



Suzanne Sewell
President & CEO

Kevin Johnson
Board Chair

Stephen Bailey
RESPECT Oversight Committee Chair

Dayna Lenk
RESPECT Program Director



RESPECT Oversight Committee Meeting

August 20, 2020
10:00 AM – 12:00 PM

ROC Members:

Stephen Bailey	CARC / Chair	Yes / Via Phone
Amar Patel	Brevard Achievement Center	Yes / Via Phone
Carol Shay	SMA Behavioral Healthcare	Yes / Via Phone
Karen Higgins	PARC	Yes / Via Phone
Kyle Johnson	Lighthouse Works	Yes / Via Phone
Xan Smith	GCE	Not Present
John Roper	Arc Emerald Coast	Yes / Via Phone
Steven DeVane	Duvall Homes	Yes / Via Phone
Karenne Levy	MacDonald Training Center	Yes / Via Phone
Ellyn Drotzer	Lighthouse Broward	Yes / Via Phone

Present / Via:

FARF/RESPECT:

Suzanne Sewell	FL ARF President & CEO	Yes / In Person
Dayna Lenk	Program Director	Yes / In Person
Keith Bettcher	Services Director	Yes / In Person
Lindsey Boyington	Procurement and Development Director	Yes / In Person
Danielle Owens	Finance and Accounting Director	Yes / In Person
Monique Gustafson	Commodities Manager	Yes / In Person
Dee Belizaire	Program Analyst	Yes / In Person
Rebekah Small	Contract Manager	Yes / Via Phone
Harry Friends	Contract Manager	Yes / Via Phone

Present / Via:

Key Points Discussed		
No.	Topic	Highlights
I.	Call to Order	The RESPECT Oversight Committee was called to order at 10:00 AM by Chair Bailey.
II.	Roll Call	Lenk conducted roll call. Members of the Committee were present via phone except for Xan Smith and Ellyn Drotzer. A quorum was announced. Drotzer joined the call after roll call.
III.	Approval of 5/21/20 Meeting Minutes	Bailey called for a motion to approve the May 21, 2020, ROC meeting minutes. Levy motioned, and Roper seconded the motion to approve the minutes. The minutes were approved.
	Additions to the Agenda	Bailey called for additions to the agenda. No additions were requested.
	Announced Corrections to the Meeting Packet	Staff noted the footer on the Meeting Packet contained a typo and should have read RESPECT Oversight Committee Meeting, August 20, 2020. Bailey noted the 2 nd quarter Sales Data by Employment Center, Page 19, contained an error. The reference to \$2.1 million in sales for CARC should have been for SMA.
IV.	Overview	Sewell presented an overview of RESPECT highlights for the quarter, including: <ul style="list-style-type: none"> • Staff continue to focus on carrying out the RESPECT mission. • COVID-19 pandemic remains a reality RESPECT, and all Floridians are dealing with. • The program has remained stable for the 3rd quarter of the fiscal year, numbers served, and revenues. The COVID-19 pandemic has resulted in commodity sales changes that will be discussed in more detail during the meeting. • As of August 14, Florida's Revenue Estimating Conference adjusted their January forecast downward. Anticipated revenues were reduced by \$3.4 billion in FY 2020-21 and by \$2.0 billion in FY 2021-22, for a two-year combined decrease of \$5.4 billion, or an overall 9.9 percent loss in FY 2020-21 and a 5.6 percent loss in FY 2021-22 from prior estimates. The largest adjustment in

