

## ICBV COMMITTEE MEETING

BEPB Central Office  
Springfield, IL  
December 5, 2018  
1:00 PM-3:00 PM

### **Call to order and Introductions:**

Vice chairman Giovanni Francese began the meeting by asking for a roll call of committee members and guests present which were as follows: committee members, Alex Munoz, John Moore, Jim Wagner and Jonathan Holtgreve. BEPB staff present were director of personnel and training, Matt Cunningham, business manager Kathy Ungaro, director of operations Mark Lewis, program administrator Raven Pulliam and guest Jesse Rogers. On the phone were Mike Boldrey, Steve Heltsley, Mike Gillick, Marco Giannotti, Ed Birmingham, Jim McClurg and Dave Crawford. Just so everybody knows, if there is interference on the phone \* 6 will mute the phone as well as unmute the phone.

Giovanni then said they had a short agenda that was put together for this meeting but would like to take it in a slightly different direction. One of the agenda items is operations but will skip around just a bit and do so with a purpose.

### **Operations Discussion:**

If everybody did not know, over the past few days we did have a facility where a manager was inventoried out temporarily and another manager inventoried in on a temporary basis. The facility unfortunately was not left in the best of conditions. Along with a lot of other people on this board, his feeling was this is not the only account where that has happened. As such, his question and goal for today is try to basically be a bit candid. If folks wanted to turn off the minutes to make a point that they do not want on record, that would be perfectly fine with him.

Giovanni went on to say he is not going to try and belittle the facility or what happened there. We will go over that briefly and ask Mark to go through that because he was a part of it over the past several days. Again, briefly but did want to see if we can do better going forward and are there perhaps some first steps that we can put together? Since we have got a new year coming he believed we could start to put something together for this upcoming year and perhaps tie it together with the 650 Rules or some other kind of rules. If the steps for discipline are not in the 650 Rules, then maybe we can adjust those.

He then asked Mark to give us the brief version of what happened over the last several days.

Without dropping names or facilities, Mark began by saying if we could use this as a generic tool for helping this program move forward and is the intent of this. So assume that it is any manager in this program that has violated the rules and regulations which we refer to as policy and procedures of this and have gone forth with aggressive discipline to the point of inventorying them out for a period of time.

We go out there and is not a surprise. The previous business consultants may or may not have vetted it out. They obviously did not get to the point to where we are with aggressive discipline. As an operations guy he should not but will do and have as well as continue to support the BCs. But over the past two years we have had a problem with this facility off and on with two or three business consultants working on.

Over the last year we have one with due diligence and did well documentation as well as been out there to support the manager for what we need to see and should have seen but never went down this road. So we were at the point of doing an inventory last Thursday which showed that the machines were terribly empty and neglected with not only broken coin chutes and light bulbs burnt out.

Raven indicated past business consultants did not do what they were supposed to have done. The current business consultant at that location is. She also took meter readings to determine exactly how much money was being taken in. Every time that she went to those machines she took pictures. Because of taking pictures, the meter readings and all that, it got us to the point where we are at today.

Just do not belittle what has been taken care of to this point because we have done things according to our 650 Rules so far and why this particular individual is suspended at that location. Before that this did not take place because previous business consultants did not take care of business. As a backdrop, Matt indicated this individual has been issued two reprimands. As Mark mentioned, how we are at the inventory out point and the individual is on a 20-day suspension. That is why an inventory has taken place.

Giovanni then said there will be a meeting with the business consultants as well as Matt. If there should be something put into the 650 Rules, he would like them to please let us know and if we need to go back in and make any sort of adjustments. We want to do that sooner rather than later. Raven said he is the one that makes adjustments and changes to the 650 Rules.

Mark went on to say how does he or anybody, fellow managers to fellow managers, look at other managers that, in their opinion or his or anybody else looking from the outside in, when you find a train wreck like this one and think when did this actually happen and when did they stop really caring or being able to care or because of being medically challenged or whatever? There has to be a reason for this. All are good managers go to their facilities several times or at least every day because they want it to be right. You care and take pride.

Now you have got a manager that is either medically challenged. But if they can skim a buck from there by having an employee at whatever wage and can go ahead and at least keep their facility. Is that the right thing? He did not know. He is talking a bit around the fact he did not know what you would call it as a rule. There has got to be some way to stop somebody from not being a part of their facility.

Giovanni indicated the laws of business will tell you that when that stuff happens, sorry. That is what the laws of business will tell you. This program is not designed that way. There is not an exact formula for it. This particular facility obviously went too far. You still have to be able to do your job. If there is additional support needed, who does that fall on to help the manager? He is not talking about employees. Do you feel that has to come from the SLA, the ICBV or from a different resource?

Mark said the SLA could help but the managers have to help themselves with their own employees they are paying to do the job if they are not going to be there.

Raven said what Mark was talking about was a lot of places the managers did not show up and expect the employees to take care of running the business. It is a nation-wide issue where there are managers that do not run the business but expect the employees to run the business while they just reap the profits. Some of them live in other states and others that just do not go to the locations. It is a nation-wide problem. What Mark is trying to say is can we do something about it within the 650 Rules?

