



GEORGIA STATE USE COUNCIL

SHAWN PURSLEY
EXECUTIVE DIRECTOR

REID LAURENS
CHAIR

Thursday, June 27, 2024—10:00 AM
Location: Easter Seals East Georgia,
and via Zoom

MINUTES

COUNCIL MEMBERS PRESENT

Mr. Reid Laurens, Chair
Mr. Jim Barnaby, DOAS
Mr. Ross Barrineau, DOC
Ms. Kerri Hammond
Ms. Wanda Warren
Mr. Rick Hooper
Mr. Demetrius Taylor, DHS
Mr. William Dews, DCA
Ms. Lyndsey Rudder
Mr. Marty Owens

COUNCIL MEMBERS ABSENT

Ms. Dorothy Cochran
Mr. Charles F. Smith
Mr. Allen Morgan, DBHDD
Mr. Jay Mitchell

STAFF

Mr. Shawn Pursley, GEPS Executive Director
Ms. Caitlin Hyatt, GATES CEO
Ms. Christina Zolomy, GATES/GEPS

GUESTS

Mr. Dave Ward, TNC/GATES
Mr. Stephen Mock, Peak Performers
Mr. Dan West, GIB
Ms. Veronica Rohlack, BDI
Mr. Andrew Barrett, New Ventures
Mr. Mike Wilson, New Ventures
Ms. Amy Steele, New Ventures
Ms. Sheri Coleman, SEGA
Ms. Shamicka Demery, BDI
Ms. Autumn Cole, DOAS
Ms. McCall Ginsburg, DOAS
Mr. Robert Bell, DBHDD
Ms. Betti Rosszer Figueroa
Ms. Emily Hirst, DOAS
Mr. Dan Regenstein, DOAS
Ms. Christina Chambless, GIB
Julia Gentz, ESEGA
S Dover, Dover Solutions

Adoption of Agenda

Mr. Shawn Pursley conducted a roll call to account for everyone attending and noted a quorum was present. Chairman Reid Laurens called the meeting to order at 10:04 a.m. and welcomed all members and guests.

The Chairman called for any exceptions to the agenda, and the following was stated by staff: concerning the following issues to be tentatively scheduled for further discussion and addressed at the meeting:

- A. Financial Reports, GEPS staff
- B. Comparative Sales by Category & Customer
- C. Quarterly Employment Report/ Sales by CRP
- D. GEPS Web Site
- E. Update on Service Contract Award Status
- F. State Use Operational Plan UPDATE

With no further objections, the modified agenda was accepted by the Council.

Approval of Prior Meeting Minutes

The March 21,204 minutes were discussed. With no questions or objections, the minutes were approved by the Council.

Central Non-Profit Agency

Financial Report

Mr. Shawn Pursley reviewed the Finance Committee has previously reviewed the March and April reports, so focusing on May, which is the most recent report:

Overall, GEPS had an EOM Net Gain of \$8,734 and a YTD Net Gain of \$157,027.

Looking at the left side of page 21, taking a closer look at that EOM breakdown:

Revenue EOM May was \$502,297, which is \$637 (or 0.13%) lower than budget projections. After considering the Cost of Sales EOM of \$470,786, the Net Revenue was \$31,511 which was \$506 (or 1.6%) higher than budget projections.

EOM May expenses were \$22,777 (or 2.7%) over budget, ending the month with the above-mentioned Net Revenue figure of \$8,734. That is \$2,463 more than the projected Net Revenue gain of \$6,271., taking a closer look at the YTD breakdown: Revenue from sales YTD was \$7,066,271, which is \$2,194,667 (or 45%) over budget projections. After considering the Cost of Sales YTD, of \$6,633,539, Net Revenue was \$432,732, which is \$104,341 (or 32%) over budget projections. YTD expenses were \$275,705 (or -0.58% under budget), which brings the YTD Net Revenue to the previously mentioned Net Gain of \$157,027. That is \$105,952 (or 207%) greater than the projected Net Revenue of \$51,075. The Balance Sheet shows total Net Assets increased to \$509,623 as of the end of May. Payments to the CRPs show that GEPS paid the CRPs a YTD total of \$6,459,171 and 100% of these payments were all made in 7 days or less.

