**Business Enterprises Program Report**

**February 2022**

**Vision:** The California Business Enterprises Program (BEP) is the preferred food service of choice. This self-employment option expands the economic opportunities for the blind while providing an enjoyable experience for the customer. The program affirms that people with disabilities are integral to the social and economic success of our world.

Below are significant updates that have occurred since the last Blind Advisory Committee (BAC) meeting.

**Response to COVID 19**

As reported in the November 2021 BAC report, Congress awarded a $20 million grant to State licensing agencies designated to administer the Randolph-Sheppard Act (Act). $906,516 was allocated to California to be distributed to qualified California BEP vendors as Financial Relief and Restoration Payments (FRRP) to offset the losses experienced in 2020 that were not otherwise compensated.

The department has completed the distribution of funds and continues to work with the one vendor that has not yet submitted the required paperwork needed for DOR to issue a check.

On November 2, 2021, the department received funds in the amount of $54,878 for insurance claims by approximately 52 BEP vendors for expenses related to COVID. The CVPC voted at the January 2022 meeting to disburse the funds equally among the claimants. The calculations are being made and funds will be distributed as soon as those calculations are completed.

Although the COVID-19 restrictions have been lifted the pandemic continues to severely impact the income of BEP vendor operations due to location closures and a reduction in customer base from state and federal employees working remotely. BEP is working with the preferred Food Service Task Force for possible opportunities in the private sector to grow the program and brainstorm with other states who have had success penetrating this untapped market.

**BEP Staffing**

The BEP Program Manager position became vacant effective December 31, 2021. The final filing date to apply was January 8, 2022. The department is moving quickly to schedule interviews to backfill this critical position.

BEP is currently working to fill the Procurement position. This position is the liaison between BEP and the Contracts & Procurement section. It is expected that this position will help speed up the acquisition of new equipment for BEP vendors.

The Location Development Officer position has been re-announced after a disappointing low number of applicants following the first attempt. This position is responsible for scouting for new locations, facilitating selection committee interviews with contracting agencies and assisting the BEP Senior Architect and management with the design and planning of food facilities in new state buildings.

After 15 years, Willie Novoa, Senior Architect, retired at the end of December. While this position provides valuable technical assistance to staff and our companion agencies, BEP is evaluating the need for a full time Architect.

The Northern Field Office currently has a Business Enterprises Consultant (BEC) position unfilled. The position’s duty statement is under review. BEP is considering adding location development as part of the BEC’s responsibilities to grow the program and provide more business opportunities to the vendor community.

The Training Officer (TO) position’s Duty Statement has been slightly modified and includes providing continuing education for existing BEP vendors as the pandemic has altered the food service business.

**Location Announcements, Awards, and Selections**

(July 9, 2021 through October 31, 2021)

Note: Due to COVID 19, BEP is temporarily utilizing phone interviews and video calls for critical location selections.

**Location Announcements and Selections**

There were no selections to report this quarter.

**Pending Selections:**

There are no pending selections currently.

**Procurement Section Overview**

November 1, 2021, through January 14, 2022

* 22 Vending Machines\* $248,110
* 269 pieces of equipment totaling $232,092

Procurement total for all equipment is $480,202 for this period.

\*The procurement of certain types of vending machines continues to be on hold pending compliance by vending machine manufacturers due to the new refrigerant regulations in California. Also, due to manufacturer and supplier closures because of COVID-19, BEP is challenged with obtaining bids for new machines which are required to proceed with procurement.

The reduction in procurement is a result of the closure or reduced operating hours of many BEP locations due to the pandemic. We anticipate that with the state restrictions lifted for food service operations and the resulting opening of BEP locations, the procurement of equipment will increase over the next reporting period.

**BEP Training**

BEP training continues to be postponed due to student safety concerns during the COVID-19 pandemic. It remains on hold as most BEP vendor locations used for pre-evaluation and On-the-Job-Training are closed; both are regulatory requirements. BEP is considering restructuring the classroom curriculum to a hybrid model using virtual learning and face to face instruction. The training class will be relocated to the Orientation Center for the Blind in Albany where students can be housed and take advantage of the services and amenities such as independent living skills training, accessible technology training and other valuable training and assistance they may need or desire. BEP has started the recruitment process for the BEP Training Officer, and it is anticipated that training will resume sometime in 2022 once the trainer and curriculum are onboard.

**Other Related Location Information**

The department submitted a proposal on behalf of vendor Gloria Blanco and her teaming partner, BCI, on December 22, 2021, for Mess Attendant Services at the Navy base at Port Hueneme and Point Mugu in Ventura County. The proposal is pending an award.

The department is also expecting a potential opportunity for the Mess Attendant Services contract at the U.S. Naval Air Station Lemoore, California. BEP will request direct negotiation for this contract.

**Other Key Activities**

**Regulations**

BEP worked in conjunction with the CVPC to amend section 7221 of the California Code of Regulations which addresses late penalty fees. The amended regulations were approved by the Office of Administrative Law (OAL) in September 2017 and approved by RSA on November 2, 2021. These regulations will take effect February 1, 2022.

**RSA 15 Report**

The Rehabilitation Services Administration has requested that SLAs not submit the RSA 15 Report until after they have provided additional guidance. The report is normally due by December 31 but the deadline has been extended until February 15, 2022.

**BEP Vendor Retirement Plan**

BEP, in consultation with the California Vendors Policy Committee is working with the retirement contractor, Prudential, to make changes to the investment options available to BEP vendors for their retirement funds.