

NAEPB BOARD EXECUTIVE SESSION

November 14, 2018

Crystal Gateway Marriott, Arlington, VA

10:15 a.m. ET

APPROVED JANUARY 23, 2019

Mr. Mabry took the meeting into the executive session of the NAEPB membership.

Ms. Petach called the roll of the agency membership for the executive session.

Member Agencies Present:

Alphapointe

LC Industries

Arizona Industries for the Blind

Lighthouse Works! Inc.

Association for the Blind and Visually
Impaired (Goodwill)

Louisiana Lighthouse

Lighthouse of the Blind – Seattle

Association for Vision rehabilitation and
Employment

Lions Industries for the Blind

Beyond Vison

Lions Volunteer Blind Industries Inc.

Blind and Vision Services of Pittsburgh

Louisiana Association for the Blind

Blind Industries and Services of Maryland

Midwest Enterprises for the Blind

Bosma Enterprises

Mississippi Industries for the Blind

CABVI

Northeastern Association for the Blind at
Albany

Chicago Lighthouse

NewView Oklahoma

Cincinnati Association for the Blind

RLCB

Olmsted Sight Center

South Texas Lighthouse

Envision

Southern Tier Association

Industries of the Blind

VisionCorps

Industries for the Blind

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West Texas Lighthouse

Winston-Salem Industries for the Blind

Mr. Mabry allowed Ken Burnett to stay as proxy for BISM pending receipt of a signed form from Fred Puente.

Mr. Mabry said that over the past few years there have been several initiatives going on with different areas of funding. One of the criticisms for these parallel initiatives has been that the entire membership should participate in these initiatives. In a spirit of good faith, some members agreed to participate until a membership meeting could be held.

The second thing that is going on is the fee discussion between the CNAs and the Commission.

Mr. Mabry asked Mr. Lynch to report on the on-going discussions with the Commission.

Mr. Lynch reported that the cooperative agreement will be renegotiated next month.

NIB is anticipating receipt of a letter from the Commission on the fee ceiling soon. It is expected that the letter will state a reduction in the fee ceiling. The Commission has also recalculated the fee and it is believed that this recalculation is based on incorrect information from the Lee Wilson days that said the fee is part of the overhead which it is not.

If the information NIB has been told is correct it would be a \$2.5 million reduction in fees.

Mr. Kerlin asked if there is a methodology to calculate the fee. Mr. Lynch said the methodology has been in existence for over 40 years.

Mr. Mabry thinks what is important here is: (1) there has been a desire for NAEPB membership to have one public policy plan as opposed to multiple plans; (2) the pressure put on the budget of the CNA that provides funding and services for some of these initiatives and (3) what you hear in the treasurer's report that the membership has agreed to invest in a legal strategy to protect the public interests and write a public policy to protect us with WIOA.

Mr. Mabry asked Mr. Moneymaker to review the dues restructuring plan for public policy funding options.

Mr. Moneymaker reported that the document has been sent to the membership. The document explains why there is a need for NAEPB to have its own public policy program. Mr. Moneymaker stressed that it would not necessarily be a separate program from NIB, but the two programs must be aligned so that each group knows what the other group is doing and saying.

The relationship between the CNAs and Commission is tenuous. The Commission is trying to exert authority over the CNAs and the NPAs. The relationship between the Commission and the NAEPB is substantially different.

NAEPB can confront in different ways from NIB. One of the purposes is to have NAEPB provide cover for NIB. He is talking about the relationship between NIB and NAEPB and the Commission. The Commission is suggesting that NIB cannot take part in lobbying, even though it is allowed. NIB finds itself in a position where sometimes it has to remain on the radar, whereas NAEPB does not and it can remain under the radar. Between public policy and marketing, NAEPB is going to take a different stance and sing our song.

The dues structure being presented is quite a raise in the dues from the last few years. Public policy is not an event, it is a process. It takes time and resources and we need to get out front. Many times, because of the oversight of the Commission over the CNAs, NIB can't be aggressive.

To be aggressive, NAEPB needs the resources of time and dues. If the JWOD act is opened, the group has to be ready because that is going to happen.

Mr. Kerlin, Mr. D'Amico and Mr. Moneymaker have met and hashed this thing out. It is a tiered structure, predicated on revenues of the NPAs. They looked at AbilityOne sales only and excluded AbilityOne sales by BSCs because it is difficult to get segregated information from them.

They then segregated the NPAs by the amount of AbilityOne sales. Mr. Moneymaker reviewed the chart included in the letter and the amount of dues being requested.

The total amount of dues would now be \$82,500. The BSCs have been paying Todd Tiaht \$5,000 a month. The dues committee is suggesting that each of the BSCs pay dues of \$200 a year per store, and depending on the number of stores they may pay more or less. This amount will be a reduced amount from what the BSCs are paying to Todd Tiaht now.

This produces revenue from BSCs of \$33,000, dues of \$82,500 and a NIB contribution of about \$74,000. The NIB contribution will be used principally for public policy.

NIB currently donates in kind about \$50,000 a year and would donate an additional \$24,000 under this structure.

There was a discussion of what NIB donates and gives to NAEPB. NIB is not actually donating dollars but will expand the expenses of NAEPB they currently assist with. NAEPB has no intention of separating the public policy program from NIB but will work hand in hand as the two need to be aligned on the issues. Ken Fernald asked if NIB donates \$24,000 would this ensure a seat at the table.

NIB would cover costs that are reasonable and NAEPB will keep their own organization and be their own group.

Ms. Petach commented that there are going to be events that have not been accounted for. She does not feel like this is a significant increase. She would recommend raising the fees a bit to give some more flexibility, or perhaps allow the members to decide how much they contribute. She thinks many members have asked what is NAEPB doing for me and this may make it clearer to the members.

