

## MEETING MINUTES

August 20, 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. August 20, 2014 at the WVARF office located at 400 Allen Drive, Charleston, West Virginia.

**ATTENDANCE:** Cedric Greene, (Chairperson); Aaron Jones, Executive Director; Brenda Bates; Carol Jarrett, Recording Secretary.

WVARF Staff: Aaron Jones  
Mark Jackson  
Gary Wolfe  
Roy Woodard

Attended by Conference Call: Jan Smith, OP Shop

Guests: Carla Cleek, WV Division of Rehabilitation Services  
Cheri Bever, Goodwill Industries of Kanawha Valley  
Joyce Birley, Goodwill Industries of Kanawha Valley  
Mark Crockett, Jackson County Developmental Center  
Debbie Birthisel, Green Acres Regional Center  
Devin Slone, Green Acres Regional Center

ABSENT: Everette Sullivan  
Phillip Mason

### COMMITTEE CHAIR REPORT:

Mr. Greene, Everette is not here today, so with you Brenda, Jan and I we have a quorum. Is there a motion for approval of the July's minutes?

I don't have anything to report other than one of the key employees for General Services that was working on the contract has left General Services and we need to be as patient as we can with them. Another young lady who was there has stepped into that role as the individual Melody Haynes vacated that position. Pam Hodges has taken over that position.

### **MOTION #1**

**Ms. Smith made a motion to approve the minutes. Ms. Bates seconded. Motion passed.**

## **EXECUTIVE SECRETARY'S REPORT:**

According to Mike Sheets they do not have access to the financials due to wvOASIS.

## **EXECUTIVE DIRECTOR'S REPORT:**

Mr. Jones, in regard to what you mentioned about the General Services Division (GSD) we did get an email approval to go ahead with our assessment plan from Pamela Hodges. At this point we have already measured three of the bigger buildings and we have a meeting scheduled next week to continue with that process. Goodwill has had someone there to be with us as we do that. General Services started out with some people and we will sit down with them once we get everything assessed. Here is that email approval that we talked about we wanted to have before and Ms. Hodges was very helpful in getting that done. She got all our contracts signed.

The WVARFJAN14 contract is our janitorial contract. We received that in-house here on July 30<sup>th</sup> and it was retroactive back to July 1<sup>st</sup> so it will start on July 1<sup>st</sup>. As far as our commodities contract goes, Purchasing has asked for an extension – they asked for an extension on 8/1/14 and we agreed to extend it through October 31, 2014. I spoke with Mike Sheets this morning to ask him if they felt they would be able to meet that deadline in getting our commodities up and going and he felt they would. We actually received the extension on August 12, 2014. Our WVARF14 which is a part of what we are talking about here; and WVARF14 will be the new commodities and service contract going forward. Mr. Sheets advised me back when he requested the extension that they have been slowed down with the state's new ERP system which ties into the OASIS, so they are having problems getting that processed. He also mentioned that the pricing that we sent to him had pcard pricing on it and I tried to send him the format in Excel so they could transfer those numbers over but what happened was, the file I sent had the pcard prices actually hidden and when they opened them up the pcard price showed up. I deleted those columns and resubmitted to him without any pcard pricing which we were trying to do originally.

Our WVARF audit we had hoped to start by 8/25/14 but we started last Tuesday and we hope to have that completed by October 15, 2014. That will be our October meeting and our Board meets on the 16<sup>th</sup> so we are shooting to have that information at that time.

We have an ISSA Conference in Florida in November. Mark is going to be sitting for his SIMS Certification. Gary received his at the last conference we went to. We are working toward those items and getting that taken care of. ISSA presents a lot of janitorial equipment and demonstrates it and they also have speakers and it is a really good conference. It is actually an International conference as people are there from all over the world. It is a good conference to attend.

