

## **EMERGENCY MEETING MINUTES**

**March 7, 2007**

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

The emergency meeting was called to order by Chairperson Penney Hall at 1:00 p.m. March 7, 2007 at the West Virginia Division of Rehabilitation Services' office in Institute, West Virginia.

#### **ATENDANCE:**

Committee: Penney Hall (Chairperson); Brenda Morford; Pete Cuffaro; Everette Sullivan; Jan Smith; Ron Price, Executive Secretary

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

The purpose of the emergency meeting was to discuss a memorandum Ms. Hall received from a Betty Francisco, a Senior Buyer for the Purchasing Division. In this memo Ms. Francisco questioned how the fair market price was developed and whether WVARF and/or the CRP's may owe the State of West Virginia money.

There was a discussion regarding how the fair market price was arrived at in the past. Mr. Greening said the prices were arrived at using a formula derived from the JWOD program years ago. Since that time there have been only minor adjustments made to wages and benefits.

The Committee discussed the use of the contract costing sheet and the fact it has a note which says prices are based on forty hours a week. The question came up people are not working 40 hours a week in some cases. Mr. Greening said the rates for the hours are pro-rated on the number of actual hours people work.

Wages and benefits are a major issue because the rules say to use the prevailing wages. This is hard to gather because the commercial janitorial services will not share information with the CRPs. Mr. Greening said there are two web sites which lists wages for the janitorial. One is the average weekly wages for commercial janitors. The other is the wages for all janitors listed by workforce regions. The other option is to use the State minimum wage.

There was also discussion about the staffing plan for when workers are off sick or on vacation. There is money in all the contracts to cover these costs. The questions that arise are 1) is the work getting done whether it is through another worker covering for them or 2) is there a replacement worker? The other benefit which arises is holiday time. Can look at it two ways: 1) CRP via CRP or 2) the committee set a number of days. There was a discussion of looking at each CRP's handbook to see if they are paying their workers for holidays and vacation. Also, it was discussed looking at their payrolls and timesheets to see what is happening. The question arose was whether we need to look back or should we go forward from this point? Ms. Morford said in looking forward to the contracts the Committees intent through the years has been that people be paid for vacation because it was included in their contract. The standardization level that all State Use contract pay all the things in the contract regardless of what they have traditionally done.

It was decided to use the starting average wage in the BEP data base. If the CRP wants to pay their experience worker more than they can do so by submitting data such as time sheets, evaluations, etc. to justify the higher wages. Therefore, the costing sheets are going to have to be redesigned to allow for this change.

There are two issues. What is the state buying? Is it a clean building or the number of hours? Because this is a special program there has to be full disclosure of those costs.

Ms. Morford recommended that someone from Purchasing and the Committee needs to look at the fair market price process. Ms. Hall reminded her this is a goal for the next fiscal year.

There should be a contract (costing sheet) between the CRPs and WVARF similar to what is signed on the state level.

**Motion #1**

**Ms. Morford moved for the Committee to reaffirm the rules as they are written to require CRPs to submit actual workshop costs is still a valid way of determining fair market price. For the current year beginning July 1, 2007, all contracts in order to create a new base price all CRPs must submit supporting documentation for each line item of the contract. This information must be submitted to WVARF by April 15. Mr. Sullivan seconded.**

There was discussion surrounding this motion. Ms. Hall referred to a draft memorandum she had prepared for the Committee to consider. If the CRPs do not supply the data than WVARF and the Committee will determine the fair market price using the average starting wage and the prices of supplies on the statewide contract. Further they are subjected to an audit.

**Motion passed.**

Ms. Hall was to send the directive memorandum on March 8. She confirmed with Mr. McEndree the paragraph regarding WVARF's participation was correct. She was to send a copy to Mr. McEndree so he could e-mail it out to everyone and she will send it by mail to everyone.

The Committee decided to not take action on the issue of pay back until there is a decision on the state level.

**Motion #2**

**Mr. Sullivan moved to adjourn.**