



The National Association for the Employment of People who are Blind

**NAEPB Executive Membership Meeting  
(Closed session, voting members only)**

**2015 NIB/NAEPB National Conference and Expo**

**Hyatt Regency Crystal City**

**Tuesday, October 13, 2015**

**APPROVED MAY 24, 2016**

**Call to Order**

NAEPB President Dennis Steiner called the NAEPB Executive Membership Meeting (open to voting members only) to order on Tuesday, October 13, 2015 at 10:50am EST. Secretary Garrett proceeded with the NAEPB Member Agency Roll Call.

**Membership Roll Call**

***Representatives from the following 29 agencies were in attendance, constituting a quorum with 1 proxy from Rochester Goodwill Industries.***

- Alphapointe
- Arizona Industries for the Blind
- Arkansas Lighthouse for the Blind
- Blind and Vision Rehabilitation Services of Pittsburgh
- Association for Vision Rehabilitation and Employment
- Beyond Vision
- Bosma Enterprises
- Blind Industries and Services of Maryland
- Central Association for the Blind and Visually Impaired- Utica
- Carrol Center for the Blind
- Cincinnati Association for the Blind and Visually Impaired – Cincinnati
- Envision, Inc.
- Georgia Industries for the Blind
- Industries for the Blind Milwaukee
- Louisiana Association for the Blind
- Lighthouse Louisiana
- Lions Industries for the Blind
- Midwest Enterprises for the Blind
- Mississippi Industries for the Blind
- National Industries for the Blind
- North Central Sight Services
- NewView Oklahoma
- Olmsted Center for the Blind
- Outlook Nebraska, Inc.
- South Texas Lighthouse for the Blind
- The Lighthouse for the Blind, Inc. (Seattle)
- VisionCorps
- West Texas Lighthouse for the Blind
- Winston- Salem Industries for the Blind

**NIB Staff Members and Guests Present**

- |                 |   |
|-----------------|---|
| Angela Hartley  | NIB, Executive Vice President, Chief Program Officer          |
| Heather Lyons   | NIB, General Counsel  |
| Dennis Webster  | Central Association for the Blind and Visually Impaired-Utica |
| Tom Mears       | Olmsted Center for the Blind                                  |
| Patrick McBride | Outlook Nebraska, Inc.  |

Buddy Sell	Envision
Christina Davis	Blind Industries and Services of Maryland
Guy DeRossi	Blind Industries and Services of Maryland
Ken Barnett	Blind Industries and Services of Maryland
Carla Williams	NIB, Coordinator
Stephanie Benedetti	Lighthouse Louisiana

### **Approval of Minutes - Bob Garrett, Secretary**

Mr. Garrett presented four sets of minutes in draft form for approval. Minutes were as follows: Executive Session Minutes (2.5.15); Executive Session Minutes (4.28.15); Special Minutes (4.14.15); Membership Minutes (4-28-15). There were no proposed changes to the content of the minutes so Mr. Garrett requested a motion to approve. Ms. Arbogast made a motion for approval of the minutes, seconded by Mr. Monteferrante. Following a vote, the motion carried and the minutes were approved unanimously.

### **Reciprocation Awards – Karen Walls, President and CEO of Midwest Enterprises for the Blind**

Ms. Walls, President of the Midwest Enterprises for the Blind distributed coins for reciprocation in purchasing, which are awarded to encourage associated agencies from NIB and SourceAmerica to purchase products and services from one another. There were three agencies recognized for outstanding service in this area.

- Bosma Enterprises – accepting award was Lou Moneymaker, President and CEO
- Georgia Industries for the Blind – accepting award was Kevin Kelley, President and CEO
- Outlook Nebraska – accepting award was Eric Stueckrath, President and CEO

Mr. Steiner commended Mr. Gilliam and Ms. Walls for being champions on the reciprocation in purchasing efforts. He encouraged agency CEO's to look at their organizations with JanSan and Office products and determine what could be purchased from an AbilityOne agency.

### **NAEPB Committees Report - NAEPB Committee Chairs/Vice Presidents**

Mr. Steiner called upon the chair of each standing committee to provide a report on recent activities of their committee. Services, Public Policy & Communications, Ethics, Operations and BSC's reported orally and using PowerPoints.

