

# **Minutes of the West Virginia Governor's Committee for the Purchase of Commodities and Services from the Handicapped**

## **July 19, 2017 Meeting Governor's Cabinet and Conference Room Capitol Complex Building One Charleston, West Virginia**

The West Virginia Governor's Committee for the Purchase of Commodities and Services from the Handicapped met Wednesday, July 19, 2017 in the Governor's Cabinet and Conference Room, Capitol Complex Building One, Charleston, West Virginia, at 10:00 AM. Chairperson Kim Nuckles called the meeting to order.

Present at the Meeting: Chairperson Kim Nuckles; Committee members Douglas Auten, Everett Sullivan, Chris Weikle, and Executive Secretary, Mark Totten. Jan Smith attended by telephone.

Aaron Jones, Jonathan Jones, and Mark Jackson were representing the Central Nonprofit Agency (WVARF).

Guests present: Sheri Bever, Joyce Birley, and John Taylor, Goodwill Industries, Inc.; Jennifer Preston, Job Squad, Inc.; Bob Pirner, West Virginia Association for Disability Employment.

### **ITEMS FOR DISCUSSION**

1. Motion to approve committee minutes from the April 26, 2017 meeting. Item was voted on and approved by committee.
2. Motion to approve Fair Market Price Determination for Job Squad, Inc. for flat-sorting mail. Item voted on and approved by Committee (1 form).
3. Motion to approve Fair Market Price Determination for Job Squad, Inc. for janitorial services. Item voted on and approved by Committee (1 form).
4. Motion to approve Fair Market Price Modification for the West Virginia Association of Rehabilitation Facilities, Inc., for Empowerment Through Employment, Inc., for an increase to statewide contract pricing for various items. Item voted on and approved by Committee (1 form, 4 items).
5. Discussion on Goodwill Industries, Inc., Fair Market Price Modification form that Aaron Jones of the Central Non-Profit Agency, WVARF, had signed, but the CRP director had not. Kim Nuckles read from the minutes of the April 26, 2017 meeting where Mr. Jones was asked to provide more information.

### **OLD BUSINESS**

Aaron Jones of the Central Non-Profit Agency, WVARF, stated that the way wages are determined for CRPs are as follows:

- \$8.75/hr is their entry-level minimum wage
- \$9.24/hr is their workforce's wage for janitorial services
- \$14.80/hr is the total price to the state agency that results with the addition of the CRPs' tax, a 9.5% markup, 6% for the cost of supplies, and 4% for equipment.

Aaron Jones of WVARF stated that Goodwill Industries, Inc., wished to increase their hourly wages for janitorial services from their minimum of \$8.74/hr to \$10.04/hr for janitors and \$11.15/hr for supervisors. Mr. Jones stated this was pending whether Goodwill Industries, Inc., decides to pay their employees \$10.04/hr; stated that currently 78% of their workforce is paid the aforementioned minimum hourly rate. It was stated that janitorial employees who work in Capitol Complex Building One are paid a higher \$9.25/hr. The committee members requested this information from WVARF in writing.

Kim Nuckles asked Mr. Jones about the 9.5% "markup" for services. Mr. Jones stated this is the cost of hiring employees and the "cost of doing business." Discussion followed regarding \$14.80/hr becoming WVARF's standard cost to state agencies.

Sheri Bever, President and CEO of Goodwill Industries, Inc., discussed the corporation's requests for wage increases by the Central Non-Profit Agency, WVARF. Joyce Birley of Goodwill Industries, Inc. discussed some of her numbers related to operational costs of the entity. Aaron Jones of WVARF discussed the West Virginia General Services Division's recent updating of janitorial needs for some state-owned facilities, resulting in a change to the scope of work needed from Goodwill Industries, Inc.

Kim Nuckles stated that General Services Division has been documenting performance issues with CRP employees.

Kim Nuckles asks for clarification on the wage-related planning between WVARF and Goodwill Industries, Inc. and also asks whether or not the committee will be voting on a resolution to this issue at the next GCPCSH meeting.

## NEW BUSINESS

Bob Pirner from the West Virginia Association for Disability Employment asked a question regarding who was responsible for finding comparables. Kim Nuckles indicated it was the responsibility of the Central Non-Profit Agency, WVARF. Mr. Pirner requested a "work session" with WVARF for help with master contracts.

After discussion related to wage increase requests from the CRPs, Mark Totten of the West Virginia Purchasing Division states that contract price increases cannot be approved solely on wage-increase requests.

Aaron Jones of the Central Non-Profit Agency, WVARF, discussed a \$150 one-time fee related to design and setup for any special label requested for water bottles.

Meeting adjourned