I tried to speak with Brenda yesterday and I finally got Carla but what we are trying to do is to contact all the CRPs throughout the state. We are sending out a RFI on a bid where actually we are offering it to all CRPs, but what we need to do is get a contact list to try to make them aware and if they are interested in a certain type of process such as janitorial or delivery of products, etc., we want to be able to train them prior to them starting. That is what we are working on. Carla brought me the gentleman's name that I can contact to move forward with Division of Rehabilitation Services (DRS) in taking care of that.

Ms. Bates, we have a list that is on our Intranet that is updated and Carla may be able to get that to you once a quarter or you can contact Carla to remind her as she could do a tickler as that is updated quite often and it is on our Intranet so the Counselors can see it and it has all the information.

Mr. Jones, we have one but I think the last date on that was in April so any updates would really help us out.

Ms. Bates, we can get that for you. LuAnn Summers left the agency and went to Higher Education so the contact for working with Rehab programs right now is Aaron Topping who is a Senior Manager over the programs and I'm sure they will be recruiting for that position soon.

Mr. Jones, I would like for you to be aware that we are planning to attend the SUPRA Conference this year and that is the National Conference where all the states get together and share ideas. I went to it last year and you get a lot of information and ideas that can help us grow as a state use program.

Regarding OASIS, we ran a report yesterday that gives us what we have been paid since July 1 and to date we have been paid \$406,319.87 which is probably a quarter of what we would normally be paid in that period-of-time. I met with our Board last week and we are getting lined up if we have to – to go into our line-of-credit to make our payments and right now it looks like that is going to take place. Any help we can get in processing payments would be wonderful. All end users of OASIS are experiencing difficulty with the system that we hope will be corrected soon.

I sent you an email yesterday regarding our state use; does anyone need a copy of that? We did a comparison of 2013 and 2014 and on the first page of it, it shows what our increase was in the state use program as far as individuals with disabilities who are working for the state and that increased to 151 individuals or 17.28% from 2013. Our hours and our total hours for the program increased 10.84% and wages increased to 11.75%. That is our goal is to put people to work and we just wanted to give you those numbers.

Also, included in our packet is the total percentage per CRP that currently has contracts with us. That is in the back part of your report so you can look at each individual. We had one CRP that fell below in the labor wages and she is currently working on that because we feel like that number is a problem so we will be looking into that. Other than that they are all within the 75% guidelines.

Ms. Bates, I want to say Aaron that this is great information. In the past when we report in our annual report the numbers, we have had difficulties getting these numbers and this will be great for this year and we will have no problem with it as we can pull it from this report. Because this is what we are about is getting more individuals with disabilities employment. That is awesome information.

Mr. Jones, Roy our new Finance Director put this together. Paula helped with the information and these are pulled from these total spread sheets to show all the different CRPs involved in it.

We are looking at different sources to help train our CRPs especially in the janitorial side and we have gotten some contacts and we are checking into it and getting prices. Some of it is on-line and some is at conferences and we are going to try to give this information to the CRPs. The ones that are currently under that they have already been through that but we are looking to help the new ones if they want to take this on. We have a CRP in Princeton and he is interested in doing this and would like to know more. That is our process right now and we are just trying to get lined up to do training.

In your booklet it gives details what we do on our day-to-day basis. There are a couple of other things that I want to discuss rather quickly. Again we are working on training and looking for those resources and we are also looking to improve our marketing.

I met with the Board last week and I gave them our tentative budget and that budget only had \$2,000 dollars in it and their reply was we want to invest more into that however we need to do it. They are willing to put up \$10,000 - \$20,000 for marketing. It would come out of that fund that we are working with.

Working with Omni to improve our website, we had a meeting with them on Monday, they are our support on our website but they are also looking to give our staff some training, not only on the website but on office programs and quick books to try to improve our understandings of those particular software items.

