



GEORGIA STATE USE COUNCIL

SHAWN PURSLEY
EXECUTIVE DIRECTOR

REID LAURENS
CHAIR

Thursday, September 28, 2023—10:00 AM
Live/Zoom Meeting

MINUTES

COUNCIL MEMBERS PRESENT

Mr. Reid Laurens, Chairman
Mr. Chris Valley, Vice Chair
Mr. Jim Barnaby, DOAS
Mr. William Dews, DCA
Mr. Demetrius Taylor, DHS

Mr. Charles Smith
Ms. Marty Owens

COUNCIL MEMBERS ABSENT

Ms. Dorothy Cochran
Mr. Ross Barrineau, DOC
Mr. Allen Morgan, DBHDD

STAFF

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

GUESTS

Mr. Stephen Mock, Peak Performers
Mr. Joe Paolini, BDI
Ms. Veronica Rohlack, BDI
Mr. Andrew Barrett, New Ventures
Ms. Bernadette Rosszer Figueroa, SA,AG
Ms. Meredith Champagne, GW SEGA
Mr. Rick Motes
Mr. Motes
Ms. Emily Hirst, DOAS
Ms. Ashley Depaso, DHS
Dr. Carl Hall
Ms. Amy Steele, New Ventures
Ms. Tiffany Russel, Dover Solutions
Mr. Ellis Axson, BDI
Mr. Bruce Wright, BDI

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 and welcomed all members and guests.

The Chairman called for any exceptions to the agenda.
With no further objections, the agenda was accepted by the Council.

Approval of Prior Meeting Minutes

The June 22, 2023 minutes were discussed. With no questions or objections, the minutes were approved by the Council.

Financial Report

Mr. Shawn Pursley began the review by stating that the Finance Committee had previously reviewed the June and July reports and presented the August report, which is the most recent report. Mr. Pursley reported that GEPS showed an EOM Net Gain of \$14,289 and a YTD Net Gain of \$9,202. Mr. Pursley further broke down the EOM numbers by reporting revenue EOM August was \$528,025, which was \$153,997 (or 41%) higher than budget projections. After considering the Cost of Sales EOM of \$490,554, Net Revenue was reported at \$37,471 which was \$8,765 (or 31%) higher than budget projections. EOM August expenses were reported at \$23,183 (or -0.4%) under budget which ended the month with the previously mentioned Net Revenue figure of \$14,289. It was noted that it is \$8,848 greater than the projected Net Revenue gain of \$5,441. Revenue from sales was reported YTD at \$836,519, which was \$120,393 (or 17%) over budget projections. After considering the Cost of Sales YTD, of \$781,886, Net Revenue was reported at \$54,633 which was \$4,233 (or 8.4%) over budget projections. YTD expenses were \$45,432 (or -2.1%) under budget, which brought the YTD Net Revenue to the previously mentioned Net Gain of \$9,202. That was \$5,226 (or 131%) greater than the projected Net Revenue of \$3,976. Mr. Pursley then noted the Balance Sheet showing total Net Assets increased to \$361,798 as of the end of August as well as payments to the CRPs showing that GEPS having paid to the CRPs a YTD total of \$674,007 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 and the FY23 full annual comparison for FY23 with FY22 which shows that Product Sales were up 26% in FY23 when compared with FY22. This was most notably caused by jumps in Gloves and Drug Testing Kit sales which amounted to a difference of \$481,245. The Service Contract Sales were down - 11% from FY22 and overall, GEPS Total Sales were up 9% from FY22. The breakdown of Product Sales showed that Gloves (B) represented the items with the largest percentage (at 40%) of those sales. For Service Contracts, Custodial still represented the largest percentage of those sales at 80%. The graphic breakdown of Product Sales comparing FY23 against FY22 with Drug Testing Kits showed the most dramatic, single category change as a significant increase in sales in that category of 53%. The breakdown of Service Sales comparing FY23 against FY22 showed Custodial contracts having the most dramatic reduction in sales (-13%). Next Mr. Pursley covered the breakdown of all the sales by the various customers GEPS served during FY23 by noting the Comparative Sales by Category Report which provided the comparison for July sales FY24 compared with FY23 and showed that Product Sales were down -41% in FY24 when compared with the same time last year in FY23. This was most notably caused by the absence of sales of the Flu Prevention Kits when compared to the same time last year, amounting to a difference of -\$62,554. Additionally, it was noted that the Service Contract Sales were up 66% from July in FY23 and that GEPS overall total FY24 July Sales were up 3% from FY23. That was followed by the breakdown of Product Sales showing that Gloves (B) represented the items with the largest percentage (at 33%) of those sales. For Service Contracts, Custodial still represented the largest percentage of those sales at 84%. The graphic breakdown given of Product Sales comparing FY24 against FY23 with Drug Testing Kits showed the most dramatic, single category change as a significant increase in sales in that category of -72%. Below that graph in the report, the breakdown of Service Sales was given comparing FY24 against FY23 with Custodial contracts having the most dramatic decrease in sales (- 72%). Finally, the breakdown of all the sales by the various customers GEPS served during that same period was reported.

