

MEETING MINUTES

December 13, 2013

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. December 13, 2013 at the WVARF office located at 400 Allen Drive, Charleston, West Virginia.

ATTENDANCE: Cedric Greene, (Chairperson); William "Bill" Monterosso, Executive Director; Brenda Bates; Everette Sullivan; Carol Jarrett, Recording Secretary.

ABSENT: Phillip Mason

WVARF Staff: William "Bill" Monterosso
Aaron Jones
Mark Jackson
Gary Wolfe

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

COMMITTEE CHAIR REPORT:

Mr. Greene, good morning to everyone. We will have role call and introduction of guests and approval of minutes. We appreciate everyone taking the time to come in. We were supposed to meet on the 18th but December 13th meeting has been set with the Secretary of State's office. We do have a quorum. Have the board members had an opportunity to look at the minutes from November 20, 2013?

MOTION #1

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

MOTION #2

Ms. Cleek, I would like to make a motion for an Executive Session. Mr. Sullivan seconded. Motion passed.

Mr. Greene, we are out of Executive Session and no decisions were made as it related to anything for the Governor's Committee for the Purchase of Commodities and Services.

Mr. Greene, do we have the Executive Secretary's report?

Ms. Jarrett, I'm sorry I do not have that report but I will have for next month.

EXECUTIVE DIRECTOR'S REPORT:

Mr. Monterosso, today is the day and hopefully we can get through these contracts in short order. This has been a high stress, high tension environment for the last couple of months. As you know, I will be resigning effective January 3, 2014. Seventeen months I have been here and it has been quite a ride. I see the potential in the state use program.

The board has agreed to finally – it was a conflict, it is the reality, if WVARF is fortunate to be awarded another opportunity that the board would completely remove themselves from any of those conflicts and we have an Attorney that is working on that. Actually, we met last week and created a template charter, the current board would become a true association and will be basically an association of community rehabilitation programs which would extend beyond our current members and would reach out to all CRPs and the state use would be purely state use. The interim board and the working board would be our existing CNA Committee. John Ebsen who is the chair has been part of an executive meeting and theoretically would be part of being the chair of the board and then they would elect and move forward. That is positive in a lot of ways. This organization here can really focus on state use, quality assurances and quality controls. When we speak to a CRP we are not speaking to board members or presidents or whoever, we are talking to basically a subcontractor and a vendor. When we have a board meeting, it is not a board meeting, it is a meeting of vendors to say this is what we are doing and why we are doing it. I think the association when they create their own association they can really lobby and do the things that they need to do to grow and look at their own sustainability. So, there are a lot of positive things.

I wanted to thank the Governor's Committee for their work; I think it is an important role. Unfortunately, this is life that people don't realize the work that goes on and the importance and last month was evident to me that this Committee does care especially when you guys work so hard in advocating for Precision and securing the contract. It is not about securing the contract, it is about creating an opportunity for individuals who count on us and that was something that I will remember for a long time. We have done a lot of work and hopefully it won't last all day and we did order lunch for the Governor's Committee and hopefully we won't be here much after lunch and be so full that we fall asleep. I wanted to thank you guys; it has been a great opportunity. Aaron will present the financials; do you want to do that now?

Mr. Greene, we will do everything then we will do the contracts.

Mr. Greene, a couple of questions? Did WVARF the board dissolve; is that what you are talking about? Because I got an email from Brenda Hellwig, she was assuming I got an email from Ms. Sampson, but I didn't get that email. I talked to Liz, she called and I said to her, I don't have any idea what you are talking about. So, slow down, you need to realize that this is less than 10% of my job so when you call me and assume that I know all these great things, I really don't know what you are talking about. I got part two of an email saying all this stuff and I thought what in the world is going on, I had no idea and I never got part one. I just don't know what any of it had to do with my world. So, did the board approve this?

Mr. Monterosso, yes

Mr. Greene, they approved to dissolve themselves?

Mr. Monterosso, yes

Mr. Greene, really? What would happen to the money that they loaned WVARF to.....