Jessica Isner is one of our new Board members; I think I may have mentioned her to you before. She is a professor at West Virginia State University, she has had some marketing background so she is taking our marketing plan and we are putting that together. As far as our strategic plan we have contracted a gentleman by the name of Bill Loope who is very familiar with the state processes. With your permission he would like to meet with you for a few minutes at the next meeting. Do you see any problems with that? He is meeting with our Board and our staff and with CRPs and everyone

involved with the state use program. Usually 30 – 45 minutes and I told him probably at the end of our meeting. He has some questions, he just wants to interact.

Mr. Greene, I think that is fine, but I don't think 45 minutes would be acceptable. He has some questions and it will be back and forth, that would be great - the interaction so he can learn our thoughts.

Ms. Bates, we do need to develop a strategic plan so it would be a good use of time to work with someone to do that.

Mr. Jones, Mark Crockett is with us today from Jackson County Developmental Center (JCDC). We had those cloth issues that we had issues with when we were doing the pricing. Also Devin Sloan and Debbie Birthisel with Green Acres are with us to talk about the water as they are at a point where they need to make a final decision on that 16.9 oz. bottle and going forward we want to try to get that finalized.

Cheri Bever and Joyce Birley with Goodwill are here and they are working closely with us on the General Services reassessment and we appreciate that. We had some invoices that we processed that will add to our expense but we had billed these items, I think it came to \$11,274.00 difference. I think we have all those old invoices resolved and hopefully going forward we will be able to check those on a monthly basis.

I have asked Mr. Crockett to come and answer any questions you might have on this cotton issue. I also asked him if he could try to get some pricings and how it has gone up over the last three years. Mark would you like to address the Committee?

Mr. Crockett, I have submitted this before so I did put some things together. What will be passed out to you is copies of invoices of January, 2010 and current quotes from our supplier as to what our current prices are and that is for comparison. Copies were handed out to all Committee members. This will show you how much each item has gone up in price. To refresh everything, there was a period of time back in 2011 – 2012 timeframe where there were some shortages of cotton due to drought in various parts of the world. Also, a period of time where China was buying up just about everything they could get their hands on. We previously submitted some articles. I have also submitted our prevailing wage survey which explains why we pay the wages that we pay. There was a question at one point and we had requested a price increase previously as to why we were paying more than minimum wage. This is just to explain how we go about determining our wage. It is something that is required. You will notice on our 2013 it actually had to be approved by the Department of Labor. They did an audit and they made us make changes to it which is why you will see the difference between the two. It is something that we are required to do.

Ms. Bates, can I ask a question? On prevailing wage we normally as a Committee, we can't go by prevailing wage as a guide because the CRPs don't necessarily pay prevailing wage. The state doesn't pay prevailing wage. Help me to understand why you all are different so I can understand.

Mr. Crockett, when we talk about prevailing wage we are not talking the same type of prevailing wage that is used in state procurement. Our prevailing wages which ensures that individuals with disabilities are not paid substandard wages. The Department of Labor regulates those and tells us how we have to determine their wages. Every CRP has a certificate to pay a special minimum wage for persons with disabilities.

Ms. Bates, you still have a DOL certificate?

Mr. Crockett, correct

Ms. Bates, ok that is the difference then.

Mr. Crockett, in order to guarantee that, we don't take advantage of our employees with disabilities; we're required to follow certain steps in determining wages.

Ms. Bates, everyone in state use is paid at least minimum wage, is that correct?

Mr. Crockett, everyone in state use is paid based upon the certificate commensurate to the prevailing wage.

Ms. Bates, let me ask the question again. Everyone who is hired under a state use program is paid the state minimum wage?

Mr. Crockett, they are paid by DOL's regulations, commensurate rates based on productivity.

Ms. Bates, but you have to pay a minimum but you can pay higher than that, correct?

Mr. Crockett, correct

Ms. Bates, when the Committee and I'm speaking for Everette, when we look at our state use contracts we assume that everyone is paid minimum wage who is working on the state use contract. I guess that is a little concerning, the price is going up but yet we are not paying the people who are under state use minimum wage.