Quarterly Employee Reports

Mr. Pursley continued by reviewing the Quarterly Employment Report by reporting the number of hours employees with disabilities worked through the end of Q4 FY23 as 49,432, which is down from last fiscal year's hours of 72,170. The number of Georgians with disabilities that were employed during FY23 compared to the previous year was also lower at 101 for FY23 when compared to 123 for FY22. It was also reported that at the end of Q4 FY23, YTD CRP sales were \$ 5,011,950.

Internet (GEPS Website) Sales

Mr. Pursley reported that GEPS website sales for FY23 were up dramatically at \$65,983 when compared to \$53,334 FY22 and that most of those sales from the GEPS website during that time were from Gloves. GEPS website sales for July FY24 were down dramatically at \$3,849 when compared to \$9,866 FY23 with the largest decrease in sales from the GEPS website during that time being from Gloves. GEPS website sales for FY23 showed peak sales in February of 2023.

Current Contract Status

Mr. Pursley reported GEPS current contract status for FY24 identifying the first band in the report as the green band which represented bids that were pending (10). The blue band represented existing contracts (23), the grey band represented the contracts that had expired since the beginning of FY24 (4), and the clear band represented the 2 bids that were sent out to the CRPs but not bid upon. Mr. Pursley noted the reasons why they were not bid listed in the last column, and they were totaled at the bottom of the last page in the dashboard section of the report. Mr. Pursley noted the average % lost in the report as well as the totals as they were listed. Finally, it was noted in the report the reasons why the potential bids were not submitted by categories and the reason.

State Use Operational Plan

Mr. Shawn Pursley reviewed just some of the highlights of the Operational Plan Report:

Tab A – 3.3.b. Updated the bids sent out that don't have the 8% advantage.

Tab A – 4.4.e. Updated quality checks are done with customers.

Tab B – 1.1.a. and 2.2.a. Updated the stats for the number of bids sent out, completed, and awarded.

Tab B – 2.2.b. Updated the stats on current contract renewals.

Tab B – 3.3.a. Updated the potential for statewide bid opportunities.

Tab C – 2.2.a. Updated capability contact info.

Tab C – 3.3.a. A mention of 1 new potential CRP.

Tab C – 4.4.a. Updated 2 CRPs looking at new products.

Tab D – 1.1.b. and 1.1.c. A mention of the Mission Moments of the 2023 Working Wonders Award Luncheon.

Tab D – 2.2.d. A mention of the upcoming eBlast planned for October.

Tab D – 2.2.e. Update of successful attendance at CACJ 2023.

Tab D – 3.3.a. Updated the number of disabled individuals served.

Tab D – 3.3.b. Updated the number of employment hours for disabled individuals created by the program.

Tab D – 4.4.a. Reported on the completion of the CPA audit for FY23.

Tab D – 5.5.a. Reported on the GVRA grant being granted for FY24.

The Operational Plan Committee had no further comments to add to the report as submitted and recommended approval by the Council.