Mr. Monterosso, that is being discussed.

Mr. Greene, I can't imagine them just.....the whole thing is kind of confusing, I get it but I guess I'm a little surprised.

FINANCIAL REPORT:

Mr. Jones, I think we have October's Report that was not presented or they were presented as I wasn't here.

Mr. Monterosso, they were offered but there was no discussion.

Mr. Jones, we have October's Financial Statement. The Statement of Activities. Currently our revenues were 106.54% over what we had budgeted for that period of time. If you look at the bottom of the next page you will see our cost figures are about 105% of the contracts so that is in line. Our regular expenses are almost 105% so they are in line also with where we are with our revenues. Change in net assets is \$55,582.53 for that four month period from July, August, September and October. Our over 60 and over 90 are running about \$350,000 each. A good portion of those have been collected.

Mr. Greene, what is Burnsv?

Mr. Jones, that is Burnsville Rest Area. I think on that one there was some confusion on a date and we have looked into that. I haven't had a chance to look into it to see what the situation is with all the contracts we have been working on. They have two months then this one month for some reason it hasn't been paid so I will check that out. I know these laundries have been paid but they were paid after this posting, that is the LS ones on page 5.

Mr. Sullivan, back on DHHR, they are way behind on their payments.

Mr. Jones, those were the ones where there was a question on the amount and I think they have been paid. I will have to check on that one but most of that is current.

Mark, DOH pays for all the rest areas except for the ones on the turnpike as Parkways Authority takes care of that.

Mr. Greene, just as a general statement, once again over 90 days, once you get past 90 days, they don't pay it then they start focusing on current bills.

Mr. Jones, I will go through and see what has been paid.

Mr. Greene, just shoot me an email and then if we need to do letters to the Cabinet Secretary for DHHR, DMV or Highways, we will do that because we want to certainly let them know that we know that they are \$25,000 behind or whatever.

Mr. Jones, the \$158,000 for Goodwill, that has been paid. They have also paid another \$212,000 since then. In November we had to secure \$400,000 to pay CRPs that was over 60 days.

Mr. Jones, the next statement we have is Audited Financial Statement. This was prepared by Ellis & Ellis, Certified Public Accountants. If you have any questions, they will be glad to meet with you at any time.

This particular audit includes 2012 numbers as a comparison for you and it was prepared mid October. Our 990's have been filed; our credit for the insurance part of it has been filed so everything has been taken care of on the tax side of it.

The next report you have is the First Quarter Report for the state use program.

I modified this report to make it a little easier to look at and it gives us percentages. The first page has the total employees. These are the reports we get from the CRPs stating the employees that are disabled and those who are not disabled. The first column is employees without disabilities and the rest of them are broken down by category.

Mr. Sullivan, it looks like everybody is in compliance.

Mr. Jones, the next page has the labor hours and the percentage. It also shows the total dollars paid in the first quarter. This is July, August and September's numbers.

The next item is the Annual Report. We had discussed last month that we wanted to do 2013 as a current report and it also includes 2012 and 2011 numbers as well. We wanted to print this in a booklet form so we can distribute. We have spent a lot of time trying to highlight individuals, our Board, our Committee, CRPs and what counties they work in. We also have pictures in the booklet; show the people that are part of it and the agencies that participated in the rehabilitation programs.

Mr. Monterosso, we wanted to show the numbers but we also wanted to capture the people who are part of it.

Mr. Jones, we wanted to show you what we are doing and if we can get your approval we will send it to press to get it printed and distribute to those we need to distribute to.

Mr. Greene, it looks fine to me, the only thing I would suggest to you is that you get approval for everyone who has a picture in this book, that you got releases.

Mr. Monterosso, we have releases. That is the first thing we made sure of.

Mr. Greene, do we have a motion to accept the financial report as well as the annual report?

Ms. Bates, there is one thing, it says number of workers employed 'on' state use program, I'm not sure 'on' is the right word there, you might use 'in'.

MOTION #3

I make a motion that it be approved for print. Mr. Sullivan seconded. Motion passed.

