them to go.

Mr. Woodard, I appreciate being here and I will be honest with you.

Mr. Jones, to bring everyone up to speed on our CNA contract, here is the purchase order. We have it in hand as we received it on June 24th. This is the contract for the CNA. As far as the janitorial goes I spoke with Mike Sheets yesterday and it is in the Auditor's office to be approved. He is not sure how quickly they will respond because of OASIS. I also spoke to him about the commodities and I think he was going to get back with you Cedric as I don't know if he needs another letter or what he might need. He had the list we presented to him but he had some questions I think he was going to check with you Cedric.

Mr. Greene, I see it here, he is saying I believe that we still need at least a letter of recommendation from the Governor's Committee for the commodities to be added to the statewide contract. Didn't we do that?

Mr. Jones, I thought we did that. We did two lists. One with the new products and one with the prices and the price changes. I thought that was submitted.

Mr. Greene, Jan and Brenda can someone give me a motion to do a letter of recommendation from the Governor's Committee to Mr. Tincher for the commodities to be added if they say they don't have it?

MOTION #2

Ms. Smith made a motion to do the letter. Mr. Sullivan seconded. Motion approved.

Mr. Greene, Aaron you do the letter and send it to me, can you ask Mary to come in please as I will be gone the rest of the week?

Mr. Greene, Mary could you do a letter for me to Mr. Tincher from the Committee saying that we recommend approval of the commodities list?

Mr. Jones, should there be two letters?

Ms. Jones, no, I will do that letter.

Mr. Greene, Mary will do the letter and Mr. Jones and I will sign it now and you can send to Mr. Tincher.

Mr. Jones, I did a rough financial for the annual and we still have some items we are posting to clear out the year. It looks like our annual sales will be \$15,250,000 for the year, that is an estimated number. That is over a million dollars from last year. Also, in regards to the year-end we are looking to start our audit at the end of August and hopefully it will be finished by the end of October. The 990 would be filed by the 15th of November which is the due date. Ellis and Ellis will be performing the audit for this fiscal year. We have gone through revisions of our by-laws to move the association out and our attorney will be finalizing those.

I sent the Master Agreement to everyone to look over and review. This is signed off by this Committee also. We have them prepared for each of our CRPs. Cedric if this is approved by the Committee, can you sign off on those today if this is approved by the Committee?

Mr. Greene, have the members of the Committee had an opportunity to look at the Master Agreement and if so is there a motion to approve the Master Agreement between CRPs and WVARF?

MOTION #3

Ms. Bates made a motion to approve the Master Agreement. Mr. Sullivan seconded. Motion passed.

Ms. Smith, in the last paragraph it says “any resulting over-payment to the CRP will be applied as a credit to the CRPs next invoice from the CRP.” I think that from the CRPs need to be taken out of there. It is obvious it would be the next invoice from the CRP. I had to read it a couple of times to make sure what was being said.

Ms. Bates, I think the concept is correct, it could be worded differently but as far as the concept behind it - I think it is ok.

Mr. Greene, there is a lot in there. It is wordy – it goes on and on and on.....I think it is saying a lot to say probably about five words. As a general statement, could the CRPs understand that?

Ms. Smith, it is so wordy.

Ms. Bates, a lot of times it is too wordy but it is there for a reason, if the attorney is ok with it and the concept is correct, I don't see it as a problem. It is a contract and it could possibly be worded a little differently. I think you want to be careful about taking too much away from it because it is a contract and it could be worded a little differently but we understand what it means and if there is an over payment then it will be subtracted from their invoice the next time and if no invoice then they will be required to pay that back.

Mr. Greene, Cheri have you seen this? Would someone hand this to her.

Ms. Bever, looks like one sentence.

Mr. Greene, I only see one period but about 50 commas.

Mr. Jones, we have run into this situation where we paid in 60 days then the agency six months later makes an adjustment, we need to have a clause there.

Mr. Greene, I agree with Brenda, it seems like common sense.