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

Committee Reports

Finance Committee

Committee Chair, Christopher Valley, asked Mr. Pursley to provide the report and Mr. Pursley began by noting that pages for this report were referenced earlier in the CNA Financial report, that the June and July reports were previously submitted for Committee review, and that this report was submitted, via email, to the Finance Committee on 9/18/23, for review. Mr. Pursley noted also that the CPA Audit was reviewed on the 9/27/23 Finance Committee call (attended by Chris Valley (Committee Chair), John McCain, William Dews, Caitlin Hyatt, Shawn Pursley, and Wesley Long (CPA)). There were no questions about the financial audit, and it was accepted by the Financial Committee. Additionally, Mr. Pursley pointed out that it was reported in the August Summary that August YTD Product sales numbers remained down from the same time last year and were below budget predictions while Service sales remained up and over budget with a bottom line showing a YTD Net gain of \$9.202 at the end of August. Mr. Pursley noted that the following was broken down in that report: GEPS ended August

with an EOM Net Revenue gain of \$14,289, YTD Product Sales were down -41% from the Previous Year and -4.4% under Budget, YTD Service Sales were up 53% from the Previous Year and 52% above Budget, that overall, YTD Net Revenue was down -19% from the Previous Year and 8.4% above Budget, that YTD, Total Expenses were up 4.5% from the Previous Year and still -2.1% under Budget, that all of this results in an August Net gain of \$9,202 YTD, that the Balance Sheet showed the total Net Assets at \$361,798 as of the end of August, and that the report for payments to the CRPs showed that at the end of the month, GEPS paid the CRPs a YTD total of \$674,007 with 100% of these payments were made in 7 days or less.

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

Marketing Committee

The following report was submitted via email, to the Marketing Committee on 9/23/23 by Shawn Pursley, GEPS Executive Director. Reid Laurens, Marketing Committee Chair, reviewed the report for the Council. Mr. Laurens noted that marketing assistance had continued as planned and was progressing within budget, exhibiting efforts were under budget, which allowed for some flexibility in spending as well as absorbing some of the increased expenses due to inflation, the upcoming DOAS Conference Expo in April and the Wardens Conference Expo in June had yet to have all charges submitted since they are pending, that the development of graphics and marketing materials were currently within budget, that the building capacity was also currently within budget, that, overall, YTD at a current spend of \$11,470 marketing efforts are well underway for the year, that operational stats, previously reported, were within plan with the number of bids opportunities sent out, bids submitted, and bids won year-to-date, that marketing efforts were going to be expanded this year both this fall and once the new year begins, and that lastly, the number of individuals with disabilities and the number of employment hours worked by those individuals was reported, as of FY23 EOY, with 101 disabled employees being provided with 49,432 hours of employment.

The Marketing Committee has no further comments to add to the report, and the report was submitted with a recommendation for approval by the Council.

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

Certification Committee

Committee Chair Dorothy Cochran asked Shawn Pursley, Executive Directory to present the 50% compliance report. Mr. Pursley summarized the high points as follows: BDI reported in Q4 that the ongoing labor crisis is still affecting their numbers, but they have shown significant improvement in four out of five contracts that had previously dropped below the required 50%. Gloves are now in compliance at 69% for the fourth quarter. The Georgia Tech contract has shown quarterly improvements every quarter and now is complying at 76% for the fourth quarter. The GA Regional Hospital contract has shown vast improvement in the fourth quarter at 48%. The DHS contracts had contract administration issues which hampered recruitment in the beginning and while all DHS contracts were going out to bid, they suddenly rescinded that decision, which has also influenced recruiting efforts. The Fairburn Rd. contract numbers were still being worked on, but the Hollowell Rd. facility was now compliant with a fourth-quarter number of 60% and a cumulative number of 51%. To summarize while looking at BDI, across all contracts, it was stated that they were continuing to work through the current labor crisis and were looking forward to FY24 numbers climbing above current levels. Turning to the other CRP reporting issues with some of their numbers, Easterseals of EGA, it was noted that the DOT contract is a large contract with a great deal of turnover due to the challenging scope which includes a mandated constant level of employees. It was stated that ESEGA endeavors to continue to bring the numbers up, and in fact, the FY24 numbers had come up to a preliminary level of 37.2%. The rest of the report was reviewed and found to be within compliance. Some questions were asked by the Council as to what the plan was for these CRPs which were having problems with the ongoing labor issues causing such low numbers. Mr. Pursley responded that what we look for is an improvement (which was

shown) and for that improvement to continue. He further commented that we also look for context for the numbers such as the ongoing national labor issues that are affecting all industries as well as the State Use contracts that are specifically affected. Those factors are detailed above. The answer was summarized to say that we look for improvements and efforts being made toward further improvement and noted that of course we will be monitoring the numbers going forward and will address those numbers as they are further reported in the future. Finally, it was noted that the CRPs continue to work through the ongoing labor shortage, and they fully recognize the extreme importance of maintaining the percentages of individuals with disabilities working in each contact/service area.