Mr. Monterosso, would you prefer number of state use workers employed?

Ms. Bates, yes as I think "on" may be grammatically incorrect since it is going to the Legislature.

CONTRACT PRESENTATIONS:

Mr. Monterosso, we have approximately 240 contracts. Before I start, we received notice last week from Purchasing that they want to extend; Cedric, I suppose they called you first.

Mr. Greene, you guys can't assume that I know.

Mr. Monterosso, when Mike Sheets called he said we are scheduling a meeting with Cedric so it was an assumption that you were included in that. They reached out to us and asked us to extend the contracts, same terms and conditions through February. We have the notices; we signed and sent back to Mike. They were happy with the fact that obviously we are presenting these contracts and they said, stay the course and they just didn't have the mechanism for the Auditor's office and I guess they weren't prepared for whatever reason. I told them that was fine, we are flexible, and we will work with you however we can. These contracts are not the same contracts as is, these contracts are new contracts that have been assessed, not all of them as there is no way we could go to every single facility, but we are continuing from this point to get those done and we will come back with some change orders as we want to make sure every single contract is accurate.

These contracts on this table, 240 + represent the new contracts, that if approved would be delivered and as it gets to Purchasing they will start processing them. What they extended was WVARF10 which is the commodities and the commodities are different from the janitorial because it is just a flat rate, so those same terms and conditions have been extended. The commodities were extended through December 31, 2013 and they are asking to continue that through the end of February, 2014. I think we can focus on the janitorial today which will make it a lot simpler and we can spend more time on the janitorial because nothing really changes with the commodities.

The janitorial we need to approve because all they approved was the Master contract under the janitorial contract so the individual contracts for the agencies, they are creating a mechanism to expedite that. So, these contracts are contracts that have been looked at and reviewed and changed 500 times to try to make them as accurate and reflective of the work that is truly going on. Each one of those contracts as a whole, if you look at the total amount of contracts over \$14 million dollars' worth of contracts, the overall increase Cedric was 3.44%. If you are looking at 3.44% increase you will have to remember 3% of that is the pcard which the Governor's Committee and Purchasing agreed that it is a cost of doing business. If we are being charged as an association 3%, we need to be able to absorb that because it was thousands of dollars that we were paying annually for that luxury. If you take the pcard out you got a .44% increase. Does that mean that we just did a flat increase across the board and increase the contracts by almost half a percent? What that means is over the scope of all the contracts some contracts had an increase and some contracts – over a third of the contracts actually had a decrease which is a reflection of the accurate assessments that took place. Whether we looked at a building and they said the contract said 7,000 sq. ft. and it was really 5,000 sq. ft. then the contract reflects 5,000 sq. ft. If the contract said 3,000 sq. ft. and it was really 6,000 sq. ft. it is reflective of that.

These contracts are in the hands of the CRPs and state agencies and I think we can present these this month. We do not have approval from each and every state agency. I had a meeting yesterday with Jim Hash and he said here is my stack of contracts that increased and here is my stack that decreased but the increases are fairly significant. I said because the assessments are accurate now. He said so what you are telling me that it needs to be fair for us and fair for you so just let me know what happened and I

went through the process with him and he was fine. Tensions have been high and there is a lot of pride and work that has gone into this and we are all new to this process and we are trying to be as accommodating as possible to the CRPs. There were a lot of adjustments and last minute changes so we are ready to proceed however you want to proceed.

Mr. Greene, I guess my question is, have the agencies approved these contracts and can you show me they have approved them?

Mr. Monterosso, not every agency no, that is what I said earlier.

Mr. Greene, my second point is, have the CRPs seen them, signed them and can you show me that they have approved these contracts?

Mr. Jackson, we don't have anything signed and we don't have all the verbals.

Mr. Greene, that is a problem. What you guys are asking us to do is to approve 240 contracts that unbeknown to the CRPs and the state agencies there are going to be some increases and some decreases but the reality to it is we can talk in generalities that overall 3.44%.....

