Bensey

Committee for the Purchase of Commodities and Services from the Handicapped

Room E-102
State Capitol Building
Charleston, West Virginia 25305-0139

MINUTES
February 10, 1994
SMALL P & P CONFERENCE ROOM
WEST VIRGINIA REHABILITATION CENTER COMPLEX
INSTITUTE, WEST VIRGINIA

The meeting of the Committee for the Purchase of Commodities and Services from the Handicapped was called to order by Craig Greening, Chairman. Other members in attendance were Q. J. Humphreys, John L. Parker, and Everette Sullivan. Ex officio members in attendance were Debbie Bensey, Acting Director of the CNA, and Dick Estill, Executive Secretary for the Committee.

The minutes of the meeting held December 13, 1993, were accepted as presented without modification.

John Parker gave the financial report which showed a beginning balance of $3,398.06, with expenditures of $100.12 and $54.20, and an ending balance of $3,243.74.

The Chairman's report went into considerable detail regarding the NARF State Use Conference which he attended at San Antonio, Texas, January 17-20, 1994. Mr. Greening drew many parallels between our state's program and many others in our nation. For example, many states have experienced resistance and difficulties with their small business communities and questioning from state legislators. Several states' programs have marketed successfully to political subdivisions, such as cities, municipalities, county governments, and school boards. One measure of a State Use program's success is the mounting resistance from the business community.

With no report from the Executive Secretary, Debbie Bensey reviewed a recent meeting with members of Shawnee Hills Employment Services regarding the cumbersome process of contract approval and the many steps and procedures in the final approval of a contract between the CNA and the state agency for a specific commodity or service. Some take as long as three or more months, in addition to which there is at least 60 days needed to process the initial monthly invoice to the agency for services. Ms. Bensey also discussed the recent

Chairman: **Craig A. Greening**
Members: **David L. Dickirson, Q.J. Humphreys, John L. Parker, Diana Stout, Everette Sullivan**
Ex Officio Members: **Dick Estill**, Executive Secretary
John Faris, D.B.A., Executive Director, West Virginia Association of Rehabilitation Facilities

meeting with BEP staff regarding performing new statement of work and contract computations for three or more sites which are presently under contract. She concluded her remarks by indicating that to date not much progress had been made in working up these revised contracts.

Since three persons present (Bensey, Greening, and Parker) had met with Senator Walker and her staff on February 4, 1994, those remaining were given an overview of the meeting and discussion topics.

The first contract presentation was for data entry services between the State of West Virginia and the Jackson County Developmental Center. The essential elements of the contract are contained in a letter dated December 10, 1993, from Rhonda Sharp, CEO of JCDC, and Jim Jackson, Buyer, Purchasing Division. The proposal included a consumer price increase of three percent with the West Virginia State Department of Employment Services reporting a 2.7 percent increase for the period ending October 1993. Ms. Sharp noted that even with this increase, the cost to the agencies will be less than the rate paid in 1992. The proposal calls for $2.01 per one thousand key strokes for all services provided on time as defined in the contract and $1.91 per one thousand key strokes for all work not provided on time as defined in the contract under late charge. The additional requirements under Item 7 included the following "Errors occurring as a result of programming and/or keying instruction information as supplied by the user, the provider will be reimbursed for completed work." The contract was approved as submitted. MSP

The next contract presentation was for janitorial services between the Department of Tax and Revenue and the Association of Retarded Citizens/Harrison County from February 1, 1994, through January 31, 1995. The janitorial work is for 2,000 square feet with the organization providing janitorial services two times weekly, with two workers each performing 3.25 hours. Cost of the service monthly is $209.04 with an annualized cost of $2,508.48. The work center will provide cleaning equipment and chemicals with the Tax Department providing consumables; i.e., paper towels, toilet tissue, trash bags, and hand soap. There is no small business impact as this is a new office with no displacement of existing janitorial service. This office was formerly located in the state office building complex. MSP

The final item of business was regarding a janitorial contract between the Randolph County Sheltered Workshop and the Bureau of Employment Programs at Elkins at which the work center was unsuccessful in locating workers with disabilities to perform this service. Committee members felt that if, within a reasonable period of time (one or two months), this situation could not be remedied, BEP should be given the option

of contracting with any individual of their choice. Some additional discussion was held regarding opening a DHHR office in the Webster Springs area and performing janitorial services at that location.