	RESPECT Overview (continued)	<p>the forecast relates to Sales Taxes and Corporate Income Taxes. Florida's overall revenue collections for General Revenue will likely fall below last year's already reduced collection level by nearly 1.2 percent.</p> <ul style="list-style-type: none"> • State Economists predict the recovery process will begin in FY 2021-22 when an effective vaccine is expected to be widely deployed. Currently, State agencies have been asked to reduce quarterly expenditures by 1.5%. • RESPECT has not seen a significant reduction in service contracts but has seen payment authorizations amended to monthly or quarterly approvals. Some commodities will likely go away, but others see stronger sales in medical supplies and sanitizing products. • The Association moved into its new office in late June. The purchase of the building has reduced our annual obligations by about \$85,000.
V.	Sales Update	<p>Owens reported on RESPECT sales for the second and third quarters.</p> <p>Service Sales</p> <ul style="list-style-type: none"> • Service sales were down for the 2nd quarter for a total of \$6.5 million but up in the third quarter for a total of \$7 million. • Janitorial continues to be a primary line at \$17 million YTD or 85.3% of total sales (50.4% rest area and 34.9% non-rest area). • Call center operations increased quarter with a total of \$1.2 million YTD or 6% of sales. • Litter pick was up at \$1 million or 5% of sales. • RESPECT finished the third quarter at \$19.9 million, which is 1.2% over budget and 5.2% over the prior year to date. <p>Sales by Commodities</p> <ul style="list-style-type: none"> • Sales were up at the end of the second quarter for a total of \$2.1 million but down third-quarter, ending at \$1.6 million.

	<p>Sales Update (continued)</p>	<ul style="list-style-type: none"> • Commodity sales were primarily for drug testing kits, prophylactics, and transponders, making up 76.1% (prophylactics at 34.6%, transponders at 24.7%, and drug testing kits at 16.7%). • Notable YTD variances from prior years included drug testing kits were down \$30K; gloves were up \$145K, prophylactics were up \$464K, mop products were down \$37K, transponders were down \$32K, and promotional items up by \$23K. • Overall sales YTD at the end of the third quarter were \$4.7 million, which is 5.5% over budget and 15.7% over the prior year. <p>Sales by Customers</p> <ul style="list-style-type: none"> • The largest volume of business remains with state agencies for services and commodities. State purchases of commodities were at 94.1% of total sales to date, or \$4.5 million. • DOT contracts made up 65.1% of sales or \$13 million, followed by the county of Miami Dade at \$3.8 million or 19% of service sales. <p>Sales by Employment Centers</p> <ul style="list-style-type: none"> • Some ECs showed sharp increases in COVID related items. Brevard Achievement Center (BAC) finished the third quarter YTD at \$2.2 million, McDonald Training Center at \$1.2 million, and Pine Castle at \$879K. • Goodwill of South Florida finished the third quarter YTD at \$4.1 million, SMA at \$2.1 million, and BAC at \$2 million.
VI.	Business Development Updates	<p>Boyington provided an update on Business Development activities.</p> <ul style="list-style-type: none"> • RESPECT requested a Proclamation from Governor DeSantis, honoring essential workers with disabilities (in process). • Governor’s letter to State Agencies encouraging support of RESPECT program (in process). • Business Development Committee <ul style="list-style-type: none"> ○ Kickoff meeting held on 8/5/20

	<p>Business Development Update (continued)</p>	<ul style="list-style-type: none"> ○ Future meetings will be quarterly ○ New Members <ul style="list-style-type: none"> ▪ Karenne Levy, MacDonald Training Center ▪ Andrew Collins, CareerSource Florida ▪ Victoria Smith, Department of Transportation ▪ Mary Jo Thorn, Arc Volusia ▪ Kris Rawson, Goodwill Industries Suncoast ● Created targeted campaigns on COVID products <ul style="list-style-type: none"> ○ Hand sanitizer products: March 5, led to an influx of orders (about quadruple what normally experienced in one month) ○ Safety and Sanitation products: July 9, led to \$11,874.01 of sales by July 20 ● Ongoing development of commodities/services and EC capacity <ul style="list-style-type: none"> ○ Protective screens ○ Bulk COVID related products ○ Wastewater treatment products ○ Fingerprinting services ● EC Recruitment <ul style="list-style-type: none"> ○ Twin Angels: Riverview, FL ○ Initiated discussion with Volunteers of America of Florida to join RESPECT. Focusing on bringing in more agencies serving veterans ○ Grant proposal to fund Jobs for You pilot affecting individuals impacted by hurricanes in 2017 (Orange, Seminole, Osceola, Lake, Sumter Counties) not selected, funds expired ○ Grants proposal to fund two additional Micro-Enterprise Grants for individuals with disabilities impacted by hurricanes in 2017 (Orange, Seminole, Osceola, Lake, Sumter Counties) not selected, funds expired. <p>A member inquired if there was an opportunity to serve on the BDC. Boyington responded all seats available to be held by Employment Centers are full.</p>
VII.	Services Update	<p>Bettcher reviewed the current Service Contract activities for the previous quarter:</p>