Mr. Pursley then continued by reporting the Comparative Sales by Category Report begins and gives you the FY24 July - April comparison with the same period last fiscal year and shows that Product Sales were up 63%. This is most notably contributed to by the sizeable COVID testing order we received this year. The Service Contract Sales were up 39% from FY23. Overall, GEPS Total Sales are up 54% from FY23.

The breakdown of Product Sales shows that Other represents the items with the largest percentage (at 50%) of those sales (with a large portion of that being COVID Testing Kits). For Service Contracts, below that, Custodial still represents the largest percentage of those sales at 85%. Product Sales comparing FY24 against FY23 with "Other" or COVID Testing Kits showing the most dramatic, single category change as a significant increase in sales in that category. Below that graph, you can see the breakdown of Service Sales comparing FY24 against FY23 with Custodial contracts having an increase in sales of 47%.

Quarterly Employment Reports

Mr. Shawn Pursley continued by reviewing the Quarterly Employment Report which shows the number of hours employees with disabilities worked through the end of Q3 FY24 as being 51,188, which is up from last fiscal year's hours of 37,388. The number of Georgians with disabilities who were employed during FY24 compared to last year is lower at 85 for FY24 when compared to 100 for FY23. At the end of Q3 FY24, YTD CRP sales were \$ 5,711,620.

Internet (GEPS Website) Sales

Mr. Shawn Pursley reviewed GEPS website sales for FY24 were down at \$33,716 when compared to \$62,074 in FY23. The graph below on the same page shows most of those sales from the GEPS website during that time were from Gloves.

GEPS website sales for the 12 months ending in April 2024 show peak sales in November of 2023.

Current Contract Status

Mr. Pursley reviewed GEPS's current contract status for FY24. 15 bids are pending. There are 21 existing contracts. Lost 3 contracts and 13 contracts have expired since the beginning of FY24. 29 bids were sent out to the CRPs but not bid upon due to various reasons.

State Use Operational Plan

Mr. Shawn Pursley reviewed just some of the highlights of the FY24 that was emailed to the committee on June 19, 2024

The FY25 Operational Plan draft was also submitted to the Operational Plan Committee for review and approval. There were no significant changes made to the Operational Plan for FY25.

If the Operational Plan Committee has no further comments to add to the report, then the report shall be submitted with the updated FY24 Operational Plan and the FY25 Operational Plan for recommendation of approval by the Council

With no questions or objections, the CNA Report was approved by the Council.

Committee Reports

Finance Committee - The following report was submitted, via email, to the Finance Committee on 6/20/24

Mr. Pursley noted that May YTD Product sales numbers are up sharply from last year and well above budget projections due to the COVID Testing Kit orders coming in. Service sales also remain up and above budget with a bottom line showing a YTD Net gain of \$157,027 at the end of May. GEPS ended May with an EOM Net Revenue gain of \$8,734. YTD Product Sales are up 58% from the Previous Year and 54% above Budget. YTD Service Sales are up 36% from the Previous Year and 30% above Budget. Overall, YTD Net Revenue is up 50% from the Previous Year and 45% above Budget. YTD, Total Expenses are up 3.1% from the Previous Year but are still only 0.58% over Budget. All of this results in the above-mentioned May Net gain of \$157,027 YTD. The Balance Sheet shows the total Net Assets at \$509,623 as of the end of May. The report for payments to the CRPs shows that at the end of the month, GEPS paid the CRPs a YTD total of \$6,459,171, and 100% of these payments were made in 7 days or less.

Important note from accounting: GEPS is showing \$407k in First Horizon Bank. We will need to move \$100k more to Raymond James this month, as with the audit coming up, we don't need to have over the \$250k limit in the checking account.

With no questions or objections, the FY24 Finance Committee report was accepted by the Council.