There being no further business to be brought before the Committee, it was in adjournment with the time and place for the next meeting being Wednesday, March 16, 1994, at 9:30 a.m. at the Small P & P Conference Room at the West Virginia Rehabilitation Center Complex, Institute, West Virginia.

Craig A. Greening, Chairman

John L. Parker, Recorder

COMMITTEE FOR THE PURCHASE OF COMMODITIES AND SERVICES
FROM THE HANDICAPPED

Small P & P Conference Room
W.V. Division of Rehabilitation Services Complex
Institute, West Virginia

February 10, 1994

AGENDA

I. 9:30 Roll Call

II. Approval of Minutes of Previous Meeting

III. Treasurer's Report

IV. Report of Chairman

V. Report of Executive Secretary

VI. Old Business

A. Emp. Sec. Requests/Shawnee Hill's Cost Analysis

VII. New Business

A. Senator Martha Walker/Changes in the Rules

VIII. Contract Presentation from CNA

A. Renawals -
Data Entry

B. New Contracts
Tax Dept.
Grievance Board

VIV. Vendor Complaints

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COMMITTEE FOR THE PURCHASE OF COMMODITIES
AND SERVICES FROM THE HANDICAPPED
DIRECT COST ANALYSIS

Department of Tax & Revenue
Clarksburg Office
Rachel Tillinghast 558-2554
Work to be performed by ARC/Harrison County
February 1, 1994 - January 31, 1995

Labor		20% Fringe	
Supervisor	$5.50	$1.10	$85.80
Worker #1	4.50	$0.90	$70.20
Labor sub total			$156.00
Chemicals			$20.00
Facility Equipment & Dir.Overhead			$25.00
Administrative Overhead			$8.04
Monthly Total			$209.04
Annual Total			$2,508.48

Sq. Ft.	2000
Cost per sq. ft.	$1.25
Facility Monthly	$201.00
Facility Annual	$2,412.00

Note: This contract is for janitorial services two times a week. ARC will provide cleaning equipment and chemicals, the Tax Dept. will provide consumables(paper towels, toilet tissue, trash bags, and hand soap.)

SMALL BUSINESS IMPACT: This is a new office with no existing janitorial service.

WVARF agrees to provide services for the above amount pending final determination of the "fair market price" by the Governor's Committee for the Purchase of Commodities and Services from the Handicapped.

Debra M. Bensey
Director of Operations

Jackson County Developmental Center, Inc.

112 Industrial Lane
Millwood, WV 25262
Phone: (304) 273-9311

December 10, 1993

Mr. Jim Jackson, Buyer
Purchasing Division
State of West Virginia
Capitol Complex
Charleston, WV 25305

Dear Jim:

On January 31, 1994, the Statewide Contract - Data will expire. The Jackson County Developmental Center, Inc. is requesting that the contract be renewed beginning February 1, 1994 through January 31, 1995. JCDC is prepared to approach the Governor's Committee for the Purchase of Commodities and Services from the Handicapped with our proposal. We are sharing the information with you so that you may have an opportunity to review our request and to facilitate prior approval with the agencies and/or to make further recommendations.

JCDC has performed data entry services for the State of West Virginia for six calendar years. Through the years, the language of the conditions of the contract have been refined to an acceptable level for both the vendor and the agency. The negotiating points include:

1. Cost: We request a Consumer Price Index increase of 3%. The WV State Department of Employment Services reported a 2.7% increase for the period (October) of one year ago. Even with this increase the cost to the agencies will be less the rate paid in 1992. The proposed rate structure is as follows:
   $2.01/1,000 keystrokes for all services provided on-time as defined in the contract; and
   $1.91/1,000 keystrokes for all work not provided on-time as defined in contract ("Late Charge").