	<p>Services Update (continued)</p>	<p>COVID-19 Response</p> <ul style="list-style-type: none"> • PFA 2020-22 COVID cleaning was published in June 2020 <ul style="list-style-type: none"> ○ PFA published in anticipation of future requests for services for COVID cleaning ○ 2 ECs were selected and offer service coverage in 40 Central and South Florida counties ○ No service requests since this award <p>COVID-19 Additional Services</p> <ul style="list-style-type: none"> • DMS – added off-site operators for the State of Florida 411 Call Center – this remains operational • Miami-Dade – additional COVID disinfecting services extended through October 2020 • FDOT District 4 Treasure Coast Ops Janitorial – added 3 additional buildings at approximately 1000 square feet • FDEO/Blind Services additional COVID disinfecting services • FDOH Hillsborough County additional COVID disinfecting services <p>New Contracts</p> <ul style="list-style-type: none"> • FDHSMV/FHP Deland Janitorial (2 PT positions) – PO Issued • FDOH Gadsden County Janitorial (3 PT positions) – PO issued • FWC Lake City Regional Office Grounds (3 PT positions) - PO issued • FDOT D4 Palm Beach Operations Janitorial (4 PT positions) – PO issued • FDOT D4 Palm Beach Materials Lab Janitorial (2 PT positions) – PO issued • FDMA National Guard Armory Tallahassee Janitorial (2 PT positions) – PO Issued
--	--	---

	<p>Services Update (continued)</p>	<p>Relinquished Contracts</p> <ul style="list-style-type: none"> • December 2020 - FDOT D3 Leon Gadsden Interstate Mowing <p>Released Proposals for Assignment</p> <ul style="list-style-type: none"> • PFA 2020-18 Cross Florida Greenway JS (No respondents, closed) • PFA 2020-20 FHP Brooksville Station JS (No respondents, closed) • PFA 2020-21 Wekiwa Springs Youth Camp JS (No respondents, closed) • PFA 2020-22 COVID cleaning (Awarded SMA and Arc of Martin County) • PFA 2020-25 FWC Lake City (Awarded CARC) • PFA 2020-26 Tallahassee NG Armory (Awarded GWBBS) • PFA 2020-27 FDEP Manatee Springs State Park BH JS (No respondents, closed) • PFA 2020-28 FDOT Leon Gadsden Interstate Mowing (1 respondent, declined and closed) • PFA 2020-29 Florida Highway Patrol Tampa JS (open) • PFA 2020-30 Florida State University Tennessee Street Median GM (open) <p>Training</p> <ul style="list-style-type: none"> • On 8/4/20, RESPECT held a partner Employment Center training on the changes in the 2020 edition of the FDOT Standard Criteria For The Uniform Inspection Of Rest Areas, Welcome Centers, Weigh Stations, And Weigh Stations With Truck Comfort Stations. <ul style="list-style-type: none"> ○ Teams Video Call ○ Attendance was 16 people representing 9 partner Employment Centers
--	--	--

VIII.	Commodities Update	<p>Gustafson provided the commodities update for activities that occurred in the previous quarter.</p> <p>New contract items to RESPECT Commodities</p> <ul style="list-style-type: none"> • Safety visor • Safety Kit (includes a disposable mask and individual hand sanitizer) • Bulk Masks (100 case minimum) • Bulk Hand Sanitizer (55-gallon drum) • Kationx (wastewater treatment products) requested by the Manatee County Government • Submitted Freestanding Protective Screens for DMS approval. • DMS approved a price increase for Tronex gloves due to manufacturer price increase. • Temporary reassignment of Hemoglobin Testing Kits and Supplies. • Procurement List review conducted - discontinued items that have had meager sales, including: <ul style="list-style-type: none"> ○ Slurpits ○ Ladder lifer ○ Tampa water kits • Finishing up the last of the inventory for staplers and sunscreen, and then these will be removed. • New website category created titled “COVID Related Supplies.” <ul style="list-style-type: none"> ○ Category will prominently feature gloves, hand sanitizers, soap, masks, and other personal protective equipment to increase customer functionality and ease as they navigate the RESPECT website. • Utilizing the inventory feature of the website <ul style="list-style-type: none"> ○ Feature allows for an “out of stock” notification once an item has been depleted of inventory.
-------	--------------------	--

