

Elected Committee of Blind Vendors

(open, approved)

Tuesday, September 09, 2008 1:30 – 4:30pm

GEF #1, Room A415

201 East Washington Ave, Madison, WI 53702

Present:

Members: Dan Sippl Chairman, John Fritz Vice-Chairman, Theresa Miller Secretary, Mark Papapetru Treasurer, Sally Zenchenko, Arlene Maus, John Foulks

Staff: Joseph D'Costa, Greg Feypel, Jim Juran, Kent Walser, Lorie Lange, Manuel Lugo, Andy Eckmayer

Guests: Joyce Coates, Jeffrey Scott, Nick Seivert, Terry Campbell, Jim Spencer, Richard Perzentka, Tom Jeray, Richard Waldburger, Mark Carris, Janet Dickey, Gene Hermanson, Lee Young, Jimmie Davison, Rockne Rodenberg, Patty Murphy, Chris Fisher, Ken Ram

Meeting called to order at 1:36pm by Chairman, Dan Sippl.

1:36 Introductions

1:41 Approval of Minutes

Deferred to next month's meeting as there was a problem with the document sent e-mail being received

1:43 Financial Report Update

1:47 Nominee Agency Report

Kent indicated that the agency is operating on a month by month budget because the contract has not been settled. The GEF 2 cafeteria project completion has been delayed due to the funding cuts by the SLA. It may be finished for completion in several weeks. Invoices of the monthly fees and insurance coverage have been sent out.

1:59 SLA Proposals

Dan indicated that the SLA sent out 9 or 10 budget proposals and did not ask for operator input. The SLA, without input, opted to implement Option 6.

Each member and guest was allowed three minutes to speak about the budget proposal, ask questions, and to give comments. The comments are as follows:

Mark Carris – asked for an explanation of invoices received from the BEP. It was explained that it is the fees for 3 months and it will be adjusted from time to time as income may change. He also asked why the SLA is not following the DWD 60 provision that the SLA has an obligation to replace and repair machines. Joe D’Costa said that the use of the words “shall’ and “may” give them this option.

Theresa Miller – asked if repair expenses paid by the operator are allowable business expenses. It was indicated that they are. She also asked what is required for an operator to buy out machines at a site. Joe D’Costa indicated that the operator has to be in good standing with the program, and have been an operator for one year.

Tom Jeray – indicated that he felt the system being imposed is double jeopardy, for it now makes the operators pay for their own repairs, but still makes

them pay the set aside fees that have been previously used by the program to pay for these repairs. Manuel Lugo stated that based on the law, the RSA does not have to provide funding for the Randolph Sheppard Program. He said the law states they “may provide” funding. He then said due to the Order of Selection, they must readjust dollars. He said case service expenses have increased 15% and funding has only been increased 3%.

Nick Sievert – felt that over the last five years he has been paying more and more into the program, but getting less and less in return. The last invoice for fees amounted to ½ of his monthly income. Joe D’Costa said that VR has given the program over a million dollars this past year and this included IPE costs of trainees. There was indication that this really needed clarification as client services and program services are not the same. Also, Joe indicated that the program had been erroneously paying the insurance payments out of program money but Tom Jeray indicated that at the time it was paid out of set aside funds which was legal. However, the funds ran out.

Janet Dickey – said she was grieving the situation. She asked why the fee is for 3 months now. She said the RSA hasn't been asked how this is affecting operators. Dan said the RSA is aware of the situation but hasn't responded due to a staff shortage. Janet also indicates the funding for the program includes program monies and these need to be separated from the match monies. She asked Joe D'Costa to read DWD 60 and the SLA obligation, which he did.

Jim Spencer – indicated that he wants a machine moved from one of his less profitable site to a better site. He asked, “who pays for this”? He also said he had a coffee machine broken into that is sitting idle at the site and needs repair and he wanted to know who pays for this. Joe D'Costa indicated that he should write Greg about the situations. And according to the new policy the operator has to pay for the repairs, and moving the machine should be in a written request to be considered.

Patty Murphy – indicated that she relocated and bought a house when she started her new site. And now, with the new situation and changes, she fears it

could result in her losing her home. She felt the changes are creating a hardship.

Terry Campbell – asked that when he needs to remove a bad machine, who pays for it, being that it is state owned? Joe D’Costa again said to put it in writing. Manuel Lugo said it needs to have SLA approval, including any machine needing to be moved to the Nominee Agency warehouse. Terry then asked what about the set aside rate for operator owned equipment. Joe said the set aside would be at a lesser rate but didn’t know what that amount was, and that it would have to be calculated. Also, an operator purchase of equipment from VR would be at the current market value of the machine.

Mark Papapetru – asked why the billing was for a 3 month period. Joe said that legal counsel said they could do this. And, operators have been given a 30 day extension for payment. Janet Dickey asked if this billing change was done with the approval of the Elected Committee, and Joe said he had no comment.