Ms. Bever, I think the concept is correct.

Mr. Jones, that will be part of our agreement and we want to be sure they understand that and we will explain this to them.

Ms. Bever, speaking of training it would be a good idea especially for any changes.

Mr. Greene, there are 27 CRPs that we have an agreement with and we have those to be signed – they are ready.

Mr. Jones, in the contract process we have gotten emails confirming that the agencies and all the CRPs are in agreement with what we decided.

Mr. Wolfe, after we looked through those, two were in there two times. The Medical Examiner we don't have a letter from them and the other one is Bureau of Child Support.

Mr. Greene, this is the backup of what I asked for last week.

Mr. Wolfe, I will have two more to add.

Mr. Greene, the bottom line is, it is on you all to show due diligence.

Mr. Jones, General Services asked us to do a reassessment to all their buildings. They wanted it done in thirty days which is physically impossible to do. We have submitted a proposal to them to reassess those buildings and we have a calendar in here. It is 14 buildings and we are going to assess those 14 buildings with the assistance from General Services and Goodwill Industries so we will be working together. The agency will say they are not cleaning this and the CRP will say yes we do. When we get them all together they agree.

Mr. Wolfe, the main Capitol is labor and the 14 are Cheri's and two others are separate CRPs.

Mr. Jones, once we complete the assessments we will schedule a meeting with General Services and with the CRP that has the contract and try to resolve any differences. Our goal is to try to get these done by the 1st or 15th of December so we can do a change order. The minimum wage will increase in January. Of the 200 contracts, well over 150 we will have to do a change order to take care of the minimum wage law change.

Mr. Wolfe, a big plan was to reassess the rest areas. With Meadowbrook there was a big difference. We have talked to Jim Hash and put those 14 buildings along with those rest areas.

Mr. Sullivan, what are the main areas when reassessing those buildings?

Mr. Wolfe, carpet, labor, the square footage was the opposite and that benefited the state when we changed that, it changed the contract amount because of the labor, fixtures and trash cans.

Mr. Jones, the square footage is usually not correct. One CRP had included a garage and that is why the assessment is needed to check the square footage.

Mr. Wolfe, in the beginning they were saying they don't clean that. I said ok but when I go back they say we don't clean that and when I get both parties together then I can go add in or take it out.

Mr. Jones, our July contracts we have sent to the agencies. We are currently issuing purchase orders to CRPs for the same contract as we are trying to finish those up this week to get those out to them.

Mr. Greene, what is the time line for General Services to come to closure on their contracts, when am I going to sign their contracts?

Mr. Jones, you have signed them we just need to get the email.

Mr. Greene, I don't want the email in October, I want that now.

Mr. Jones, I thought I copied you on that. I have not received a reply on that.

Mr. Greene, we are waiting on Melody as she just needs for them to say ok.

Mr. Wolfe, we have asked for that email, but we have not gotten an email as yet. She does have all the new contracts.

Mr. Greene, you guys have an aggressive schedule.

Mr. Jones, we hope to have them done in six months. Including with that will be the minimum wage increase.

Mr. Greene, Cheri, that is not a problem with you?

Ms. Bever, Joyce is on vacation this week. Both she and Gary will be tied to the hip when she returns.

Mr. Greene, this Executive Director's Report, what is the purpose of you doing a daily log? Don't do it because we don't trust you in what you are doing.

Mr. Jones, I felt it should be what you were wanting all along.

Mr. Greene, I don't want you doing it as a task.

Mr. Jones. I keep a log every day; it is just so you are all aware of what we are doing.

Mr. Greene, we appreciate and I think the Committee appreciates it.

Mr. Jones, there was a question that came up from General Services about vacation time.

Mr. Greene, I am glad you brought that up and we will talk about that near the end of the meeting.

CONTRACT PRESENTATIONS:

Mr. Jackson, Camp Dawson - Lawn Care, April through the end of June, it is a weekly maintenance contract. This is one that was not included. They received some grant money.