	Commodities Update (continued)	<ul style="list-style-type: none"> ○ Does not allow a customer to place an order for out of stock items. • Website refinement is an ongoing project. <ul style="list-style-type: none"> ○ Adding upgraded pictures to products ○ Ensuring products are accurate ○ Verifying all products have their specs listed <p>A member inquired about the length of time it takes to get an approved commodity added to the website.</p> <p>Gustafson responded the approval portion could go as quickly as a week, but the DMS website can take longer. DMS employees are not working on-site or are working staggered shifts in response to the COVID pandemic, which may be delaying updates.</p> <p>Yon explained changes could not be made on the RESPECT website without approval from DMS.</p>
IX.	Compliance Update	<p>Bettcher reviewed compliance activities.</p> <p>Progress has been made on compliance regarding labor ratios and revenue over expense concerns.</p> <ul style="list-style-type: none"> • 1 EC is on Corrective Action for Revenue over Expenses. • 2 ECs on Monitoring Status. <ul style="list-style-type: none"> ○ 1 for Direct Labor ○ 1 for Revenue and Expenses.
X.	Program Review Update	<p>Bettcher reported on the status of the 2020 Program Reviews, and Lenk discussed the Fiscal Reviews.</p> <p>2020 Program Reviews</p> <ul style="list-style-type: none"> • Programmatic Reviews (Part 1) for Service Contacts and Commodity Program Reviews were completed by July 1, 2020. In general, the data collected was promising. Direct labor ratios have significantly improved over previous years. • Fiscal Program Reviews are in process and are subject to be completed three months before contract renewal dates. • General and Administrative cost (G&A) for service contracts is calculated as a percentage

	<p>Program Review Update (continued)</p>	<p>of the sum of Direct Labor, Indirect Labor, and Fringe Costs, per the Policy and Procedures guidelines.</p> <ul style="list-style-type: none"> ○ The first round of fiscal reviews presented G&A calculations based on overall contract value and was not consistent with RESPECT Policy and Procedure guidance. ○ RESPECT is recalculating earlier fiscal Program Reviews to reflect the correct method of calculation and will amend its findings and recommendations as needed. ● RESPECT continues to refine the fiscal review process to ensure ECs are maximizing the use of revenues to create as many jobs as possible for individuals with disabilities or who are blind. The inability or refusal to comply can result in decreased funds or pricing reductions. ● After completing Fiscal Program Reviews, RESPECT program staff follow up to: <ul style="list-style-type: none"> ○ Work with ECs when expenditures do not fall in line with original pricing information and provision of quality services to ensure accurate pricing and costs allocation. ○ Ensure G&A levels are in line with contract needs and RESPECT policy and procedures. <p>Bailey inquired if the change in the G&A presentation within the fiscal reviews will be internal or if it will affect ECs?</p> <p>Sewell responded the method for calculating G&A came from a workgroup consisting of RESPECT and EC representatives that met several years ago. The methodology was approved by the ROC and DMS and incorporated within the RESPECT Policies and Procedures document. Service Contract pricing over the last 3 or 4 years should reflect acceptable G&A percentages, meaning ECs should not have to realize significant adjustments.</p> <p>Sewell commented that during the fiscal review process, particularly with older contracts and outdated pricing packets, G&A is being realized that appears excessive when compared to the original pricing. Also, some ECs report G&A allocations that exceed</p>
--	--	--