2. In the clause of the contract requirements labeled "Additional Requirements" Item 7, we request that an item be included which reads:
   d. Errors occurring as a result of programming and/or keying instruction information as supplied by the User, the Provider will be reimbursed for completed work.

JCDC

The only time the situation arose, the agency did agree to pay for the work that had been keyed. Adding the condition to the contract will define the guidelines to other agencies.

A list of the State agencies for which we are currently performing data entry services is enclosed. You will also find a copy of the existing contract. If you need additional information, please give me a call.

A copy of this letter is being sent to the Central Non-profit Agency (CNA) aka West Virginia Association of Rehabilitation Facilities (WVARF) so that the agency will be aware of JCDC's intent to renew the Statewide Contract.

Let me know, Jim, if I need to do anything further.

Sincerely,

Rhonda

Rhonda Shaffer
Executive Director

MEMORANDUM

TO: Committee for the Purchase of Commodities and Services from the Handicapped

FROM: Craig A. Greening, Chair CAG

DATE: February 9, 1994

RE: NARF State Use Conference

On January 17 and 18, 1994 I attended the National Association of Rehabilitation Facilities annual State Use Conference in San Antonio Texas, on behalf of our Committee.

Most of the conference was aimed at either individual Community Rehabilitation Programs or CNA staff. However, the input received about programs in other states was very rewarding. I have listed some data which you will find interesting.

1. Forty-one states have state use laws.
2. From 1989 to 1992 there was a combined state use sales of about $150 million. During that time WV had $12.3 million.
3. The five states with the biggest sales volume for 1992 are; Texas $29.4 mil.; New York $28.4 mil.; Ohio $21.6 mil.; Pennsylvania $10.4 mil.; and Oregon $9.1 mil.
4. National 80% of sales are service related, with products being 20%.
5. In 1992 there were 13,949 persons with disabilities employed in state use programs nationally.
6. Nationally there was $20,701,862 in wages paid in 1992.

Based on the above, it is my opinion WV has a program in which we can all be proud.

One of the sessions I attended was geared at developing the "political sub" market. Based on our current stage of development it would seem WV's next step in growth would also be along these lines. This would help many of the smaller rural CRPs to develop markets. With so much of our state government centralized in Charleston, some CRPs will have few options to participate in this program if this market is not developed.

Also attended a session regarding Fair Market Price. Based on the discussions it is clear everybody else is in the same boat we often find ourselves. The law might clearly state the committee is responsible for setting the price, but it is poor customer practice to set a price without full agreement from the purchasing agency.

The challenge of developing products for sale to the state is widespread. As mentioned above 80% of the sales to the

various states are services. While WV may be a significant buyer, they simply do not buy enough of any one product to justify start-up costs. This is also true with the larger states.

I will also be sharing some information with WVARF staff to help them in the development of a quality assurance program.

I would recommend we continue to send a representative each we are able. It is a informative and worthwhile experience.

From Sen M. Waller

State Use Law: Suggestions for Changes

The federal government maintains a program very similar to West Virginia's State Use Law. However, a few sections of the West Virginia code and West Virgina rules and regulations vary from the federal government's. Using the federal government's code and rules as a model would better serve West Virginia's disabled. Listed in the chart below are West Virginia's current rules and regulations and the federal government's rules and regulations regarding this issue.

Federal Government Rules	West Virginia Rules
* Must employ person with severe disablities for no less than 75% of the work-hours of direct labor required to furnish such commodities or services	Requires disabled to perform at least 50% of total production of a commodity or service. If this condition is not met, then a plan and a timetable to achieve this level must be submitted.
* Determination of suitablity: Level of impact on the current most recent contractor for the commodity or service. (1) The possible impact on the contractor's sales. (2) Whether that contractor has been a continous supplier to the Government of the specific commodity or service proposed for addition and is, therefore more dependent on the income from such sales to the Government. ~~(3) Any substansive comment received as the results of hte notice of the proposed addition in the Federal Register.~~	No such rule exists

The wants to see the ratio increased + Determination of Suitab

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