Marketing Committee

Marketing assistance continues as planned and is progressing within budget. Exhibiting efforts are under budget, which will allow for some flexibility in spending as well as absorb some of the increased expenses due to inflation. The annual DOAS Conference Expo was canceled, but GEPS exhibited at the NIGP expo in March. The Wardens Conference Expo was earlier in June. The development of graphics and marketing materials is over budget, which is expected when the decision was made to redo the GEPS website. Building capacity is just slightly over budget. Overall, YTD, at a current expenditure of \$37,129, which is just slightly over the budget of \$36,800, is a positive since the goal is always to fully utilize our marketing budget. Operational stats, previously reported, are updated against the plan with the number of bids opportunities sent out, bids submitted, and bids won so far this year (to date the new contracts are well above plan). Marketing efforts have been expanded on social media and increased eBlast this year. Lastly, the number of individuals with disabilities and the number of

employment hours worked by those individuals were reported, as of FY24 Q3, as 85 disabled employees were provided with 51,188 hours of employment. Marketing assistance is budgeted at the same level as FY24. Exhibiting has been reduced significantly since the DOAS conference was canceled this year. The Warden's Conference as well as the CACJ Conference will remain on the exhibition budget. The graphics budget has been increased to finish out the funding for the GEPS website redesign as well as regular efforts as far as eBlast, regular website updates, and keeping up the GEPS catalog and distribution. Building Capacity is kept at the relatively same level as FY24. Overall, the FY25 budget is slightly reduced for Marketing but the plan is still utilizing all the marketing elements that we have used in the past with a total FY25 budget of \$33,950.

With no questions or objections, the FY24 Marketing Committee report was accepted by the Council.

Certification Committee

Mr. Pursley, Executive Directory to present the FY24 Q3 % Compliance Report...and summarize the high points here:

BDI – they have shown some improvement in Q3 despite the ongoing labor crisis which is still affecting them. GEPS/BDI withdrew from the GA Piedmont Technical College Contract effective 3/31/24. While GA Regional Hospital has dipped, DHS-Fairburn Rd. continues to show improvement. The proposed change in the documentation requirement should assist with BDI's recruitment efforts.

SEGA – Great to see ESEGA efforts have paid off and their 3rd Quarter numbers have come up nicely!

ESMGA – There were no sales of pallets during the 3rd Quarter.

The rest of the report is within compliance. It is important to note that at the June 2024 SUC meeting, the approved P&P update includes a previously approved proposal to update the policy concerning documentation of disability requirements which should improve the process of recruitment for all the CRPs.

The following report was submitted, via email, to the Certification Committee on 6/20/24. Shawn Pursley, GEPS Executive Director

With no questions or objections, the Certification Committee report was accepted by the Council.

Fair Market Price
Review

Fair Market Price Committee

There is none at this time.

Executive
Committee

Executive Committee

The following report was submitted, via email, to the Executive Committee on 6/5/24.

Shawn Pursley, GEPS Executive Director

The Executive Committee met via Zoom on 5/16/24 to discuss the approval of the draft revision of the SUC Policy and Procedure Manual (P&P)

The 2 documents were reviewed, and the following points were discussed: The Central Non-Profit Agency (CNA) should be designated and defined toward the beginning of the document.

Action Taken – The P&P was modified to include a section at the beginning listing the State Use Law itself which defines the Central Nonprofit Agency (50-5-136(b)(1) on page 6. The designation of GATES as the CNA is covered under the contracts that are drawn up separately from this document. The

clarification was made that this draft was not redefining the term disability for the State Use Program. That issue was settled a few years ago, just before COVID, by the State Use Council when the SUC previously realized that it had not specifically defined disability as it applies to the State Use Program. When the SUC took up the task of defining disability for the State Use Program at that time, they drafted a definition, and then put the issue to the various CRPs that make up the GATES Board of Directors. The GATES membership is made up of organizations with specific expertise in the matter and the board itself is made up of the leaders of those organizations. GATES discussed and examined the SUC definition extensively and came to a more defined draft definition, which was then brought before the SUC Executive Committee for approval. Upon examination, evaluation, and discussion, the committee further refined that draft and sent it back to GATES where the final draft was approved at that time. That final draft was recommended to the SUC and upon voting, the SUC approved that definition at that time.