- **Services Committee – Reinhard Mabry, Vice-President**

Mr. Mabry reported that the committee continues to be active in an effort to grow services. The committee is operating through a network of work groups. The Supply Chain Management subcommittee was suspended after a survey revealed that there were few commonalities with other Services subcommittees. The committee discovered that the Teleservices group needed to be shifted from capacity to business development pipelines in order to keep the enterprises healthy and financially vital. NIB provided a numbers update on results for the year. FY15, created over 55 blind work years (goal was 60), 22 in commercial sector, 17 projects (goal 20), direct labor hours up 6% through the second quarter of the year. Sales of \$81 million are also up 6%. Agency assignment allocation, 17 projects awarded with NPA's assigned. Mr. Mabry commended Mr. Qua (NIB, VP Services) and his staff for a job well done on Services. NIB provided an excellent presentation on the Information Assurance, Cybersecurity program, which is an initiative that could bring new job opportunities resembling CMS. There are 18 blind candidates enrolled in the pilot for testing and to obtain certifications. Ultimately, that capacity will be used to try to secure business in the federal market. The CMS indefinite delivery contract, the first 5- year contract, has been completed with 130 blind employees. Many have found other jobs, namely in the federal government. Sum total across the network, processed over 250,000 contracts and deobligated \$1.5 billion. Mr. Mabry stated that the committee identified one challenge within the services sector as overcoming the objection of government contracting officials to not award contracts to agencies based upon a lack of past performance. Need to work as an enterprise to overcome the objectives and address the problem.

- **Public Policy and Communications – Dave Wells, Vice-President**

Mr. Wells stated that the Grassroots Forum was completed in August, which was successful. Agencies continued to secure visits by elected officials through the month of September and beyond. It was discovered that agencies that have advocates had better results in the Grassroots Forum. Advocates involvement is a great way to get elected officials to visit. He encouraged those who were interested in the Advocates Program to reach out to Tony Stephens (NIB's Public

Policy and Advocacy Manager). He announced that the 2016 NIB/NAEPB Public Policy Forum dates were May 24 and 25 in Northern, Virginia. Membership engagement and membership participation were discussed within the committee meeting. Mr. Wells stressed the importance of keeping in contact with elected officials. An idea of a sales video with testimonials emerged as a method to show success in the past and to increase participation. NIB and NAEPB are in sync with Public Policy efforts. He stated that NIB's Communication team had distributed NDEAM (National Disability Employment Awareness Month) materials to agencies. Marketing and branding continues to be at the forefront, including strengthening the SKILCRAFT brand. Finally, while not many questions are being asked about the CNN investigative story, Mr. Wells encouraged agencies to advise elected officials of the difference between SourceAmerica and NIB.

As a response to a question raised by Lou Moneymaker, Ms. Hartley responded that roughly 28 agencies have participated in the Advocates Program. NIB is actively recruiting and planning to expand the reach so that there is Advocacy representation across the board. Mr. Moneymaker stated the AbilityOne Champions were increased by four, which included almost all House members, because of the work that Bosma's Advocate (Lise Pace) has completed. He touted the program as an outstanding opportunity for someone who is blind or visually impaired.

Mr. Lynch stated that he would like to see the Advocates program grow faster than it has in the past and that he would be willing to gain the additional support needed to fund the program because the results are clear. Congressman Bishop (D-2<sup>nd</sup> GA) stood up in many meetings supporting NIB which is due to the relationship that the Advocate (Luis Narimatsu) established. Mr. Lynch stated that he was open to having agencies with BSC and that offered services recommend candidates for the Advocates program. He also stated that the more Congressional districts represented the better. He asked for Mr. Wells' support in aiding in the process. Ms. Hartley advised of a call for advocate applications in a soon coming edition of NIB This Week. She further stated that the selection process is competitive. As response to a question asked by Ms. Owen (Olmsted Center), Ms. Hartley replied that NIB wanted the core of Advocates to be highly skilled and the best across the spectrum. There have been more qualified applicants submitted than normal, she stated.

- **Ethics – Shelly Taylor, Chair of Ethics**

Ms. Taylor reported that CEO's were sent the Annual Code of Ethics and Standards to be signed and returned. The majority has been returned, with some still outstanding. Ms. Taylor requested that those non-compliant CEO's return the signature page immediately. After review, it was determined that for this year no updates were necessary. The bylaw changes will be discussed later during the meeting. Mr. Steiner offered assistance with enforcement by reaching out to agencies to ensure that they are sending over signed code of ethics.