	Program Review Update (continued)	<p>RESPECT ceiling limits - in these cases, ECs will be expected to show losses in their G&A line because it is not recognized as an allowable cost. Some ECs may be asked to respond to “realized or expensed” G&A, and some may need to update their pricing packages. This will have to be addressed on a case-by-case basis.</p> <p>Employment Consultant Rich Gilmartin added that some ECs would have in place a G&A that is higher than the RESPECT limit; therefore, they will have to accept the loss due to overspend on G&A are on the EC.</p>
XI.	Recertification Update	<p>Lenk gave an update on the 2020 recertification process and data.</p> <ul style="list-style-type: none"> • The recertification process is taking longer this year. Employment Centers are having difficulty gathering data due to COVID pandemic changes such as staff working from home, more RESPECT employees on leave, etc. • The number of jobs is trending to be about the same or slightly below last year’s number of 1,201. <ul style="list-style-type: none"> ○ Numbers would be higher had the COVID-19 pandemic not restricted adding replacement staff since March. ○ ECs are having difficulty finding staff (even non-disabled) to fill positions.
XII.	Annual Awards	<p>Lenk gave an update on the RESPECT annual awards process.</p> <ul style="list-style-type: none"> • The RESPECT Awards program will be held virtually this year. • The date is Tuesday, 9/29/20, 2020, at 10 AM EST. The event will be virtual. • Awards will be given for: <ul style="list-style-type: none"> ○ RESPECT Rookie of the Year ○ RESPECT Most Improved Employee ○ RESPECT Commodity Employee of the Year ○ RESPECT Service Employee of the Year ○ Service Employment Center of the Year ○ Commodity Employment Center of the Year ○ Service Customer of the Year

	Annual Awards (continued)	<ul style="list-style-type: none"> ○ Commodity Customer of the Year ● This year's awards program will include: <ul style="list-style-type: none"> ○ Plaques, cash prizes, and goodie bags will be delivered to the award winners. ○ Category winners can deliver a prerecorded statement about their accomplishments. ○ Winners will be featured throughout the year in RESPECT publications and media platforms.
XIII.	CNA Discussion	<p>Sewell discussed the CNA fee.</p> <ul style="list-style-type: none"> ● RESPECT continues to assess the CNA fee and has considered a $\frac{3}{4}$ percent decrease. The building purchase was made to reduce operating costs so that a reduction would be feasible. ● In light of the fallout from the COVID-19 pandemic and the impact it had on the State budget, RESPECT believes it is prudent to keep the CNA fee at the current 6% for the time being. ● Sewell reminded members a CNA fee reduction would not reduce the cost to the EC. It will only reduce the cost to the State. <p>Bailey concurred that based on current economic conditions, it would not be prudent to reduce the fee this year, and Patel further agreed now is not the right time to reduce the fee.</p> <p>Patel questioned why G&A for commodities is calculated as a percentage of direct and indirect labor, fringe costs, and the cost of raw materials. Sewell responded all G&A is calculated based on an allowable percentage of direct and indirect labor and fringe costs. (Note: Upon further review, it is noted that raw materials are included in the G&A calculations for commodities and that commodities pricing packages are calculated using a different methodology. The correction was discussed with Patel and staff at BAC.)</p> <p>Sewell reminded members the State typically requires competitive (lowest price) for commodities, and high G&A costs will likely result in noncompetitive pricing.</p>
XIV.	Other	<p>Per Policy and Procedures, Sewell informed ROC members that a G&A exception in excess of 18% had been approved for a small contract. Goodwill Big Bend was approved to enter into a service contract to provide janitorial services for the FL National Guard</p>

	Other (Continued)	<p>Armory in Tallahassee. The contract amount is small (\$7,400) with G&A of 19.3%. RESPECT will monitor the contract as it increases to ensure the G&A costs align with Policy and Procedure limits.</p> <p>Levy commented the Business Development Committee facilitation call hosted by Boyington and Lenk was very much appreciated. Levy opined the discussion was innovative, enthusiastic, and should be helpful regarding the creation of more job opportunities for individuals served.</p> <p>Higgins stated appreciation for the communication that is occurring with RESPECT and extended her thanks.</p>
XV.	Next Meeting	<p>Next Meeting Date - Thursday, November 19, 2020, at 10 AM EST</p> <p>Future Meeting Dates:</p> <ul style="list-style-type: none"> • February 18, 2021 • May 20, 2021 • August 19, 2021 • November 18, 2021
XVI.	Adjournment	<p>After calling for more business and none being stated, Bailey called to adjourn the meeting at 11:10 AM.</p>