Matt said when hears the word help he interprets that to be what type of help? Is the person going through a divorce, has a drinking problem or drug abuse? Does the person have financial problems or health problems? If we knew what type of problem the person is having, we could then support that individual. But we have to be made aware of the situation so that we can try to help. The person has to speak up and let us know at SLA.

Kathy said it all boils down to the same thing. Are they running their business appropriately or not? If they are not, you start your discipline procedure which takes care of it. Now if during that time you find out there is some personal thing

going on and you guys work with them to make it better for them, that is fine. But the bottom line is are you running your business? If you are not, these steps are taken and you will no longer be running your business.

Giovanni said that was a good point. There is lesser discipline in the form of an oral reprimand or written reprimand that should serve as a wake up call for managers to say, "Hey, I screwed up here, and what is going on?"

It is then incumbent on them or maybe the BC needs to ask, "Is something wrong? Do you need help?" At the same time the manager needs to speak up. He was okay with the BC asking the manager if everything is okay, too.

Alex then said what we are trying to get at as a committee is we want to help the SLA so that they have more tools in these rules to better discipline or make sure that this does not happen. That is why we want to see and ask if we feel there is anything you need in these rules to help you. Kathy's comment then was are we just not doing it, or do we need to add something?

Giovanni then said we unfortunately then get hit with an extreme case which is what this is. But this extreme case needs to straighten us out. We need to use this case as an example moving forward to start bringing the rest of our facilities in line. He could guarantee that when that RSA15 comes out and tells us that our sales are down as well as our profits. We can look at facility development.

But if everything is not in order in our own houses to start off with, then it is not going to matter about facility development. Your base will crumble before you can add anything on top of it if we do not start straightening out our current houses and then add something on top of it.

The foundation needs to be strong. The foundation is the facilities we have now. Some are good and others not so good. Adding more business will not help. Having them get their own business under control and we can move forward from there. That is the goal here. We want to get this moving forward.

Raven suggested that we discuss this in an operations committee meeting. If further conversation is needed, we will have an ad hoc committee developed to look at the 650 Rules to see what we can interject. We could talk about this until it is time to go home.

Giovanni said he would be okay with that and why he wanted to end this discussion now. He is sure he is now past the half hour point he allotted for this. We have got to talk at the operations committee meetings. This is what the operations committee is for but has not been utilized to its full potential for basically the last year.

On the ICBV side he would say that he, Donnie and would speak for Dave, we have been a bit frustrated with the operations committee calls. In the past we have put together agendas and asked for information but maybe did not come together on that call and do not have another call. He finally said we cannot do everything. Yeah, we are frustrated that we are not getting information. That is the forum for it, right? That is where we can discuss this stuff.

Therefore, let us use that committee for what it is for and start directing any sort of policy if we have to or talk about stuff and start moving forward to avoid these situations. Let us talk about it to get any rules that we need and bring those forward and started. He will lean on Mark and Raven to get on their staff. He means get together with them and let us start getting out there and sitting down with the managers.

One thing that they do in the state of Tennessee is the BCs sit down with the managers and establish a goal. They look at the percentages and ask, "What do you want to do for the next year? Can we increase your gross profit and lower your cost of goods by 2% or whatever?"

These are simple goals and believed that if the BCs went out to meet with their managers to establish these at their next visits with them and start putting some ownership on the manager, maybe that will help. Maybe it will and maybe it will not but is just a suggestion he heard that he thought was a great suggestion. He has got a meeting with Vanessa next week and will tell her what he wants to do. He would hope that she will bring that to the rest of her managers.

**Facility Development update:** Anderson / Francese / Lewis

Giovanni began by saying he was not going to sit there and repeat what he said at the last two conferences. He did wonder if anybody had thought about the things he said at the spring conference in regard to what they want to see for facility development and if there were any suggestions for the ICBV. How did they want to proceed and move forward? One thing he said and will not let it die was we have got to do something and obviously wanted everybody to be in agreement with what can we do moving forward? He then asked if anybody had a suggestion or had thought about it at all?

Alex said perhaps contract out somebody to actually work on finding facilities for us. Giovanni said that is what we essentially had. Alex said that was where the manager had to go and do some work. Giovanni said the managers needed to do some work and is the point here.

Alex went on to say managers in our conference keep complaining that we do not have facilities. Then we put out this deal with facility development and nobody wanted to pick it up. Raven said we have opportunities for them to

expand their business and they do not want to pick it up. Alex went on to say should we take it a bit further and just hire somebody to make the calls for the managers? Kathy suggested concentrate on OCS in the facilities we have.

Giovanni said he had something that we should maybe look at. He did not have exact numbers but could say with certainty that in the Blind Vendor Trust Fund and the Federal Vend Reserve Fund we get checks. There is business under all of those that has been in decline for the past three to five years. Do we want to start looking at those pieces of business to see if there is something we can improve upon there?