Mr. Monterosso, let me put into perspective. It is not that and I understand your concern and I appreciate your concern, is this the first time they have seen it and we are taking for grant it they are going to approve the contracts? What has been taking place is, throughout the process for instance Goodwill has spent a lot of time here going through those contracts working the contracts making whatever adjustments, changes. Mark and Gary have communicated with CRPs about whether they got verbal, they are aware of that. The state agencies, Gary has done the assessments and they are aware whether it is going to be an increase or decrease. It is not like they are looking at it blind. I guess what I am asking for is, obviously if it is a decrease no one is going to argue and if it is an increase we have justification of those increases. What I am asking, I think what can happen is that it is approved tentative on those agencies responding and we are getting verbal and written through the sheets that they signed and as we process those for instance, next meeting we could process those and if they have already been approved contingent upon final approval from CRPs and the state agencies, we can move forward through that process which I think will actually help Purchasing in not getting all those contracts at one full swoop where they can manage those contracts and work under the pretense of that two month extension.

Mr. Monterosso, at DRS, Charlyn approved, it is not that they are blind to this but we don't have in writing. Charlyn called and said everything is good we are moving it up the chain, we approve it, but they have been in the loop throughout the process.

Mr. Greene, that is your responsibility to ensure that state agencies and CRPs are ok with it and that you all can show that to the Committee because that is your lane of travel because when it comes to us we feel relatively confident that if we ask for proof that the CRPs are aware and they know and they approve it and that the state agencies

do also. I came in to the meeting with concern due to the fact that I got an email first thing this morning about this. The email says, "Cedric, I looked at the first two contracts, this is from General Services, and it goes on and on but she got the contracts yesterday and she said she received the contracts this morning and a little surprised as I looked at the first two contracts, DEP which is B37, Logan B55 and Logan has an annual cost increase of 40%. Floor care was added at a cost of \$9,000. Our custodial Manager takes care of the floor in that building. Direct labor cost was increased by \$7,000. DEP has a monthly increase of \$300.00, while that may not seem like very much I notice that the direct labor cost was reduced by \$15,000 annually while the lead worker cost increased by \$10,000 per year. Wage rate increase for direct labor is thirty cents to \$7.65. Supervisor wage increased by 80 cents to \$8.80 an hour. She goes on and they are definitely not going to sign". That email was sent first thing this morning and she just received them yesterday. So that definitely causes me concern for about 238 other contracts. Your numbers are different than her numbers. You have 23% and she has 40%. Even 23% - the Executive Branch a year ago went through a 7.5% budget cut and probably 90 days ago they asked us to do another 7.5%. Just as a general comment as you can read in the newspaper we are about 57 million dollars short on the budget this year. So, anything to a state agency is going to be problematic.

Ms. Bates, I think we are looking at \$700,000.00 + out of \$14 million, right?

Mr. Jones, that is the monthly total. It is about \$4 million.

Ms. Bates, over 6 months.....

Mr. Jackson, I don't have floor care on here, I brought my laptop in so we can look at anything that you guys would want to look at.

Mr. Greene, what I am saying is the young lady who sent this email this morning said she physically received the contracts yesterday and it has that included in it. That is the problem. I'm telling you, you guys are asking the Committee to make a motion for us to vote on these contracts and then it is going to affix my signature to it. It is just not going to happen.

Ms. Bates, Purchasing doesn't want to do anything until February 2014 anyway, is that what you are saying?

Mr. Monterosso, yes on the Master contracts, but the individual contracts they need to be approved. It is not that we don't have to do anything until February, we have to because we have to get these in a better shape and I don't understand the 30% or whatever increase, I am seeing a 5.78% increase in Building 37. I guess I'm looking at a mechanism of not rushing this through, not do it halfway, not do it haphazardly. GSD, there is a lot of concerns that GSD expressed and we have been working pretty diligently with these contracts to get them somewhat in line.

Mr. Greene, if what you are saying, if your staff has been working with General Services and engaging with them then I would have never received this email.

Mr. Monterosso, that is probably from Melody.