- **Operations - Eric Stueckrath, Vice President**

Mr. Stueckrath stated that there has been a lot of action in Operations within the last 45 days. The goal for the committee is to map the strategic tactics to the strategic thrusts outlined on the draft strategic plan. One of the committee's goals is to find tactical opportunities and to achieve incremental success. Overarching topics continue to be ETS and pricing. The ETS policy that was published will be distributed. The ETS enforcement side is still being worked on. Concerning customer accountability and DLA prime vendors, NIB is working to identify prime vendors that are following the DLA guidance and utilizing AbilityOne products. It's important to provide NIB with the necessary information so that they can report back to DLA on the successes and gaps in the compliance, he stated. Four new items were introduced to the OPS committee to determine how to move forward and work on tactics for the topics.

- BSC Sales Growth Models - *how the agencies support BSC sales and create forums for reciprocation to identify incremental sales opportunities.*
- Supply Chain Education – *manufacture to the end user all of the different ways that the product is being carried from start to finish so that they are better educated on building pricing procedures to better benefit the various parts of the chain.*
- Reciprocation in purchasing – *agency- to- agency marketing.*
- Capabilities Surveys – *agencies need to update the survey. NIB needs to understand the capabilities of the agencies.*

- **BSC's – David Horton, Vice-President**

Mr. Horton stated that the BSC Committee recently concluded a quarterly teleconference. Topics covered were ETS Review, BSCs contend with issues that challenge our business; NIB Update; Joint Procurement Opportunities. Fifty-five of

the AbilityOne BSC Stores visited during FY15; 50 – No ETS, remaining 5 had a minimal amount. GSA pops up on ETS violations. We are making tremendous progress and NIB is pushing back on GSA. Continuing to ensure that there is relevancy, while staying in front of the issues. Mr. Horton stated that it is important to make sure the program is impeccable and to make sure the initiatives and direction is clear. All agencies that fell below 25% of the sales target were notified and asked to come up with a “get well plan” by the end of the month. The group focused on BSC Ratios, blind employment and commitment to being competitive and staying within the guidelines. Conflicting verbiage in the FAR was discovered. The TIGER team sent potential modifications to remove some of the confusion from the verbiage. Lastly, the committee is working on joint procurement opportunities. The committee will present a final plan before the January BSC teleconference. Mr. Horton encouraged anyone with questions to reach out to him. Mr. Steiner thanked all VP’s for their informative reports.

**By-Law Changes – Shelly Taylor, Chair, Ethics**

Ms. Taylor noted that the Bylaw changes were sent to the entire committee for comment period. The changes were noted as follows. She read the proposed amendments to the NAEPB By-laws as follows:

**Article III, Section 1. Eligibility**

**Add:**

C: Agency Mergers: When two or more agencies merge, the surviving agency, if it is an NAEPB member, will retain or be eligible for NAEPB membership with one vote. The agency that was acquired ceases to exist and no longer has a vote.

E: Subsidiaries: Subsidiaries are considered to be part of the parent company and are considered under the same single membership.

***Agency subsidiaries established prior to October 1, 2014 are “grand-fathered” and not affected by this rule.***

***Additional notes for clarification:***

C: Agency Mergers

- Board governance of newly merged agencies will be reviewed by the Ethics Committee
- Foundations formed by member agencies do not qualify for NAEPB membership

A vote by the membership of the proposed Bylaw changes was unanimous. Mr. Steiner thanked Ms. Taylor and her team for their hard work. Ms. Taylor recognized her committee of Erika Arbogast, Lee Nasehi, Reinhard Mabry and Lou Moneymaker for making contributions.

**Approval of FY16 Budget – Rudy D’Amico, Treasurer**

Mr. D’Amico stated that the FY16 budget was approved at the Board Meeting and was recommended by the finance committee and the board to be approved by the membership as submitted. A vote by the membership returned a unanimous approval of the FY16 budget. Mr. D’Amico thanked NIB for continuing to subsidize NAEPB expenses.

**NIB Update - Kevin Lynch, NIB CEO**

Mr. Lynch provided an update on NIB’s business conditions through the third quarter (August) as reflected in the chart below.

