

**PURCHASING FROM PEOPLE WITH DISABILITIES
ADVISORY COMMITTEE MEETING MINUTES
January 22, 2016**

MINUTES NO. 1 PENDING MARCH 4, 2016 APPROVAL

A duly posted open meeting of the Purchasing from People with Disabilities Advisory Committee was held on Friday, January 22, 2016, at 1:00 p.m. at Texas Workforce Commission, 101 E. 15th Street, Room 151, Austin, Texas. A quorum was present.

MEMBERS PRESENT

Jean Langendorf
Dave Wells
Larry Johnson
Linda Logan
Nicky Ooi
Ron Pigott
Michelle Wilkinson
Brandye Lacy
Sean Quigley
Kevin Jackson
Russell Capers

MEMBERS NOT PRESENT

Brooke Hohfeld
Judy Zavalla

INTRODUCTIONS OF ADVISORY COMMITTEE MEMBERS AND STAFF

Ed Serna, Deputy Executive Director, Texas Workforce Commission
Kelvin Moore, Program Manager, Texas Workforce Commission
Howard Joseph, Program Manager, Texas Workforce Commission
Lona Chastain, Deputy General Counsel Texas Workforce Commission

I. OPEN MEETING TRAINING FOR COMMITTEE MEMBERS

Lona Chastain, Deputy General Counsel, Texas Workforce Commission gave a brief overview on the Open Meeting Act.

Ed Serna Deputy Executive Director, Texas Workforce Commission (TWC) stated that he would check with the Texas Workforce Commission's Innovative Technology group in order to research a way TWC can communicate with the Advisory Committee but minimize the exposure of the Advisory Committee's personal or work information due to open records.

II. ADVISORY COMMITTEE MEMBER'S TERM SELECTION

Ed Serna, Deputy Executive Director, TWC, asked committee members to draw numbers (2 or 4) to determine who would serve staggered two or four year terms.

Committee Members all two year terms:

Jean Langendorf
Kevin Jackson
Russell Capers
Dave Wells
Michelle Wilkinson
Linda Logan

Committee Members all four year terms:

Larry Johnson
Brooke Hohfeld
Nicky Ooi
Judy Zavalla
Sean Quigley
Brandy Lacy

III. PROGRAM OVERVIEW PROVIDED BY THE CENTRAL NONPROFIT AGENCY

Chairman Jean Langendorf introduced Fred Weber, President TIBH Industries, Inc.,

Mr. Weber gave an overview of the State Use Program (SUP) and the role and the responsibility of the Central Nonprofit Agency, TIBH Industries, Inc. (See Attachment A)

Committee member Michelle Wilkinson asked how TIBH finds out about products and services.

Mr. Weber said that TIBH finds out about products through various means. TIBH has a department to identify new opportunities. TIBH staff also attends trade shows to identify products, state agency contact TIBH to suggest products, and Community Rehabilitation Programs (CRPs) send a request for a product assignment to TIBH. TIBH finds out about services through TIBH Regional Marketing Managers meeting with state agencies. State agencies will also contact TIBH to request services.

Chairperson Jean Langendorf asked how TIBH/CRPs determine disabilities.

Mr. Weber said TIBH provides a form called the State Use Wage report to every CRP each quarter which includes information about types of disabilities. The CRPs must complete and return this report each quarter in order to participate in the state use program (SUP).

Chairperson Jean Langendorf asked Mr. Weber, if he would provide her with copy of that form.

Committee member Kevin Jackson stated that TIBH does not make the decision whether an individual is disabled; the disability is determined by a medical authority or the social security administration.

Chairperson Jean Langendorf asked who determined the type categories for disabilities.

Mr. Weber said that when developing this form TIBH surveyed CRPs to determine the most widespread types of disabilities represented in the program.

Committee member Dave Wells also added that the types of categories for disabilities were taken from the National Industries for the Blind (NIB) and Source America, and that the disability criteria was set up to mirror the national federal programs.

Chairperson Jean Langendorf asked how TIBH determines which CRPs are assigned contracts.

Mr. Weber stated that TIBH has a document assignment process. CRPs are not required to bid against each other for a particular service or products. Services are negotiated with the agencies and a price is agreed upon. Services are then approved by the Texas Workforce Commission. The fair market price of products is determined by the Texas Workforce Commission with input from the Comptroller's Office.

Committee member Linda Logan asked if the Texas Workforce Commission has rules governing the assignment process.

Mr. Weber stated that TWC has no rules governing the assignment process.

Chairperson Jean Langendorf asked who ranks the national state use programs.

Mr. Weber stated that a national organization called State Use Program of America (SUPRA) ranks state use programs.

Chairperson Jean Langendorf asked Mr. Weber to provide her with a list of states with requirements pertaining to political subdivisions.