Mr. Greene, it is from Melody. There is no way that they could have been working on this because now it rose to my attention and she has it for signature. Her staff, they are clearly not in line to sign off on this. My point is, if just these two of 240 contracts it causes me great concern for the other 238.

Ms. Bates, I think when you bring it to the Committee you have to have the CRPs and the agencies approval and if you haven't had the opportunity to do that then you need to do that before bringing it to the Committee for a vote. You don't have it and I think you really need to find out what is really going on with Purchasing, are we extending or are we not extending.

Mr. Monterosso, we are extending.

Mr. Greene, now listen to what Bill just said, I'll go get the extension request when just 15 minutes ago he said that Dave Tincher called him or that Purchasing called him. I'm getting irritated is what I'm getting.

Mr. Sullivan, if we approve something that you are not going to sign then it is null and void.

Mr. Greene, I can tell you right now, I'm not signing it.

Mr. Sullivan, there is no reason for us to approve it.....

Mr. Greene, it is up to you all.....

Mr. Sullivan, what I am saying, if what we would do would put you in a position to where you can't perform what you are supposed to do then it would be unnecessary for us to do that. We have to make some kind of arrangements to get things in order that they would be proper or when we pass them that you would be able to sign it. Until that happens then we have wasted our time. That is my evaluation.

Mr. Greene, I think that would be very astute. This is a letter dated December 5, 2013. Dear Mr. Monterosso, the state of West Virginia is offering to extend subject contract for two months under the same terms and conditions and pricing. The extension dates are January 1, 2014 to February 28, 2014. If your company agrees to the extension please sign and return to my attention as soon as possible.

Ms. Bates, did you request this Bill?

Mr. Monterosso, no this came to us. Mike Sheets called and said I have you on speaker because there was Frank Whittaker, Jimmy Meadows and said we need to run this by you as we would like to extend these contracts, all janitorial contracts and commodities.

Ms. Bates, we are getting close to June 30, 2014.

Mr. Greene, that doesn't tell me to sign any contracts. That just says it extends the contract.

Ms. Bates, at least they are good through February 2014 at the same terms and conditions.

And it is not going to change until after February regardless.

Mr. Sullivan, what would happen if we extend all of them until they all got in order?

Mr. Greene, that is what's going to happen. I am not going to do anything. With that being said my next question is who is going to be running the show when you leave Bill?

Mr. Monterosso, Aaron will be the Interim. That is what the Executive Committee is thinking about.

Mr. Greene, what's the plan Aaron for getting this squared away?

Mr. Jones, we will get all the signatures you need and get them approved. Do we want to do a special meeting once we are in that position?

Mr. Greene, no we will just do it in January 2014, we won't meet on the 18th.

Ms. Bates, because it is really hard to meet this time of year.

Mr. Jones, we have been really under the gun with this CRP, Annual Report and all these contracts. We have worked a lot of late nights but we want to do it right.

Ms. Bates, the CRP contracts are not in jeopardy, at least not until February.

Mr. Greene, that seems like a doable thing because you are the one that is sitting there 30 days from today.

Mr. Jones, they are meeting next week to decide that. Do you think those are doable to have those signed off on?

Mr. Wolfe, let's take the Lottery contract for instance. I have been to Lottery like eight times. They create their own scope; it is about seven pages long. We had to create a new thing to plug in with what they had. Then Joyce has met with them about four times. We go back and forth with some of these. We take it back to them and they say we are not going to approve that. We can't physically force somebody to perform work or let us perform work. We go back and forth with some of these and that is just one example of many state agencies. One state agency with General Services, I just got scopes-of-work to update them and I started asking for them about three months ago