<b>NIB Business Conditions through the third quarter (August)</b>	
Direct Labor Hours	up 5%
Blind Employees	up 4.5%
Sales	up 16%
<b>Business Lines (comparison to FY14)</b>	
BSC Stock Program	up over \$11 million
Commercial Dealers	up over \$8.0 million
Wholesalers	up over \$2.0 million
Department of Defense	up \$70 million
GSA	down \$30 million
VA	up \$10 million

As of the last quarterly forecast (August), sales are expecting to land somewhere between \$690 and \$695 million. No preliminary sales numbers will be released before the end of November. Final figures will be presented sometime around the beginning of December. The forecast for FY16 takes into account an anticipated continuing resolution and no sequestration. FY 2016 is forecasting to land sales at over \$700 million. NIB is projecting growth in the budget, although there is uncertainty in December when Congress makes a determination regarding funding.

NIB has committed on a semi-annual basis to report out to agencies on how assignments are allocated. Large, medium and small agencies are based on sales and number of employees. Information on assignment allocations will be provided to agencies in NIB This Week. In Business Development, NIB is shifting sales focus and additional resources to contracts. Ms. Knott is working with the FAR Business Council, and it looks promising that they will approve the FAR regulation, which would require the AbilityOne clause to be placed in commercial/non-AbilityOne contracts going out to primes (civilian or government). NDEAM (National Disability Employment Awareness) month promotion is in full swing. Mr. Lynch thanked everyone for participating in the focus groups. More information will be discussed on the focus groups during the February retreat. The city of Alexandria has given approval for the new headquarters building. Mr. Lynch estimates spring 2016 for groundbreaking of the building with occupancy at the end of 2017 or beginning of 2018. NIB is putting together a strong business partnership video for Defense Acquisition University. NIB has a strong business relationship with SBA. The NIB Board has approved additional funding outside of the budget for a computer and access technology pilot, which it hopes will increase the start-up success. An outside contractor has developed a curriculum, which will be piloted at the Carroll Center for the Blind in 2016. The completed curriculum will be available to all agencies to use once testing is complete.

IT certification, Cybersecurity and disability community outreach initiatives continue. NIB met with the GSA's Deputy Administrator and had a productive conversation. NIB continues to make an effort to reduce ETS sales on GSA Advantage. There are concerns that there is no visibility into MSA Schedule holders with a Federal website, but the issue is being troubleshooted. NIB will move ahead to hire a BSC Channel Management person to push through AbilityOne products at Base Supply stores. Mr. Lynch sees this as a major opportunity for NIB which it will continue to support.

#### **Other Business – Dennis Steiner, President**

Mr. Steiner provided background on a July dinner meeting he had with Mr. Kesteloot (Chair, U.S. AbilityOne Commission). A variety of different issues were discussed, including the need to prevent delays and to start bringing enforcement to ETS, as well as NIB's project assignment to be an AbilityOne distributor. At Mr. Kesteloot's request, the NAEPB Board sent a letter to the Commission outlining the concerns.

The Commission sent a response letter asking for specific policies. Per the Commission's request, the NAEPB Board provided a detailed response letter for the Commission. No response has been received after several attempts to set up a face-to-face meeting to communicate. Mr. Steiner indicated that the letter was not intended to question ethics or personal behavior at the Commission, but to present a letter about process and to get answers to much needed questions.

Mr. Steiner asked Lou Moneymaker (President/CEO, Bosma Enterprises) to intercede on behalf of NAEPB in brokering a meeting with Kesteloot. Mr. Steiner stated that the goal was to open up a dialogue with the Commission and move forward to resolution. The NAEPB Board will continue to examine the issue and keep the membership abreast of further developments.

#### **Adjournment**

As there were no further questions on any of the content presented, Mr. Steiner adjourned the Executive Membership Meeting at 11:59am EST.

**\*\*Note:** The NAEPB Membership Meeting (open session) began at 12:05pm, where Mr. Carl Augusto, President of American Foundation for the Blind and Ms. Janet LaBreck, Commissioner of the Rehabilitation Services Administration each addressed the NAEPB membership and accepted questions from members. Roll call and all other official membership business were conducted during the closed Membership session. The open Membership meeting concluded at 12:50pm. \*\*\*