DHHR, Calhoun County, SW Resources. They are walking away from this contract; however, they can't manage that from a distance. The Op Shop is now doing this.

Mr. Wolfe, one of the main people abruptly left and the person to clean that area had a sickness and he told them he was not coming back. The supervisor is cleaning that building from an hour away and Jan stepped up to do that cleaning.

Ms. Smith, we didn't want to see any contract go away. We are trying to find a back-up for this and hoped to start next Monday. Goodwill approved a little higher increase. I talked to Public Service who does not supply the equipment and supplies and I took that out for them. Joyce was good with that. They will get an email as supplies will be taken out of the contract.

Mr. Greene, be sure to get documentation, the email to cover you guys and it covers me as six months down the road you don't want someone calling you about documentation.

Mr. Greene, do we have a motion to approve contracts for Camp Dawson - DHHR, Region 1, Public Service Commission with the condition that Aaron and his staff receive an email for approval of the rate.

MOTION #4

Mr. Sullivan made a motion to approve, Ms. Bates seconded. Motion passed.

FINANCIAL REPORT:

Mr. Jones, no major changes in the financials, \$76,000 negative change.

Statement of Activities – Budget vs. Actual, our sales are up probably about 5% over what the annual would be, it is now 97.06%. Expenses are up 3%. Payments to CRPs are up about 5%.

Ms. Bates, when will you have the financial numbers for FY15?

Mr. Jones, I have a tentative draft with the changes, insurance and PEIA has gone up. Those should be available for you and I will include in the packet the next meeting for you to approve.

Ms. Bates, are payments a little slow because of OASIS?

Mr. Jones, we did get some additional monies from the state. Probably by August we may have to borrow from our line-of-credit. At this time everything is pretty much paid.

A/R Aging, 61-90 days \$328,853.27. Amount received \$240,514.60. Balance over 60 days \$88,338.67.

A/R Aging, balance on the over 90 days \$124,428.19. Over 90 right now is \$91,137.81. That is the first time we have been able to get both over 100. In the over 60 column we had the change in Building 88 and 84. General Services had cleaned Building 88 and we went ahead and paid Goodwill for those back payments and we still haven't been paid by General Services for that. If we can get that it will be significant.

On the A/P side the over 60 has been paid.

Mr. Jones, we are currently working on our report to get the number of workers. We have 14 of the 27 and they have to have that to us by the end of the month. We will present that next month on the percentage.

MOTION #5

Mr. Sullivan made a motion to accept the report. Ms. Smith seconded. Motion passed.

Ms. Bates, I wanted to ask about the Quarterly Report. I was thinking July is when the Quarterly Report.....

Mr. Jones, I just started and it will be ready by our next meeting.

Mr. Greene, Cheri do you have anything you want to share?

Ms. Bever, no

Mr. Greene, Aaron I think you have done a phenomenal job. I will be here to assist you. Call me or email and I can come this way to sign and you can come my way.

Mr. Sullivan, we do appreciate all your hard work. All of you are doing a great job.

Mr. Greene, Jan or Brenda do you have anything?

Ms. Bates, Ms. Smith, no

Ms. Bever, one other contract, what is the status of that?

Mr. Jackson, it is an \$11.00 difference.

Mr. Greene, could we can get a motion to go into Executive Session.

MOTION #6

Mr. Sullivan made a motion to go into Executive Session. Ms. Bates seconded. Motion passed.

Mr. Greene, we are now out of Executive Session. I have been appointed for the next term to serve as Committee Chair. I will be glad to be the Chairman again and I certainly enjoy it and I like what we are doing Aaron and I think you have a good staff in place and I think your heart is in the right place and I am really, really pleased for you guys.

OLD BUSINESS:

None

NEW BUSINESS:

None

MOTION #7:

Mr. Sullivan, if no other business, I move we adjourn.

WVARF Meeting Dates for 2014:

August 20, 2014
September 17, 2014
October 15, 2014
November 19, 2014
December 17, 2014