and I actually visited them. I have been over there to get them and if you remember a couple of meetings ago we showed where I am doing the new assessments and these guys make fun of my color coding because anyone can walk off the street now and open up one of those folders. Matter-of-fact, one of them said we have some offices that we are going to close down one of the buildings that Goodwill cleans. I don't even have to go there now, I can say show me which room it is, I load numbers of square footage into each room then I color code based on what kind of flooring covering it is. I can tell if the chairs are cloth or plastic, we know that. Now with 240 contracts, if every building was within six blocks from here we could get that done pretty quickly, but if I go to Martinsburg that is a whole day. I have four hours to drive and four hours back that is eight hours which is before I measure any buildings. DEP is 151,000 sq. ft. and it really is a 180,000 and this time when I did it, I made someone go with me and say you have to show me spaces that are not cleaned. We highlight them and take them out. You can't measure 150,000 sq. ft. by yourself real fast especially when you walk down the hall and there are 600 offices that way and 600 offices this way. We are trying to clean them up but when somebody is in agreement here, and this person is not, and we keep going back and forth, all we can do is find a happy medium or we appease both sides. I'm not agreeing with one side or the other, we are just trying to do what is right. It is not an excuse, but we will get there. Not all the assessments are done, some of the ones that you say they mentioned an increase, some of those are true assessments. Some buildings are larger than what they said they were, some are smaller but at the same time scopes-of-work have changed. Joyce can attest to this. There are things in some of these buildings that these people have a scope-of-work that starts with this and then six months or a year down the line that scope-of-work is this long. We are trying to keep those scopes-of-work where whatever they are asked to do is exactly what they are doing. That is what we are battling. I promise we can get there but I can't assess all the buildings that fast and that quick.

Ms. Birley, I don't think Cedric is asking you to do that. I think what Cedric wants is communication with the state agencies and not just an email saying here is your contract – approve it. But you go in and talk with your customers and they listen to the changes that you have made, similar to what Bill did with Jim Hash. We have been down this road before. I have been a CRP sitting here in the gallery and never seen those contracts that were going before Cedric. We just don't want to repeat those issues and now it is like the shoe is on the other foot. The agencies don't know what you guys have been doing. Actually, some of them still contact me thinking I sent them. That is the level of confusion that is out there. We just need clarity with your customer base and I think that is what Cedric wants to see that everybody is on board and educated with it and agreeable before we move forward.

Ms. Bates, I think that is where the fair market price comes in and knowing what it is then it is easier to negotiate. The fair market price should be fair market price whether it is DEP or whomever. The issue also with state government is that they budget a certain amount of money and when you come in the middle of the year, particularly and you are saying I'm increasing this contract, and then you are going to meet resistance with state agencies. We are getting close to extensions to the end of the fiscal year anyway so working through this within the next few months will benefit everyone. You

are going to really meet resistance from state agencies when you go in the middle of the year and say I'm increasing this contract because they budget a certain amount.

Mr. Sullivan, I think what Mr. Wolfe is saying it is physically impossible for him to get an accurate account of all the buildings and all the contracts as some of the contracts has something in them that shouldn't be there and some that should be added. I think he is trying to get an accurate accounting of exactly what has to be done and be fair.

Mr. Wolfe, when I did these contracts last year, I went through each one and they all have some sort of assessment or some sort of scope and I notice sometimes I see two assessments and the two assessments didn't match. If they were small contracts or they were close I took a sheet and find every one of these 240 contracts and find the ones that have the biggest discrepancies and I will put a priority list together and I will start with the buildings then I will work down to the small ones. I'm concerned about the big ones.

Mr. Jackson, I can assure you that no one here tried to pull the wool over your eyes.

Mr. Greene, if I thought that I would just tell you but I will tell you this. The things that come before the Committee, it has to be right on point, if not it creates a problem because I'm thinking all these things happen and when we get here and we do a motion and we approve it and I sign off on it and it takes effect then come to find out that state agencies are not going to call me, they may not even call Purchasing. They are going to call the Governor's office and say, why did my pricing go up 27% and who authorized that? It is going to come back on Cedric and that is the issue here. Communicating to the state agencies saying this is going up 27% and this is why do you agree or do you not agree or will you approve it or will you not approve it.