Mr. Crockett, actually the commensurate wage for the state use is \$8.28 per hour, above minimum wage.

Ms. Bates, I am great with that but what I am asking, when I asked does everybody make that who is being under state use contract, the answer was probably not.

Mr. Crockett, our wiper cutting is a piece rate payment but the piece rate is based upon the \$8.28, not the standard but \$8.28 or above.

Mr. Greene, based on productivity.

Ms. Bates, I know what the DOL certificate does. Jan, can you help me out here?

Ms. Smith, what I think he is saying is the prevailing wage is \$8.28 and even with adjustments for productivity they are paying more than minimum wage. Is that what you said?

Mr. Crockett, yes, I can tell you that the employees that do this job are in the 80-90 percentiles as far as productivity so they are going to be above the minimum wage.

Ms. Smith, you are paying 80% or 90% of the \$8.28, which is what Brenda is asking.

Ms. Bates, I am just trying to ensure that everyone who is paid under a state use contract which this Committee determines the rate for and we are getting an increase on this contract is at least making minimum wage.

Mr. Greene, I get your point but he is not really in a position to speak for all, he can just speak for him. That is probably his reluctance.

Ms. Bates, I understand that but I am just saying and I wish Everette was here to help me but we are looking at the cotton and this particular contract and the increases are based not on the wages necessarily because you are only paying 80-90% on some of them but they are based upon the cotton increases.

Mr. Crockett, they are determined on the wages because by law at \$7.25 we could say we are stopping here this is all we are going to pay you.

Ms. Bates, you are saying, you think maybe, I just wish that when we do these contracts that we could ensure from the Division's point-of-view particularly that everyone is making minimum wage that is hired through a state use contract, but if we can't, we can't. That just needs to be noted in the record that with this contract we can't ensure that everyone who is hired through a state use contract is making minimum wage.

Mr. Greene, is that more Aaron's lane of traffic?

Ms. Bates, no - in my opinion it is ours.

Mr. Greene, I know we ultimately, but it is his due diligence prior to it coming to us right?

Ms. Bates, I am just saying for the record that I would like every employee who is hired through a state use program contract to make at least minimum wage. If they make more, then I am fine with that. At a minimum I would like to see that they make minimum wage.

Mr. Greene, regardless of productivity?

Ms. Bates, right because I understand DOL perfectly and the DOL certificate and the piece in the percentage and I don't know that you can ensure that if a person, I guess it is about placement too, placing people that you know will make at least the productivity at \$7.25.

Mr. Crockett, we could not guarantee that forever - my ultimate goal is to place people in the community. Our employees with a higher productivity into the community, then yes some with lower productivity may do that. I would love to be able to pay everyone minimum wage too.

Ms. Bates, I am not going to belabor it, that is my comment.

Mr. Greene, is this contract today?

Mr. Jones, no what I wanted him to do is clarify the pricing difference and the prices that were submitted were for prices that we had questions on. If we can get them approved and get them on the new list we will move forward with that. It is not a contract that we are currently prepared to let you rule on.

Ms. Bates, that is my piece on it and we can talk about it when we have all the information and we can look at it before we make the determination.

Mr. Crockett, we are more than willing to sit down with Aaron or whoever to work out exactly what we need to do to get it taken care of.

Mr. Jones, that is what we will do before the next meeting, we will get together and work out the details and if there are any questions we will see if we can determine what they should be.

Mr. Greene, what's the deal with the water other than they can't get orders through due to OASIS?

Mr. Jones, that got partially resolved with the extension but Devin talked about this in our meeting down at Green Acres. This is the actual bottle they are looking at using. Remember we talked about a bottle at that meeting? This bottle is a heavy duty bottle and they have come up with this to try to get the price more reasonable. They have come up with the blue to make it a little different. There will be 24 in a case instead of the 20. Pricing wise we are finalizing that. What they would like to do is get your blessing or the direction we are going.



