

**MEETING MINUTES**  
**July 20, 2006**

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

The meeting was called to order by Chairperson Penney Hall at 10:00 a.m. July 20, 2006 at the F. Ray Power Building, located at the West Virginia Division of Rehabilitation Services' office in Institute, West Virginia.

**ATTENDANCE:**

Committee: Penney Hall (Chairperson); Brenda Morford; Pete Cuffaro; John Liller; Everette Sullivan; Jan Smith; Evan Williams (Executive Secretary); Carol Jarrett, Recording Secretary.

WVARF Staff: Glenn McEndree; Chris Miller; Craig Greening and Ken Kennedy.

Public Attendance: Ross Taylor, Director of Finance, Division of Finance and Administration, Department of Administration

All committee members were in attendance.

Chairperson, Ms. Hall called the meeting to order. The first order of business was approval of the previous minutes.

**MOTION #1**

**Ms. Smith moved to approve the minutes. Mr. Sullivan seconded. Motion passed.**

**REPORT OF THE COMMITTEE CHAIR:**

Ms. Hall reported the Department of Administration filed new purchasing law legislative rules for public comment on June 16<sup>th</sup> with the Secretary of State's office. The comment period ended on Monday, July 17<sup>th</sup>. A lot of comments were received regarding two of the provisions that directly impacted the State Use Program. She reported she had met with Secretary Ferguson, Dave Tincher, and the Department's attorney regarding these two provisions.

The first provision, 148-1-4(l) which read "Exempt purchases of commodities services or printing within state government or from WV Sheltered Workshops for competitive bidding requirements of price availability and quality are comparable to those in the open market as determined by the director by competitive bid or other method." The part that reads "as determined by the director by competitive bid or other method" is being removed from the final rule. This appeared to be the primary concern everybody had with the rules as they related to State Use Program.

The second provision, 148-1-4(m), which reads "employ a person whose responsibility, in addition to other duties, are to identify commodities, services or printing available for purchase from non-profit sheltered workshops; evaluate the needs for commodities, services or printing; coordinate workshops in their production efforts; and provide information to workshops about available opportunity within State

government for the purchase of commodities, services or printing. This person shall report only to the Purchasing Division and have no reporting or other responsibilities to the workshops, committees or other public or private bodies,” will remain unchanged. That is the description of the Executive Secretary. That has been in the rules since the inception. The Director of Purchasing wanted to assure that there is no question as to who that person reported to because apparently that had been an issue in the past.

Ms. Hall reported the final rules have to be submitted by July 28<sup>th</sup> to the Secretary of State’s office therefore an extension of the deadline until after the Committee meeting was not possible. She apologized that the Committee did not get to make formal comments.

Ms. Hall reported she had e-mailed to the committee the budget justification WVARF provide to the Department of Administration. She introduced Ross Taylor to the group and explained that he and Mr. Miller had been in contact regarding the budget. Ms. Hall said she has been authorized to offer a fee increase to 4.1% for consideration by the Committee. She said the administration believes it can justify to the legislature an increase to 4.1%. She then turned the discussion over to Mr. Taylor. Mr. Taylor reported he and Mr. Miller had spoken on the phone regarding the history of the line items. He noted the budget document was originally prepared in January or February and had not been changed. He said he started by looking at the projected deficit of \$136,000 and worked back from there. Mr. Taylor than proceeded to point out various line items which he believed could be increased or decreased based on history. One example was the interest line item which was projected at \$4,140 which he believed was low. Another item Mr. Taylor pointed out was interest expense. In regards to this line item he discussed a project Secretary Ferguson had assigned to he and the attorney’s to look for ways to ensure faster payment to WVARF. For example, the Department of Administration would pay all bills and then bill all the other agencies. The Committee said that would be great but what about when Secretary Ferguson was no longer there? Mr. Taylor and Ms. Hall said it may take legislation or legislative rule to allow this to happen. However, the Department was looking at how to implement this plan, if possible, prior to any legislative action. This is one of the areas the attorneys and Mr. Taylor are looking at. There was also a question regarding P-card purchases. Mr. Taylor said he thought it would work in the same way. He emphasized this would take all past due accounts from WVARF’s books and transfer them to Department of Administration books.

Placing the fee at 4.1% would result in a deficit of approximately \$35,000 to \$40,000. Mr. Taylor said he is willing to work with the Committee over the coming months to better understand the program and the budget. If at that time an additional increase in the fee is needed than it can be addressed. Mr. Liller asked the minutes reflect the Committee was accepting the 4.1% based on the fact Mr. Taylor and Secretary Ferguson will address the payment issue as discussed during the meeting.

**MOTION #2**

**Ms. Morford moved to take the 4.9% motion off the table and accept the 4.1% as presented by the Department of Administration. Mr. Cuffaro seconded. Discussion**

The Committee advised WVARF to run the Program the way it is supposed to be and if that means spending money out of the reserve account then do so. If it ends up there is a bigger deficit than projected then WVARF can show its costs to grow the program and ask for an increase to cover appropriate costs.

Another issue WVARF has to address is diversification of their Board of Directors. Ms. Hall said this was the biggest stumbling block to a fee increase next to the reserve fund.

**Ms. Hall, on the motion that the 4.9% fee be removed from consideration and accept the 4.1% fee as presented. All those in favor? Motion passed unanimously.**

Since the Committee had approved \$7 million worth of contracts that took effect July 1, Ms. Hall indicated she would work with Mr. Greening to get the issue of change orders resolved.