Mr. Jackson, just to give you another example of what can happen, as we were proofing from the contracts that was to be presented at the last meeting, we found there was an error in the calculations and it wasn't rounding properly and we knew it was going to get kicked back from Purchasing and since the last meeting I have reloaded every one of the contracts into a spreadsheet and that has been corrected.

Mr. Greene, I don't think anybody will dispute the fact that you guys are hard workers. When he did that thing on the board I had a headache for two weeks. What we have to do is make sure that we tighten up on is the communication between A & B so when it comes to C that we feel comfortable and confident that there is not going to be a kick back or negative feedback that makes it seem as though the Committee is not being diligent in performing their duties and responsibilities as to code.

MOTION #4

Ms. Bates, I make a motion that we table the contracts until we get some resolution to the issues that we have discussed. Mr. Sullivan seconded. Motion passed.

Mr. Jackson, since these contracts are scrapped right now, do we need to have the existing contracts.....

Ms. Bates, not if they are extended. You have a letter of extension so you are good on that.

Mr. Jackson, we need to sit down with agencies that have questions, if CRPs are good with it, we take it back and put it all in writing.

Ms. Bates, it is a challenge, we all recognize that it is a challenge but it is just what we need to do in order to do things correctly.

Mr. Sullivan, I think you need some verification.

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

Ms. Bever, I am always impressed with this Committee and how diligent you are and how accurate you are and I really appreciate that from a CRPs objective.

Mr. Greene, thank you and that email I received, it also said there appeared to be wage increases of .30 cents and .80 cents. Keep that in mind.

Mr. Monterosso, we have the backup and no one has gotten an increase of .80 cents, what we did was, we used the wage Bureau of Labor Statistics and other federal areas, so we took Wheeling, Martinsburg, Parkersburg, Huntington and these are the average rates so \$7.35, \$7.46, \$7.50 depending where you are and we had the backup and justification but no one has gotten an .80 cent increase. It may have been .25 cents.

Mr. Bates, I think although the Committee again doesn't have an issue with the increases in the salaries for individuals with disabilities, again you are going to get resistance from state agencies because this is mid-year and asking for an increase when they have budgeted a certain amount and they are getting cut. This is moving toward July 1 and because you are looking at state agencies dealing with budget cuts then asking them to increase contracts.

Mr. Monterosso, we are focusing on increases but there is over a third that saw a reduction. The same one that is saying – you are asking for an increase and they have multiple contracts, if you took it all in total it may be an overall decrease in their contracts but they are focusing on an individual contract increasing 20%. What you have before you, you can spend time on that and you can see the overall increase was 3.44% across every single contract and 3% of that was the pcard charge which we get charged for and the state gets a 1% kickback on that, so really it is only costing 2%, so to the state agencies it is only 2.44% increase and across \$14 million dollars that is \$25,000.

Mr. Jones, \$750,000 over an entire year.

Mr. Greene, whatever the increase is, it is. Each individual state agency has a CFO and when they sign or email back and say they are good with it, then that keeps the phone from ringing down the hallway, because their CFO is ok with it, but when you circumvent that CFO and that CFO doesn't sign off on it or say they are good with it or whatever, as soon as they get it and they see we have approved it here at the Committee, the very first thing they do is call the Cabinet Secretary who in turn will call the Governor. He won't call my Cabinet Secretary he is just going to call down the hall and say who approved to do XYZ? It is so important to have buy-in by the CFOs and the CRPs. It is so huge as it keeps all the drama down. If you guys don't buy into something that you don't really want as Goodwill and DOH or DEP or whoever, they don't get surprised by a bill that they didn't see coming. I think the clerks know, but the problem is, the clerks didn't have a clue as what the CFO does. The CFO is looking at 10,000 feet and he is sitting back watching because this is going to get ugly, but the clerk he/she is just working and they think everything is good to go and 10% doesn't seem like that big of an increase but at the 10,000 level – you don't see what is going on over here that is going to impact that. That is the real issue. We have to have buy in from CRPs and the CFOs. If you don't have buy-in by those two and you bring it here it is going to be a problem.

Mr. Greene, is there a motion to adjourn?

MOTION #5

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