Mr. Slone, if you look at the label (WV State label) a lot of those folks we are promoting the water is not even in their building. Years ago the reason was because we couldn't get it to them, which is no longer a reason. If we have to take a pick-up truck that is what we will do. There is a lot of opportunity to provide jobs and people around the state don't even know we have this. People in DOH are going other places to get water because of the price, etc. The point is now, if we change this, I have to change the label from the 20 oz. to the 16.9 oz. which I have to buy a new plate which will cost about \$2,500. My opinion and my thought and what I want from you is, if the state is going to change the label then now is the time to do that. The one that you guys pass out, the one that is going to go around the state, now is the time because if not we are going to incur another \$2,500 if we decide to do that later. That is up to you guys what you want on the state label. If you want to do it the way it is I can take it back to printing and put 16.9 on it + the nutritional facts or is this the time to develop something that is really eye catching and something statewide that we could use.

Mr. Jackson, my answer to that would be probably we need to check with DNR because it looks like a DNR label.

Mr. Greene, that is self- serving, no sense in asking now. They are not paying you anything so I don't think it is their call. I think as a courtesy to the Cabinet Secretary, Keith Burdette we notify him that it is changing from this to that, but I don't think you ask for their permission. I don't know that you got permission before you did this one. I would just simply say before you go from – because this is the one that is actually in the Governor's office, this is the one he brings to the meetings. Before you go from this to that I think as a courtesy you should.....this one markets the state and they are going to like this one more. I think there should be a meeting with DNR and they fall under the Cabinet Secretary's office, Keith Burdette and I think you need to present this to him and say, not only do we have these in your Parks but we are giving you guys' free advertisement with absolutely no return. When it would be just as equally beneficial if we didn't do this and we just did this one and let them arrive as to what they think is the right thing to do.

Mr. Sloan, so who is going to get me in that office? We are missing the boat on so many places, so many state parks and so many places in the southern part of the state; Lillian James had not gotten a call since April. Now they are ordering again.

Ms. Bates, I kind of like the state bottle because I like the season thing but I like this one too.

Mr. Sloan, the state could come up with their own label.

Ms. Bates, DNR didn't help with this in the beginning?

Mr. Sloan, I don't think so.

Mr. Greene, you can get them in a meeting and I think it would be beneficial for me to be in that meeting but I think what you say is, this is the way we have done it, this is the way we are going and let them arrive to where they need to arrive to. If you act like you care one way or the other, then basically we are giving you free advertisement and we can't see the benefit of that and our intent is to start this one on October 1<sup>st</sup> and allow them to come back and say, you know what, we can mandate and ensure that all of our water for the state parks and put the Cabinet Secretary in a position where he arrives to where he needs to arrive to. Because nobody other than you guys benefit from this one. I like this one marketing the state and I think everyone benefits from that but it needs to be a fair playing field. Nowhere in America will they stick your face on front of a bottle unless you pay for it. In 1970 this was a great idea but this is 2014 and that is not a great idea, this does not work in 2014.

Ms. Bates, I agree that Cedric should be at the meeting.

Mr. Greene, I think it would be good as I would say exactly that to him and he will appreciate it because he understands. Selling the state and selling himself, he understands that. It comes with a cost.

Mr. Jones, would it be best for you to set that meeting up?

Mr. Greene, probably would be best for me to set that up with Cabinet Secretary Burdette as I actually know him but I think you guys should be there and Aaron I think you should be there as well.

Mr. Sloan, if we are going to try to get this up by September 1<sup>st</sup> then that has to be fairly expedited as September is when our monies come in and it takes about 30 days to get that changed over whether it is bottles, labels, caps, etc.

### **CONTRACT PRESENTATIONS:**

Mr. Jones, we have a contract renewal and also a change.