There were no further questions or comments, and the report was submitted with the recommendation for approval by the Council. The Council approved the acceptance of the report.

Fair Market Price Review

Fair Market Price Committee

Allen Morgan, FMP Committee Chair, asked GEPS Executive Director, Shawn Pursley, to present the report concerning the issues at hand. Mr. Pursley noted that while the report stated that the information was sent to the FMP committee yesterday, due to some unforeseeable delays, the report was not complete yesterday as it was sent out. There were 3 items in the process of review, and they have now been completed. Instead of the report being presented to the committee incomplete before today, Mr. Pursley simply presented the information to the entire SUC. He also noted that DOAS has reviewed and approved all the FMP material that was being presented.

Mr. Pursley began by reviewing the proposed addition of 2 new coin-type Lithium batteries along with the proposed 2024 pricing for the existing alkaline batteries. He noted that all the pricing had been reviewed and approved as being within 8% of FMV and requested that all the items be approved/reapproved as mandatory for 2024. The SUC Chairman called for a motion for the removal of the battery items and there was a Motion made. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley then reviewed the proposed continued “preferred” status of the 3 existing COVID testing kits with no pricing changes requested for 2024 noting that all the pricing had been reviewed and approved as being within 8% of FMV. The SUC Chairman called for a motion for the 3 COVID testing kits to remain preferred at the existing prices and there was a Motion made. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the increase in pricing for the Drug Testing Kits which had 57 price reductions, 40 price increases, and 11 items with no change in price. Mr. Pursley noted that all the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those changes for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the increase in pricing for the First Aid Kits and Kit Refills which had 1 price reduction with all other items in the category having price increases along with 2 deletions and 2 additions to the group. He noted that all the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those changes for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the increase in pricing for the Floor Maintenance Pads which had all 8 items listed with a requested price increase. He noted that all the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those changes for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the Flu Prevention Kits which had all items listed with no requested price changes for 2024. He noted that all the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those prices for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the increase in pricing for the Gloves which had all 8 items listed with a requested price increase (except the latex gloves which had a requested price decrease). He noted that all the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those changes for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the Mop Heads and Handles which had all items listed with no requested price changes for 2024. He noted that all the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those prices for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the Razors which had a requested price increase for 2024. He noted that the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those changes for the listed mandatory item. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the Sewn Face Masks which had no requested price change for 2024. He noted that the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those changes for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the Hand Soap and Hand Sanitizer which had 42 requested price increases, 2 new volume discounts offered, and 11 items remaining free to the State, for 2024. He noted that the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those changes for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the existing 3 Wiping Rags and their respective price increases requested for 2024. He noted that the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those changes for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion,

questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the Pallets which had 3 requested price increases and 1 new pallet offered for 2024. He noted that the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those changes for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

Mr. Pursley continued by reviewing the Remanufactured Toner Cartridges which had 407 requested price increases, 9 requested price decreases, and 15 items with no price changes for 2024. He noted that the pricing had been reviewed and approved as being within 8% of FMV. There was a Motion made to accept those changes for the listed mandatory items. The Chairman asked for a Second and upon hearing a second on the motion asked if there were any discussion, questions, or comments on the motion. After such discussion was concluded the Chairman called for a vote. With no objection, the motion passed.

That concluded the Fair Market Price review.

**Old
Business**

Under Old Business the Chairman brought up the Contract for Designation of FY24 Central Non-Profit Agency (CNA) as well as the Contract between the State Use Council, DOAS, and the CNA would need an extension due to those documents heavily referencing the State Use Policies and Procedures documents which, after much discussion, it was realized needed extensive revision itself. Mr. Pursley offered to take on that revision to update the Policies and Procedures document. It was proposed that once that document had been updated and reviewed by the GATES BOD as well as the SUC Executive Committee, it would be brought before the SUC for approval of the adoption of the changes.

**New
Business**

There was no new business.

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 9 day of January 2024,



Reid Laurens, Chairman