Ed Serna, Deputy Executive Director explained how political subdivisions (Cities, Counties, School Districts...) use the State Use Program if they are a member of the State of Texas Cooperative Purchasing Program (CO-OP). This membership allows political subdivisions to utilize the SUP contracts without going out for bid. Unlike state agencies, political subdivisions are not mandated to utilize the state use program. CRPs can bid on Political subdivision bids without going through the SUP.

Mr. Weber stated that TIBH takes pride in the fact that political subdivisions are not mandated to utilize the SUP, but still choose to utilize the program's services. The political

subdivisions elect to use the SUP because of civic pride and because the CRPs do a great job.

Chairperson Jean Langendorf asked for a list of political subdivisions participating in the SUP over the past five years.

Committee member Larry Johnson asked Mr. Weber if the number of individuals with disabilities has doubled over the past fifteen years. He thought it was important to know the number individuals with disabilities and the wages.

Mr. Weber stated that although the number of individuals with disabilities did not double, the individuals with disabilities' hours have increased considerably.

IV. DISCUSSION AND REVIEW OF THE COMMUNITY REHABILITATION PROGRAM'S CERTIFICATION PROCESS

Chairperson Jean Langendorf asked if there's any discussion or input from the committee regarding the Certification process.

Mr. Serna asked committee members representing CRPs if they would like to make comments regarding the Certification Process. Mr. Serna informed the committee that there are two CRPs posted on TWC's website waiting to be recertified at the next commission meeting on Monday, January 25, 2016.

Mr. Weber gave a brief overview of what is required to complete the certification and recertification applications. (See attachment B)

Chairperson Langendorf asked what happens to CRPs if they are suspended.

Mr. Serna stated that CRPs can continue working on existing contract but they are not allowed to receive new contract.

Chairperson Langendorf asked if there's a process to address underperforming CRPs before their recertification date.

Mr. Serna stated that if a CRP is underperforming TIBH would reassign their existing contract to another CRP, then report the problem to TWC. Only TWC can suspend or revoke the certification of a CRP if they do not comply with program rules.

Mr. Serna stated that TWC is currently using the existing process and forms to certify CRPs. Going forward TWC is looking at different requirements for the certification and recertification process.

We will look for input from the Advisory Committee on the certification and recertification process.

Chairperson Langendorf asked if there's a financial audit on CRPs. There should be an independent financial audit to keep CRPs out of tax trouble.

Mr. Weber, TIBH, said that CRPs do not have to provide a copy of their audited financial statement upon certification or recertification.

Mr. Serna stated that TWC's monitoring program will require staff to perform reviews/audits on CRPs during their interim certification and recertification period.

Committee member Dave Wells stated that each Community Rehabilitation Programs have their own Board of Directors. It would be very expensive for small CRPs to pay for financial audits. Mr. Wells also stated that there are certain levels of contracts that are required to be audited.

Chairperson Langendorf recommended that in the future, the Annual Report should list the total amount of contracts for each CRP for auditing.

Mr. Serna stated that he was referring to the audits TWC's staff would conduct, there would be no cost to CRPs. TWC has staff that conducts reviews of various contracts and other agreements with TWC. These audits would not be onerous to the CRPs.

Chairperson Langendorf recommended that committee members provide input on the certification and recertification process for the next committee meeting.

V. DISCUSSION AND POTENTIAL ACTION REGARDING PERFORMANCE MEASURES

Chairperson Langendorf asked are there any current performance measures.

Mr. Serna stated that there were no performance measures previously established. One of the responsibilities of TWC with assistance from the Advisory Committee is to establish performance measures for the State Use Program. TWC is looking for any input the committee can provide.

Mr. Weber, TIBH, stated that in the past the Texas Council sets goals for TIBH. Those goals established were the total number of work hours for individuals with disabilities, total number of workers with disabilities, wages paid to individuals with disabilities, the number of CRPs associated with the program and the sales amounts of products and services. Also, maintaining the wages paid to individuals with disabilities as a percentage of the sales contract, the number of CRPs added each year and the number of outplacements.

Chairperson Langendorf stated that she would like a healthy discussion regarding outplacement for competitive employment.

Sean Quigley stated that competitive employment is part of On Our Own Services' mission and that he would not want to see a number requiring a concrete percentage of individuals with disabilities outplaced before they're ready.

Ron Pigott, Director, Health and Human Services, suggested that the Advisory Committee find out what's in the contract TWC inherited. Also review the Sunset Report and find out

what the state found lacking, and make recommendations as to how TWC can be successful by the next Sunset Report. TWC may be limited to what they can do by the current contract.

Chairperson Langendorf asked for a copy of the current contract and a link to the Sunset Commission Report.

Ron Pigott, Director, Health and Human Services cautioned that performance measures can be counterproductive and that performance measures should be meaningful and useful.

Mr. Serna stated that TWC's staff will forward preliminary measures to the Advisory Committee before the next meeting.

VI. ESTABLISH NEXT MEETING DATE

Next meeting will be Friday, March 4, 2016

VII. PUBLIC COMMENT

No public comment.