He would not expect people to do this. He would put together some sort of plan with the help of managers and BCs could look at some of these facilities that have been in decline. If everybody goes out and does a little bit, maybe we can start increasing the amount of commissions that come in rather than having them decrease.

Raven has sent him the list for some of the Federal Vend Reserve and has got lists from Kathy regarding accounts for the Blind Vendor Trust Fund. He is not trying to disturb that business. All he wants to do is improve it. Now Kathy will give some figures.

Kathy indicated in 2014 PepsiCo was \$63,553, \$47,874 in 2015, \$46,499 in 2016 and \$37,135 in 2017. You need to keep in mind that some of this actually goes to a manager which then falls off full service. But we also know that government business has declined as well as commissions with the stuff that is still full service.

Giovanni then said perhaps an ad hoc committee would be in order to take a look at these numbers and try to come up with something. He is just throwing stuff out there in an attempt to see what might stick.

Alex then indicated that toward the end when the Sunburst money was almost done there were some questions about what we could do with that last \$20,000 or whatever. Giovanni said that money is now gone. Alex went on to say there were some talks about maybe having Ed Moran teach a class or something like a sales class for us that want to go out there. He would like to see that happen and would gladly attend that class.

Giovanni's response was start talking to other managers. Call Leta and get the list of them and then call to see what some others think.

We can throw out suggestions here but have got to be able to follow up. If going to be set aside dollars that are spent on it, it has to go to a vote in front of the general membership and get approval to spend set aside on it. He will not bring

anything neither will the chairman in front of the general membership if we do not know it is something everybody wants.

Jesse asked what about having some type of incentive program and people use Rain Maker. If a manager wants to use them and are successful, they get reimbursed from set aside for some of the cost for Rain Maker? Giovanni said the same thing he just told Alex. If he could make a few calls and find out then bring it to the facility development committee of which he has to be the chairman, he would be more than happy to help out. Yeah, call and see what people think.

Mark said it had been brought up several months ago but had not heard anything at any of the meetings to the point where we can take some action. He was aware that they would like to perhaps merge some of the satellites run by Canteen third party. Maybe there are other statewide third party arrangements with other vending companies. He is not aware of that other than Canteen that used to be under Ace.

He knows that draws down money back to the general membership versus into individual managers. Maybe why do it because they are at a higher income. He is just throwing that back because Giovanni had brought it to his attention.

There are opportunities where there are some lower income managers that might want to tap in and say the ICBV general membership does not need those Canteen commission dollars as much as this manager. If we pitch and hold it and put as a business income opportunity and they really genuinely talk about it could take on something as maybe an additional route satellite that the Canteen people were operating for us.

Giovanni then asked Mark if he could sit down with that list and try to develop something? If he got Mark the list, would he be willing to sit down and work on that? He has already seen the list and tried to do some of this but will take a lot of time. To actually sit down and do this, you need to dedicate a lot of time.

Raven pointed out that he was the one that came up with the list years ago to put it on a contract. Those locations are on a contract and to pull those off that contract, it has to be a situation where it is going to be from getting ready to be put back on.

Kathy said a better updated list of all federal and state government out there to compare to the list that we have had for ten years where a lot of these places are totally gone and then go. There are probably new ones, too.

Raven said they were talking about postal locations. if you mess with the postal locations, that would jeopardize the contract we have with Canteen. That is what

is taken in and put in the Federal Vend Reserve. Kathy said that is not what she meant.

Mark said if we could take some of those locations back from Canteen, they could say we were chary picking and leaving them the crud. Kathy said she had an entire list that we could play with and do whatever the heck we want.

Raven added another thing Kathy mentioned was there are federal locations out there that we are not in. We even learned recently that even people we are in bed with have federal locations.

Kathy said what we need is a good list and be able to work with the BCs in these areas to find that business whether it goes into the house account and just ups all the managers' yearly money or find locations to add on to make people whole in their business.

Mark said Lincoln Home right here in Springfield is federal and they are fighting it. Those pop machines are good money. He got stymied so sent to Raven. Mark said he would send them the Randolph-Sheppard Act and the Obama Initiative letter but has not heard back from them.

He is trying to work with Tim and be diplomatic. He is the head of the security/slush fund for it and said he would have to get back to him and hung up because he did not want to hear about it. Mark Said he does not know where to go from here. Kathy said just like that there is all kinds of business out there that we could be finding.

Jesse said he could not get Lincoln Home 14 years ago. He also had one at the Sarah Cook House and all they would buy was a couple of cases of coffee every month. Raven said the Department of Natural Resources is in charge of all these other locations now like the historical societies. But then some of it is not.

We are going to have two locations in southern Illinois that are not which are good ones. Louis and Clark is a location where folks can go and hear about Louis and Clark. Another is Cahokia Mounds that has a ton of people go through. It was a historical preservation but now is under the Department of Natural Resources and we were involved in it. Kathy said we should have been all along.