Arlene Maus – stated that she felt with the changes the SLA is making it appears that they are setting up operators and the program to fail. She also pointed out that the SLA’s recent letter stated that the “owner” should pay for the cost of repairs. She pointed out that the state owns the machines so they should be paying for repairs. Joe said that this was his error that the letter stated it that way.

Joyce Coates – said that her cafeteria equipment is old and is concerned of what happens when it goes down. She said that she couldn’t afford the repairs. When she began it was her understanding that she would pay the fees and that she would get help, but now it is being changed so she won’t.

Chris Fisher – stated that the increase with taxes, and fees, and now the added quarterly fee payment, he cannot afford it. He asked how the fee was figured. Joe said it is based on equipment, its age, and replacement value. Joe said these fees were to go into a fund for equipment replacement and it wouldn’t be touched for anything else.

Jimmie Davison - indicated that change occurs and that people need to work with change. He also stated that he felt existing older operators resented the fact that the new people are getting new equipment from their VR plans. Dan Sippl indicated that he didn't feel that this was a predominant feeling for, it was with the hard work and cooperation of these operators that the program for training and establishing new operators was developed.

Richard Perzentka – indicated that he had no comment but was submitting a grievance to the SLA.

Rockne Rodenberg – said this new system may run him out of business and he may lose his home. He stated the one account he has wants a combo machine, and he doesn't know what to tell them because he can't afford the machine himself.

Sally Zenchenko – stated that she has been at her cafeteria site since 1984 and during that time only one piece of equipment has been replaced. When the existing old equipment fails she will not be able to

repair or replace it herself. And she had paid fees in for all the years she has been there for this reason.

Ken Ram – indicated that when these changes create a situation where established operators can't make it, what example does it show for the new people trying to get started in the program. Joe D'Costa said the training the new people are getting is training they can use elsewhere. He also said it is a temporary situation. A letter will be sent out to the Counselors and students about the situation. And new trainees can still come in but may have to wait.

Francis Coates – asked, why for the computation of fees, only the last 6 month history is looked at? Why not the last 10 years if the operator was there that long? Kent indicted that if an anomaly exists information can be resubmitted to the SLA for possible readjustment. Scott McDonald did the computation and he can be asked regarding this. The charge is based on a 3 year average and as income changes, it can be resubmitted for re-computation. The fees and insurance payment are fees, and also is the charge of repairs being paid by the operators. Richard Prezentka said the SLA “may” adjust payment

and it could be a lower fee, but it could even result in a higher fee being charged. Manuel said it would be whatever it costs to cover the costs of the program. Janet Dickey asks about other states, where RSA allows matching funds which the SLA isn't allowing, and Manuel that other states do not matter.

John Fritz – indicated for these changes the SLA did not allow the participation of the ECBV. He feels the operators need input and representation, and that the SLA is dictating. He felt that as a result his business is suffering and because of the financial impact, so is his family. He questioned the accuracy of the 3 year average that is being used, and wanted to know where it comes from. He also feels that the SLA is violating the DWD 60 and the Randolph Sheppard Law. He feels that Joe D'Costa wants to dictate to operators and that the operators are not going to allow it. He indicated that the group will be taking further action, as needed. And the SLA has not tried to work together with the operators on a solution.

Dan Sippl – felt the group needs to meet with the SLA and work out the issues. Until a new contract is agreed upon, he feels that previous year's contract

should remain in effect. It is common practice in the business world to extend the old contract until a new one is worked out. He indicated that Charlene Dwyer had agreed to have a subcommittee set up and that this is needed to define and establish criteria for repairs, maintenance, replacement, etc. He indicated that the old set aside system allowed for business variances but the proposed system does not. And the monthly billing should be broken down.

Dan also felt that new people coming in are being mistreated by practices that are contrary to ECBV beliefs. And a letter needs to go out to the students and their VRC's about the situation.

Dan also indicated that the ECBV advocates for operators, and if operators want to file grievances the ECBV will assist them. He also indicated that it is very important to follow through on all the steps of a grievance. He added that the group needs to take political action. Manuel said he couldn't give an answer on the contract.

Committee Motion – John Fritz motioned to extend old contract with the SLA until a new one is developed. The motion was passed by the committee.

Dan Sippl – said that a definition is needed for maintenance, repair, invoice charges, and their basis. It is maintained that having required monthly operator fees and requiring operators to also pay for repairs is a double charge. Dan also felt that it is unfair that the SLA, by the steps it has taken, is essentially shutting down the BEP option for new VR consumers. Manuel said they should be informed and the program has not cut off their options.

At one point during the closed meeting with Tom Jeray, the session was reopened for Tom to indicate that he is filing a grievance over the situation with GEF 2 and his loss of income.

Meeting was adjourned at 5:30pm.

Respectfully submitted,

Theresa Miller, Secretary ECBV