Ms. Bates, I have a question about the contracts before we get started. I don't see DRS on there and we were going to do Kanawha City and Teays Valley. They said they had talked with you all.

Mr. Wolfe, I have already measured the buildings and I have done the assessments. The person that was going to do the scope-of-work for us which was the crucial thing that drives the cost said she was not available to give that to me. I'm still waiting for them to give that information to me.

Ms. Bates, we need that by September 1, 2014. How can we do that because I need that done by September 1, I am pulling custodial out of Kanawha City and Teays Valley.

Mr. Greene, no big deal, set it up Aaron.

Mr. Wolfe, I will contact him to see if he has the scope-of-work.

Ms. Bates, thank you.

Mr. Greene, I just received a text and I have to leave for a meeting for the Secretary. What I want to do is approve whatever we need to approve or disapprove whatever we need to disapprove.

Mr. Jones we have two contracts.

Mr. Jackson, the DHHR - Lewisburg, (corrected spreadsheet error) in the formula which has been corrected. The contract actually went down. Contract Term – July 1, 2014 thru June 30, 2015. Contract Price - \$3,950.74 per month.

Mr. Jackson, Division of Highways, District 9 Headquarters – Contract Renewal. Contract Term – July 1, 2014 – June 30, 2015. Contract Price - \$3,289.67 per month.

Mr. Greene, is there a motion for DOH, District 9 Headquarters contract from July 1, 2014 – June 30, 2015 and DHHR – Lewisburg contract for the same timeframe?

**MOTION #2**

**Ms. Bates made a motion to approve the contracts. Ms. Smith seconded. Motion passed.**

Mr. Greene, I will go see Everette as he lives about a half mile from me as I bet he had that operation and I hope he is doing well.

**FINANCIAL REPORT:**

Mr. Jones we have the financial report and this is for the 12-month period ending June 30<sup>th</sup>. I will let Roy quickly discuss that since you need to leave.

Mr. Greene, is there anything that we need to know?

Mr. Jones, the change in assets on the second page – Statement of Activities vs. Budget. We had \$13,000 there but we got the discovery on Goodwill and got that completed, it was \$11,274.12. Our change in asset right now prior to the audit is \$1,755.70, so pretty much break even.

Mr. Woodard, we have 2015 proposal in there also if you guys would like to look at that. See that under Budget Overview. We project our total to be \$15,210,000.

Ms. Bates, it is a balanced budget right?

Mr. Jones, it is a balanced budget and we have included in that, salary and wages to hire a receptionist and all the other figures tie into that with Health Insurance. The main thing is our marketing budget. We are looking to put more money into that which we can't pull out of here because we don't have a good percentage, but we are going to put money over there to do marketing and training. We have a good bit in there for training but hopefully we will be able to do even more than that going forward.

Mr. Greene, Jan any questions?

Ms. Smith, I am fine.

Mr. Greene, is there a motion to accept the financial report?

**MOTION #3**

**Ms. Smith, I make a motion to approve the financial report. Ms. Bates seconded. Motion passed.**

Mr. Greene, Roy this is a very nice job as Brenda said on the comparison. That makes it easier when you guys do your annual to just stick that in there. I looked at it yesterday, just a very nice report.

Mr. Jones, are we ok on the proposed budget?

Ms. Bates, do you have to have it today? I would like to have a chance to look at it a little closer. I promise to have looked at it prior to our next meeting.

Mr. Greene, I will set up the meeting with Mr. Burdette. I appreciate you Cheri and Aaron working on the finances and outstanding invoices and you guys working it out.

**OLD BUSINESS:**

None

**NEW BUSINESS:**

Mr. Greene needs to set up a meeting with Keith Burdette, Cabinet Secretary, Department of Commerce regarding label for water bottle.

Meeting dismissed.

**WVARF Meeting Dates for 2014:**

September 17, 2014

October 15, 2014

November 19, 2014

December 17, 2014