As one can see, Giovanni commented that when we get together and talk about this stuff, there is stuff that can be done. These kinds of things need to come out in a facility development committee meeting or an operations committee meeting. He understands that everyone here is busy. Unfortunately we have got to start moving forward and has been tough on many of us. We are short staffed and will hopefully get rectified soon. At the same time let us start moving forward.

National Vending:

Giovanni went on to say it was his understanding that National Vending has the contracts for the cafeterias at the postal facilities. Was that correct? Raven said that was correct. Regarding an e-mail sent, he glanced at it but never paid much attention to it yet.

Giovanni then said essentially what is happening is the post offices are trying to put back out the cafeterias but still call them cafeterias but call micro market cafeterias. Essentially, all they would be micro markets which is something we can do. We do have the priority to these micro markets for postal facilities currently having a cafeteria. He asked Ed if was just the post offices that have cafeterias or would it be for other postal facilities that do not have cafeterias now but are looking for food service?

Raven indicated that Forest Park used to have a cafeteria but do not have one. Mark said they do. Forest Park, Palatine and O'Hare all have the same Greek guy who basically oversees those. Giovanni went on to say he did not know what the process was here. All he knew was this was brought to Nicky or Terry's attention.

Ed said there were four post offices in Illinois, Palatine, Forest Park, Carroll Stream and one in Chicago. Raven said those were distribution centers. Ed then said these are the post offices being run by National Vending which is a subsidiary business of U Select It. For those that went to the Region 5 training in Iowa, we heard from that lady who runs National Vending.

Anyway, these contracts are all coming up for bid in very early 2019. As a matter of fact, Raven should have been notified a couple of months ago that these were coming available. Raven said he had not heard anything. Ed's response was apparently they think 30 days is more than enough notice. If we wanted to take them over, we would not be able to just because of the equipment issues.

Anyway, National Vending operates in 19 post offices across the United States. What they are finding with all the new labor laws and minimum wages things is these cafeterias are no longer profitable for them so want to close them all and open up what they are calling micro market cafeterias. Basically what they are doing is closing a cafeteria and opening a micro market. There are some things that come into play here that we need to discuss.

The first, have we been paid any commissions by National Vending for these post offices? The answer to that would be no and knew that being the budget committee chairman. Raven said that was on contract and not permit. Ed believed National Vending was supposed to be paying us commissions and was

something he just found out about two days ago. Raven said we do not get commissions off cafeterias. We get commissions off anything other than a cafeteria because a cafeteria is not run on a permit. Rather, it is run on a contract.

Ed then asked if we ran the vending at those four post offices? Raven said the answer to that was yes. So we run the vending at those four post offices, Ed said our contention was that these micro markets should be attached to the vending and under permit. The SLA and IABM are in agreement with this.

Because of the time constraints of being able to do this when these contracts come up, we have a couple of options. We can either run them ourselves or third party them. What we do not want to do is tell them we are not interested. That was the biggest thing we are trying to avoid here. We want to tell them we are interested. Maybe we cannot get a micro market put in place in time. Raven said will third party it and take on when we are ready.

Ed indicated Nicky has been in discussions with both Heidi and Jim Cheeko about this and is not real happy with the fact that they operate 19 of these. It is not worth it for them for all the equipment that they buy from USI. The money they are making off these 19 post offices is not worth not doing the right thing. We will have to stay tuned to see how all this plays out. The reason Nicky let him know about it was because of the four that are going to become available here in Illinois.

Kathy said Raven should reach out right away and ask what is going on here. If it was going to be a micro market, Raven said right now for it to be converted over to a micro market and did not have a blind vendor in that location reap the benefits from it on a third party. Then when we are ready, we will change it over to us and have that particular blind vendor do the micro market, as well.

Kathy asked if they talked about making some kind of commission deal with National Vending to just move forward with it and submit commissions back to the states that are involved? Ed said no and were trying to get National Vending out of it altogether.

Mark asked about the fixtures, shelving and things that we or they would pay for? Raven said that is why it would be third party. Kathy said we would have to call Mark Vending because we do not want to call Canteen. Someone like Mark Vending who would have micro markets available and ready to go if we are going to third party it to somebody other than National Vending and others.

Giovanni said we would tell them ahead of time that this is what is going on and somebody could come in and run the micro market. There would be questions of

how long they would get to run it for and what happens to that equipment because we are not able to buy it from them.

Kathy said perhaps National Vending would like to continue with a third party agreement with us and reap the benefits of it and let the people that are professional at it teach us about it while it is in their facility and we grow from there. Reach out and touch base with both of them. Raven said the manager should be reaping the benefits from that location even if the SLA is not involved in it.

Giovanni agreed and said if we are going to third party it, the commissions should go back to whoever the current vendor is. Kathy indicated we are allowed to a third party agreement as long as the vendor involved... Raven said if went through him it required him to go through Procurement to third party. Giovanni then asked Raven to explain.

Raven said he had to go through the State of Illinois if it is going to be in our name. Kathy said the third party goes through the ICBV and why we manage the full service. Raven added that is why he has a contract with Canteen. This discussion should continue at an operations meeting.