Mr. Kerlin said he feels there is a buffer of about \$20,000. Mr. Moneymaker agreed and said that they did not want to create too much sticker shock.

Mr. Hawting asked if the BSCs would continue to pay Mr. Tiahrt the \$5000 a month. The answer is no, the group would need to decide if Mr. Tiahrt would continue to be employed and how much they would pay him. A part of this process is to get the direction Todd receives from the BSCs and NAEPB centralized.

Mr. Lynch said that NIB and NAEPB need to talk more about the structure and NAEPB needs to understand that NIB is not stepping out, but wants to help in a different way.

Mr. Hawting feels it is a good thing and he thinks he will be paying less than before when Todd was receiving the \$5,000 outright from the BSCs.

He expressed concern that there was not an amount budgeted to pay for public policy before determining the dues.

Mr. Mabry agrees, but he felt the discussion needed to be had with the membership to make sure they agree on this proposal.

Mr. Horton said that not all the BSCs contributed for the effort so others were carrying extra weight.

Mr. Mabry agrees with all that has been said, but we have to start somewhere and feels this is a fair and equitable plan. If there is an extraordinary expense, then there would be a discussion on how to meet that.

Mr. Mabry asked for:

Motion number 1 – that the NAEPB board and membership support its own public policy program. If this motion is passed, then the second motion will be to accept the new dues structure.

It was moved that NAEPB have a separate public policy initiative. This was passed unanimously.

Second motion is to amend our dues structure and formula as presented by the committee.

David Wells asked on behalf of the LIBT, are the threats going to be narrowed from 9, and what is our goal of doing this and the specific goal of this public policy expense.

Mr. Hawting said he read there are nine challenges, and that they would decide which were the most important ones to address with these funds.

Mr. Wells stressed he agrees with the plan but is serving as the messenger for the LIBT.

Mr. Mabry thinks the membership needs to continue to ask questions about what the deliverables are, that they are clear and understood. You have our commitment that we will continue to have deliverables.

The second motion is to approve the amendment to the dues structure. This motion was passed unanimously. This is a big commitment.

Mr. D'Amico said everyone has been invoiced for the \$500.00 dues. They will now be invoiced for the additional amount with a letter of explanation. He will ask NIB for the information to get the corrected invoices out. Mr. Lynch said when the year is closed, NIB will get that information to NAEPB.

Mr. Mabry said there are three more agenda items to go through very quickly. Mr. Mabry asked for a quick update on the 898 panel.

Mr. Lynch announced that Kim Herrington is replacing Shay Assad and Mr. Assad will be retiring sometime next year. This throws another wrench in what will be happening with the panel. NIB is reaching out and trying to get a meeting with Mr. Herrington.

Mr. Lynch said NIB had asked the NAEPB for their responses to the 898 panel report. Mr. Lynch and Mr. Mabry drafted and sent to Shay Assad a letter with the response and recommendations to the report. Mr. Lynch reviewed the letter and information with the members.

Mr. Mabry reported that he had dinner with Tina Ballard earlier this week. He asked her what she was working to get from the Panel. There are three items she is looking for. First, veterans and some resolution. Second, something around the IT efficiency and AbilityOne additions and procurement list being clearer. Third, she wants competition between the NPAs around price and value.

Mr. Mabry told her that the NPAs were 100% on veterans. Regarding her other two requests, the NPAs love any opportunity for efficiencies but there some issues around competition for a number of reasons.

Mr. Mabry has circulated a legal review of the draft regulations proposed by the AbilityOne Commission that were presented to the CNAs as he was asked by the NAEPB Board to get a legal review.

It was authored by Jessica Abrahams. The document explains that there are some reasons to be concerned. The Commission feels it is necessary to make changes to the program to have more overview of the program, the agencies and the CNAs.

Mr. Mabry explained that if you ask a government program for a solution, it is going to be a government solution. They see regulation and oversight as the solution.

He believes that Ms. Ballard wants to accomplish the same thing we all do, but she has a very different view of how to do that because she is representing the government.

Mr. Mabry asked the members to read it very carefully. Mr. Steiner asked if it could be circulated electronically.

Mr. Mabry gave a brief President's report.

Last week, Ellen sent out the notice of feasibility insurance program to members. The reason for this mailing is that members are having issues with the rising costs of health insurance. Mr. Mabry asked members to look at the questionnaire and return it to Mr. Stueckrath with the information requested, to see if there is a way to help with the cost of health insurance.

It is due by the end of the month and will be given to a firm to analyze and see if they can help.

The membership retreat is January 23 and 24, 2019 in Clearwater, FL. Mr. Mabry asked that all members make plans to attend as their engagement and participation is vital to the program.

Mr. Fernald chairs the operations committee and is doing a fabulous job. One of his initiatives is the NPAs' ability to perform and deliver. This initiative was developed from the results presented at the retreat two years ago. At that time, Mr. Mabry asked Essendant for their record on performance and delivery. At that time, we were a bit over 50% on time and delivery. Many people challenged the data.

The NPAs now have three partners reporting that we are not on time and our delivery time is not good. If you need help with your performance please don't hide. Ask for help, get mentoring, get advice from NIB and let's find a way between now and January to start obtaining better results. Get your reports from Grainger and other partners from your staff. Be engaged on this and it will help you with your sales and as a result, help all of us.

Mr. Mabry asked for any other items of business. There being none, he moved that the meeting be adjourned. Ms. Petach so moved and Mr. Horton seconded. The meeting was adjourned at 11:30 a.m.

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