**Ms. Morford moved the fee of 4.1% be effective July 1. Mr. Sullivan seconded. Motion passed.**

## **EXECUTIVE SECRETARY REPORT:**

\$ 506.71 -	FY06 annual allocation
0 -	Outstanding unpaid expenses, travel, hospitality & accounting fees
<u>385.90 -</u>	Expenses for June
\$ 110.81 -	Unencumbered balance.

## **CONTRACT COMPLAINTS:**

Mr. Kennedy provided a report of complaints received in FY 2006. There were no formal complaints made and 30 verbal or e-mail complaints. There was a discussion about the complaint process and the fact committee members have been told certain state agencies were not happy with their janitorial services. Committee member said problems could not get fixed unless they were brought to their attention. One problem is people will not answer surveys or are not aware of what services they should be getting. A lot of time people want more than what they are paying for. This could be a problem when addressing FMP.

Two recent complaints were with presort mail. The Bureau of Employment Programs was concerned some of the letters they send have to go out that same day and in some cases they were going out the following day. WVARF and the CRP met with BEP and have put procedures into place to ensure this deadline is met. The second issue occurred one week later when the postal system at Corridor G would not accept the mail because it was four-to-five minutes late due to a traffic accident. The presort manager was on the phone Friday afternoon, Saturday morning and Sunday trying to get this taken care of. The Postal system is doing an investigation on why they didn't accept it due to the circumstances.

## **CONTRACT PRESENTATIONS:**

**New and Modified Projects:** Capitol Complex, Building 7 snack bar, added cleaning of the snack bar area at \$2,669.56 a month. Increases the FMP of that contract to \$21,554.46 a year. The Department of Environmental Protection added a fourth stripping and finish to the contract for \$1,500 a month. Increased the FMP to \$251,926.44 a year.

**Renewed Projects:** Fairmont State University wage increase to \$9.21 an hour not to exceed \$15,000 per year. Division of Motor Vehicles, Bridgeport, no change, FMP stays at \$11,981.40 a year.

**CRP Request for Assignment:** Clay County asked to explore the development of preassembled silt (plastic) fencing. The Committee approved the request.

**Projects Approved for Exploration:** Signage and promotional items have been on hold for two years. These projects have been previously approved by the Committee for development/exploration by a specific CRP.

**MOTION #3**

**Ms. Smith moved that Promotional Items and Signage be taken off the list for exploration, Ms. Morford seconded. Motion passed.**

**MOTION #4**

**Ms. Smith moved to approve the new and modified contracts that were discussed. Ms. Sullivan seconded. Motion passed.**

**MOTION#5**

**Mr. Sullivan moved the contracts for renewal at Fairmont State and Division of Motor Vehicles be approved. Mr. Liller seconded. Motion passed.**

Mr. Kennedy passed out reading material regarding the proposed laundry service by Hancock County Sheltered Workshop. There will be a master statewide contract set up for laundry services as part of WVARF 07. The Committee will discuss this more fully at its August meeting.

**REPORT OF THE CENTRAL NON-PROFIT AGENCY**

Mr. McEndree reported over 40 people attended the Janitorial Best Practices training On July 12. Of the mandatory trainings Autism Services, Hampshire County Special Services and Integrated Resources have not attended any of them. None of these CRPs have State Use contracts. SW Resources attended the FMP training but have not attended any of the others. Also, Mercer County Opportunity Industries, Taylor County Workshop and Green Acres did not attend the janitorial training.

For those not attending because they do not have any janitorial contracts it is perfectly understandable. However, if they do have a janitorial contract that is a concern especially in light of what we have been talking about regarding quality, etc. Ms. Hall is going to call Mercer County and SW Resources to see why they have not been attending and stressing the importance of the trainings.

Mr. McEndree said staff has continued working on the statewide laundry contract. Hancock County Sheltered Workshop has indicated they may need some seed money from WVARF to get started.

WVARF also submitted comments to Donna Lipscomb regarding the Purchasing Legislative Rules. WVARF has some concerns regarding the proposed new rules, which were discussed earlier.

**OLD BUSINESS:**

The Committee reviewed the 2007 Action Plan. There was one minor change.

**MOTION#6**

**Ms. Morford moved to approve the Plan with the change. Ms. Smith seconded. Motion passed.**

**Continuous Quality Implementation Plan.**

Mr. Greening and the Committee discussed the various phases of the implementation plan. Components include:

- Training for both WVARF staff and CRP staff.
- Compliance including desk reviews and field reviews
- Customer Satisfaction including a survey.
- Performance inspections of all rest areas, janitorial services and ground services on a set time schedule. Inspection of facility-based services and commodities on a set time schedule.

An ad hoc committee was appointed to look at documentation of disability. They will bring back a recommended policy to the full committee. Ms. Morford, Mr. Greening, Ms. Smith and Ms. Hall will serve on the committee.

## **NEW BUSINESS:**

Ms. Smith reported her workshop saw a big increase in their workers comp premiums and that some of the other shops had also. Since this is an item under FMP Mr. Greening was to issue a request for documentation from CRPs of their increase as well as unemployment premiums and other items involved in that line item so change orders could be submitted.

### **MOTION #7**

**Ms. Smith moved to adjourn. Motion passed.**