Ed said the big thing here is he just wanted to make sure that if Raven was approached on this he did not say we were not interested. Raven said he very rarely says we are not interested without checking things out. Kathy thought we needed to reach out and put the red flag up indicating that we know about that.

Ed then asked what the standard rate of commission should be if we were running a micro market and third party it? Kathy asked if Ed had any historical data from other states out there? Giovanni asked what was the rate for the one at Arlington Heights? Raven said he would check with other states. There are a lot of states that pride themselves having so many micro markets and do not run a single one of them. They are all third partied.

Giovanni's comment was that was not what we intended on doing. Raven said that was because of the timeframe and would probably have to go the third party route but would eventually be ours. Giovanni thought that was completely understandable and good business.

Ed then said he needed a point of clarification. Raven said he was reaching out to someone but not sure who so was just curious. Raven said Laurie from National Vending. As a word of caution based on a discussion he had with Nicky the day before who was on a conference call with her, Ed said she basically lied through her teeth. As such, take whatever she tells you with a grain of salt.

Just so they are aware, Raven said the way this happens is the post office has a contract with National Vending to operate anything that the blind vendor does not want so have an open contract with them. Kathy said Raven had communicated with them in the past regarding this kind of stuff.

Raven said he was aware of it and was aware when they first signed the agreement. Anytime there is anything to do with the post offices, he should be contacted because he gets first rights. Now if they are getting the rights first, that is wrong.

As such, he is going to call them and say he had heard there was a new concept that is going to be happening like a micro market. Is this true? Let us just see what she says. He would rather hear it from them first even if he is going to be told a lie before he contacts anybody with the post office.

He does have another contact with the post office in Connecticut or something like that. If he has an issue with the post office he can call them who are with the contract division. The main thing is you have to deal with the people in the contract division. Ed then said he believed the contracts were going to come up March 1, 2019.

Raven went on to say if it is a micro market, he is wondering if it needs to be bid out at all. Usually in the contracts it should automatically come to us if it is a micro market. Was that correct? Kathy said it should but seems like they are sneaking around with National Vending.

Giovanni said they are not trying to let National Vending go. National Vending is the one trying to turn these into micro markets. They are a subsidiary of U Select It or the people that make USI machines.

### **Lake Point Towers Micro Market:**

Giovanni went on to give a bit of news on what will wind up to be our first micro market. We had a meeting the day before consisting of himself, Vanessa, Ed Moran/Lanin and Pierre Long with Lake Point Towers. We met with Mitchell and Dan or Jim to look at the space that is over there.

Whatever Mark had seen before was now just an open shell which he believed to be just open walls and no dry wall. They have selected a contractor who is going to move forward. They are looking at April 1, 2019 as an opening date which they are overshooting but think it could be done about three weeks sooner. In other words, he is giving himself a bit of cushion. He has communicated with the people in the building who are very excited about this coming and want to know when it is opening.

We are going to get excellent cooperation from Mitchell and his crew at Lake Point Towers as far as dock access for deliveries, help from whoever is working on the docks or any problems that happen. Mitchell likes to handle the problems himself internally. All they need to do is bring the problems to him and he will work with whoever he needs to in order to fix those problems.

We will have roughly 800 or so square feet and believed that was around 500 feet for the market and 300 for the storage. That might be a little more or a little less. He believed Vanessa sent them the MOU but was not sure if they sent it back. Mark said Vanessa was to pass it to them physically and then sent an e-mail the day before. Mitchell knows that we need to get that MOU back before we can order equipment.

Raven added that if they alter the MOU in any way, it will prolong the signing of everything because it has to go back to Legal. Giovanni believed we had told them that it was a standard document for us and should not be any problems. But when you get a lawyer looking at something, you never know what is going to happen.

The storage will be connected to the store. We will also have the security cameras inside there. They have got security cameras all up and down the dock. He went on to say he believed it would be a real good showpiece for our first micro market. He is very excited about that and believed it could be a springboard for us to start opening them up in other places.

Secondly, at Railroad Retirement there have been some drawings that he sent to Mark, Raven and Vanessa and would like to look at and review just to see what they have put in there and we can determine whether or not they have done a good job.

So Mark was aware, Patricia and Trevor were going to have a conference call the next morning. Hopefully after that he will get a chance to talk with both of them. Also, have Mark, Vanessa and anyone else that we need to have on there. Mark said how about Scot Rush and Keith? He believed they were the ones at Railroad Retirement that had to be pleased with this.

Giovanni said he was not worried. They will listen to Patricia. He wanted to make sure that whatever Patricia has is good with us. Whatever she sends to Scot and Keith, they are going to say this is what they want and is good then rubber stamp it and go forward.

Because Patricia is involved and has already contacted Trevor, Raven asked if they were paying for all of this? Giovanni said he explained that to Patricia who said she was going to do some sort of contracting with Trevor to help them out.

That is why after this phone call he wanted to talk with Patricia and Trevor. He had told Patricia that we want to stay in the loop and all are on the same page.