The SUC Executive Committee discussed the issue, and it was mentioned that while the law says that “The council shall give weight to the criteria established by the federal committee for purchase of products and services of the blind and other severely handicapped persons, pursuant to the federal Wagner-O’Day Act (41 U.S.C. Sections 46-48b), as amended”, the law also says that “the council shall consult with appropriate entities of government and take into account the views of nongovernmental entities representing the severely handicapped”. It was noted that such consultation had been done when the SUC consulted with GATES on the matter and approved the definition as it had been drafted and approved by both GATES and the SUC. It was pointed out that the law does not require strict adherence to the Wagner-O’Day Act and that the State Use Council has the authority to define disability for the State Use Program, which it had done in the recent past.

Action Taken - Considering that the SUC had already settled the matter with extensive efforts in the past and certified the current definition as policy, it was suggested that we move forward with a discussion of other issues concerning the proposed draft.

It was brought up that the current P&P Section 2, page 13, appoints the Executive Director of GEPS as the SUC Secretary/Treasurer. It was suggested that while the appointment of the SUC Secretary was fine, the SUC

Treasurer position be changed to appoint the Chairman of the Finance Committee as the SUC Treasurer.

Action Taken - With no objections, the recommendation was made to change that section to reflect that, and that has been done in the attached draft.

It was mentioned that Open Records Requests information should be posted to the GEPS and GATES websites along with information about the upcoming SUC Quarterly meetings.

Action Taken – The GATES website already had the GEPS meeting information posted. The GEPS website now has that added along with the upcoming meeting information being listed on both sites. Having reached the end of the discussions, the Committee was asked to approve the recommendation of the draft being submitted to the SUC for approval. There was mention of there being other issues to potentially discuss, but it was noted that most of the draft changes were general updates to Policies and Procedures that had already been approved in the past and that this draft brought the document up to present operations. It was furthermore suggested that once this draft was approved by the SUC, any further issues that needed to be addressed could be done so by the Executive Committee and the SUC in the future and that working from a clean copy would be much easier for those efforts. It was furthermore suggested that the Executive Committee and the SUC should make sure that the P&P is reviewed at least annually to make sure that all the information is up to date.

Action Taken – The Chairman asked the Executive Committee to vote to approve the changes to the draft and for the draft to be submitted to the SUC for approval.

The members of the Executive committee all agreed, except for DOAS, which felt like further items would need to be addressed but would not be able to be addressed by the June meeting. The Chairman commented that, as discussed, there would be ample future opportunity to hear those suggestions, but acknowledged that the vote carries the draft forward to the SUC for consideration and approval and that once approved, the updated version would be open to further discussion as well as clear the way for the Committee to update the 2 contracts that are signed by DOAS/SUC/GATES which cite the P&P document. The chairman also noted that the annual policy to review the P&P would be added to the document (which has been done in the “Quality Assurance” section of the P&P document).

The Executive Committee therefore submits the attached Redline version and Clean/Changes Accepted version to the SUC for approval.

Chair called for approval of the updated policy manual as presented – 8 opposed, update not passed.

**Nominating
Committee**

Nominating Committee

Report given by Chair of the Committee

The chair of the committee nominated Wanda Watkins

Vice Chair nominated Chris Valley

Treasurer, Kerri Hammond

Votes passed and the new Chair of the SUC will take over at the September meeting.

**Old
Business**

Extension of Contract for Designation of FY25 Central Non-Profit Agency (CNA) Vote Passed
Extension of Agreement Between State Use Council, Department of Administrative Services, and
Central Non-Profit Agency (CNA)Vote Passed

**New
Business**

The is none at this time.

Call to Adjourn

The Chairman called for a Motion to Adjourn. A motion was made and seconded. Hearing no discussion, questions, objections, or comments on the motion, the Chairman called for a vote to adjourn. The vote passed unanimously. The meeting was therefore adjourned.

Respectfully submitted this 25th day of July 2024



Reid Laurens, Chairman