To be honest, she has never designed a micro market. The fact that she is contracting with Trevor is beneficial for us. If they are going to pay for it, he designs it. Raven said we are out of it and just fill it up.

He went on to say that was the way it used to be with every location that was GSA. Hopefully we can use this GSA location as a model for future micro markets not just in GSA but use anywhere.

Giovanni knew that it was not going to be a cookie cutter because you will not have the same amount of space as you have over there not to mention you have got an odd wall over there where it juts in and juts out and not a square room.

When asked what about a micro market at the Social Security building downtown, Raven said we tried there once before with the training manager and he did not want it. In other words, nobody wants to do it there. Matt then asked what type of sales were projected for Lake Point Towers, and is everything okay with Pierre?

As far as Pierre goes, Giovanni said he did reach out to him and asked if he wanted to be a part of this just like any other blind manager. He could come in and do the work right along side him. That does not mean he will be running something on his own. We are here for every blind vendor.

If Pierre wants to do that work and winds up doing, that is fine. But it is not a situation where he might think he will get to run it himself. He is not dumping any money into it so does not get to run it himself. However, he did bring the original lead and is worth something. What is it worth? The exact same thing as every other manager in this program. Matt said Pierre is involved and communicating so should be fine.

Giovanni went on to say if Pierre wanted to do something more in the beginning, there was not a problem. The point here is to turn that facility around and create another job for another blind person. There have been sales projections anywhere from \$115,000 for the year on up to \$180,000 for the year.

Those numbers will be determined by how we handle that place from Day 1. If we make a good impression and do good things from Day 1, that place will do that much and more.

This is not vending or even a retail shop. This is the private industry and is a ton of money inside of that building. It will take a bit of creativity and a lot of work

and be able to tap into that money. Make those people happy and give them good service and will be a real good thing.

The question was then asked what about alcohol or tobacco sales? Giovanni said if the building came to us and said they would really like to buy wine. Raven said you would have to bid out of the program because we cannot do alcohol sales in our program. Giovanni then said our program was designed for federal and state property, correct?

Kathy added you are not bringing any equipment in because they are building it out, right?

Giovanni said we were bringing equipment in. Then again, it is a private location. What if they came to us and said we need to sell wine. We cannot. "Well, maybe we need somebody else." Let us say that it was making good money. Would you risk that? Could we ask for a variance on that?

Raven said he knew for a fact that at one point we were talking, and this was years ago, it was legal and we were talking about doing catering with wine. He believed our legal department said no we could not because of the liquor license and all of that sort of thing. Selling it is even worse because you need a license for it.

Giovanni then said if any blind vendor got the license it is not the state's license. It is the blind vendor's. Raven said the state is still liable to some respect.

Matt added the liability of selling alcohol in a state agency or state-run program would be vetted out before you would ever want to start that program. They had alcohol and cigarettes there before big time with a private guy and alcohol was a big seller. Cigarettes were not. It is a precursor to ever even wanting to bring it up and keep in the back of your mind that you would like to do this. Legal would have to say no and that this is a state-run program.

If they would remember Blast, Ed said the question was asked if we could sell liquor. Terry Smith said you could absolutely. Raven said it was a state-operated location even though was a private location. Just because Terry said you can does not mean the State of Illinois says that you can. Kathy said it was not worth assuming and asking the question in advance so that you have a heads up and know what you can and cannot do.

Giovanni then said he would not want to present it as hey, can we sell beer and wine and that is it because the answer is going to be no. We have got to let the right people know the situation here. It is not a state or federal property. This is a private industry.

This program is here to put people to work. Is the weight of putting somebody to work versus potential liability that may not be there. If somebody's name is on the liquor license does not mean that the state would get sued. That person gets sued.

His family has a restaurant with a liquor license. If something happened we have got insurance for that reason by law.

If they are going to sue, they can only sue the corporation and whoever is on that license. They cannot go after the alcohol distributor who sold him the liquor. In this case the state is just providing the equipment and has nothing to do with the alcohol. What he is saying is the presentation needs to be correct to the legal department so that they understand. We are not trying to put a can of beer in a vending machine.

Jonathan said let us assume that we have a wall garden of about 150 feet directly adjacent to a state facility that is owned by the corporation. Why could that adjacent little area not sell liquor under the corporation's name but not under the state name? Giovanni said you could do that and at Lake Point Towers there was an area they saw the day before that might be used for something that was like an old walk in cooler. Let us say I cannot do it through the micro market but could do something else.

Raven said to truly sell alcohol at a micro market when you do not have somebody checking the IDs. Giovanni said that was another good point. Jesse then asked if that building was allowed to have a liquor license? Giovanni said they had it before. John Moore said perhaps you could have someone there at certain hours when they could buy liquor vetting out they are of age.

Giovanni indicated he fully intended on putting Margarita Mix, Bloody Mary Mix and those kinds of items in there in the beginning. We heard about that at Blast with one of the top three things being Margarita Mix, toilet paper and forgot what the third thing was. This place is outside the box on what we do and will take creativity to tap into the resources that are there to provide those people with excellent service. He added that he had zero intentions of selling alcohol there. What he presented was if they came to us. Mark said if they came to us before the grand opening and we had an answer, we would know where we stood and go ahead.

Giovanni added that They already said they want to get this thing going and within the first week or two have a grand opening with wine and champagne. He is not selling it but will be there. That is the way they are going to do it so can see something like that coming about down the line. We should be prepared with an answer on how to do it if they ask.

Jim said he loved the idea but more concerned about the micro market cafeterias opening. His thought was we take a stand and are going to third party them. But if we spend another two years deciding which micro market company or which kiosk we should buy, somebody else will take over in those areas.

People like Alex and John will lose a good portion of their revenue because those kinds of items are the same type of items they are selling in their vending machines. He is so sick of not making any decisions on the micro markets. There are a good handful of five good companies. You just pick one. We have got to do it. We are so far behind.

Giovanni's response was we will have one and he will not have to worry about that. Jim said for those post offices it is crucial and time is our enemy here. If he could be of any help, he would like to.

**Training Update:** Francese / Cunningham

Giovanni indicated that at the fall meeting Matt went over a great document that he presented in terms of future training. A few things they wanted to change on that was for the Hadley School. Instead of five modules let us do all the modules.

In that way we do not have to come back to any of the modules and not to mention those modules that were cut out originally. Those were cafeteria modules. We do not do cafeterias but does not mean that we cannot go back to them in the future. It also does not mean that the principles on what they train in the Hadley School would not come up. A lot of us use fresh food and need to know how to handle it so is only a good thing.

Matt indicated that it will be a pilot with this next training class with the ten modules. We will review post training and try to fill in the blanks on things that they need as well as success and failures. Giovanni then asked if there were mechanisms in place to pay for the Hadley training?

Matt's response was John indicated the budget or finances were not a problem. He had seen an e-mail that day where John had been in contact with them for the portal. He also suggested that they have a meeting prior to the class starting. We have Wi-Fi now and will move forward.

Giovanni said he expected there would be problems but will work with those because in the end will have a product that everybody loves and can use for our training and move forward with training no matter what happens in terms of staffing.

As far as the start date of the next training class, Matt indicated December 17, 2018 was our target. We just had the screening interviews and going to get the bids out that particular day.

Alex indicated he and Rick met with the potential candidates for the next class. He did see potential but is just a formality. They are all qualified and seem to have what is needed to be successful in this class.

The first was a 24-year old man George who was a pretty smart guy. He is very polite and willing to work and learn. He said he has held a few part-time jobs mostly working with people having disabilities. He is from the Back of the Yards area. The next guy is Tyler who is a young kid of 22 years. He is very savvy with technology and says he knows his way around a computer. He did mention he needed to learn a bit more about Excel and would work on that. The third candidate is Steve who used to work for Lyle Stauder so is aware of what it takes to be a part of the vending program.

There were two other potential candidates for which the paperwork was not in. Chris' paperwork was very light and asked Juan Ortiz to give us some supporting documents so everything is tight from a referral standpoint, background check and vision. His acuity test was kind of light so wanted to know more about his computer skills. The fifth candidate is Sam. Giovanni said he went through a previous class and had to leave for personal reasons. Alex said he was not sure if Sam was actually ready as was not at the interview.

Mark indicated that Argon and Fox Valley have got some interest and trying to merge those two together which is a positive thing. Dave indicated there were four facilities out for bid now and a couple of more coming up pretty quick. He then asked Matt how many trained vendors did we have waiting for facilities?

Matt said he would feel comfortable in saying about eight. Giovanni felt it was slightly more and perhaps eight to twelve would be a good estimate. Dave's response was we certainly should be able to fill these facilities and look for more which is great. Raven said if they bid or willing to relocate.

Dave's next comment was some of these facilities were kind of hard to get to. Giovanni believed they would see some people bidding on at least one of the facilities outside of the Chicago area. Some people may finally be getting the message which is they might have to move and so will see what happens.

Long term, Ed asked was our goal to offer the Hadley training where they would not have to go to ICRE and be able to stay at home and take the training? Maybe we would then be able to start recruiting people who are interested in Randolph-Sheppard but are not interested in moving to ICRE for six to seven months.

Matt said that did not matter with the new training and is something we could definitely talk about. We have people that come from all over the state. Some people reside while others commute would be his first point. Also, training has been reduced to 25.6 weeks with this new format. Kathy said that was a lot of weeks to be away from home if that was the case. Raven said not like six to nine months like it was before.

Giovanni said that was still a long time. We are starting with this and will see what happens. He could see a scenario where we are allowing people to take Hadley classes at their house in the future. Maybe not for this class or the next one but will see how this one goes.

Kathy asked if you really wanted to see if someone was focused and doing training in a timely manner, could they leave the computer at their VR's office? Giovanni said he would not expect VR counselors to know what they were doing.

With credit to our training department and Randolph-Sheppard, Jim said there was nothing else out there that he had ever seen or heard of even on a nine-month basis where a blind person could get trained and be qualified to run a facility and makes a living wage within nine months to a year. It is an amazing thing and whether it takes 26 weeks or a few extra weeks, people would go to college for four to six years to have some of the jobs that we have. We are very blessed.

Raven added get out of college without a job. It is great that we are updating the training and may be a bump in the road or two. We are moving with the times and is awesome. For the amount of time, it is still the best thing that has ever happened in his life.

Fighting a cold, Matt indicated he really had to struggle to get those bids out. He would like to get John's and Alex's feedback who participated in the long-awaited VR manager training.

Alex said his opinion was the rating form is very ambiguous and for him will take a few interviews to really understand the ropes of how to really rate somebody unless we go a better way with what Donnie came up with. He is here and available and glad he took the class. Now he will be able to help out whenever he is needed.

John felt it was great that we brought in some more people from VR who really had not been exposed to the inner workings of the program. He did agree with Alex in that the form currently being used is a little vague and definitely needs to be updated. Giovanni pointed out that there was an updated form in the T&P committee in process.

Jim indicated he had worked with the current form for many years and actually had the opportunity to work with T&P back in the day. This is how long that form has taken to be created and reworked and tweaked to what it is now. He would definitely say he welcomed the new form and definitely need some training for managers that are going to be on the panel as well as VR staff. Our current form works but could be better. We are making a lot of improvements this year and look forward to seeing the new form as well as getting trained on it.

Jesse said he agreed with Jim that the current form has been working good but could be some improvements especially with the list of questions. It is 30 years out of date. Giovanni's comment was that list of questions does allow for you to attach your own questions in relation to the facility. Jesse said if coming into Corrections there are a whole lot of new questions that need to be asked. Giovanni then asked Jesse to call the training committee chair and tell him to get moving on creating some new questions.

Mark appreciated the fact that we reached out to get these VR counselors involved. There were maybe one or two that could have been there in Chicago but upstate had great representation from VR statewide. Downstate there were five or six people here in the room and educating themselves to want to be involved in this program and understand the process of what we do and are all about which is good. You cannot refer people into this program not knowing who we are and what we are.

We went out to Charlie's accounts and a couple of facilities as well as upstate to Janusz' café which is only helping one person. He was disappointed that we could not get more exposure to more VR counselors upstate than we could have. Maybe we need to try it again but takes time. He thanked Matt for doing that because it was good and need to move forward with re-educating these VR counselors but do not bring them in until we get the processing. Matt had asked him about six months ago at which time he hesitated to step in because he did have some doubts. Matt said that was good to have a collaborative effort.

Mark went on to say he would not want to sit on the committee and have to select a manager. To him, the way the processing of those points is very ambiguous and questionable at best. If you are all in the room talking, you might agree. But if independently you are all going 1 through 5 or whatever trying to score, there are no attributes to say this is why I am going to score you based on a 1 or a 3. Those attributes have to come out to blossom in that process. Jesse agreed that is the hardest job in this whole program.

Mark then went on to say you do not know how to score them. If you bring out the attributes for some of those different and poignant things you are asking those managers those questions. If I individually scored him a 5 and you said

no, a 3, why did you say 3? There may be attributes that I back up and why I said 5. That will take time to get to those attributes. Giovanni again said that is being worked on.

Mark agreed and was exciting that they were working on that. Matt then said it was very beneficial for everybody involved in addition to being a good exchange. To him, it just showed that we need to do a better job with educating and informing VR. We could probably do this year or every other year just to make sure people have a foundation to work with.

Mark added that there were a lot of new people coming in so was another thing. They are transferring in and out and these new VR counselors did not have a clue about what we do. Matt added that there were a couple interested in a BC position so who knows what might happen. Giovanni thanked everybody for their involvement and hard work. We will hopefully continue the outreach to the VR counselors because it is important.

### **ISVI Christmas Party Details:**

As everybody knows, Giovanni indicated the Christmas party was that evening in Jacksonville. We have a van full of folks traveling down there. Kathy and her Mom, Marty Fillenworth and his wife Debbie have helped out with some scarves. We also have the hats and gloves to be given them.

Also, we have got the DJ from this year. We have also got pizza and Dilly Bars from Dairy Queen as well as bought some gifts such as some games for the Xbox we bought last year. Kathy added that \$400 or so was delivered there. She really did not know the details but understood that was for gaming system stuff.

Giovanni believed it should be a good time and understood the kids were looking forward to this. The Mary Bryant Home will also be joining us, as well. We have got good weather to travel down there and look forward to seeing those people. We have not seen them in a couple of years due to weather and sickness.

Adjourn:

Before adjourning, Giovanni said let us not forget the points we made early on in this meeting. We have got some things to work on and some meetings to have to bring those rules forward. Let us make sure the BCs have whatever support they need to go out to these accounts and start getting our house in order and the foundations back in place. In that way, we can have facility development on top of it and start moving our program forward starting in the new year.

Being no other business to discuss, Giovanni then called for a motion to adjourn. A motion was then made followed by a second. Giovanni thanked everyone for attending after which the meeting came to a close.