

Division of Vocational Rehabilitation

Business Enterprise Program

Policy & Procedure Manual



**ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT**

ALASKA DIVISION OF VOCATIONAL REHABILITATION Business Enterprise Program Policy and Procedures Manual	
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**ALASKA DIVISION OF VOCATIONAL REHABILITATION
POLICY AND PROCEDURE MANUAL**


POLICY NUMBER: BEP1.0

POLICY: General Introduction to the Alaska Business Enterprise Program

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: PL 93516, as amended; 34 CFR 300 to 399; AS 23.15.100; 4 AAC 54.090 TO 4 AAC 54;

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

DESCRIPTION:

Components:

1. The federal Randolph-Sheppard Program provides employment opportunities for blind individuals through the establishment and operation of vending facilities on federal property. See the Randolph-Sheppard Vending Stand Act (Public Law 74732, as amended by Public Law 83565 and Public Law 93516, 20 U.S.C., Sec 107). The law is further clarified in The Code of Federal Regulations, 34 CFR 395.1 through 395.38.

2. The Alaska State Program (initiated with the Chance Act of 1976) provides employment opportunities for both blind and significantly disabled individuals through the establishment and operation of vending facilities on state property. See AS 23.15.120 through AS 23.15.210, as amended in 1982. The implementing state regulations are 4 AAC 54.130 through 990.

LEGAL BASIS:

The Randolph-Sheppard Act (PL 74732), first passed in 1936, created a business enterprise program to give priority to persons who are blind and in need of employment for economic opportunities. This legislation was revised in 1954 (PL 83565) and again in 1974 (PL 93516) as the Randolph Sheppard Act Amendments. The success of the federal program led to the development of the Chance Act in Alaska in 1976 (AS

23.15.100). This act, which was amended in 1982, created a similar program for blind and significantly disabled individuals on state and other property.

FINANCIAL BASIS:

The intent is that the Business Enterprise Program (BEP) is funded using the "Business Enterprise Program Revolving Fund." Income for this fund is generated from:

1. Commissions received from vending machines located in governmental buildings throughout the state of Alaska authorized in AS 23.15.130 and Federal Regulation 34 CFR 395.32.
2. Funds received from a set-aside fund to which the licensed vending facility managers contribute from their net proceeds each month.
3. Minor contributions from federal funds (authorized under Section 110 of the Vocational Rehabilitation Act of 1973, as amended through 1988), for administration of the program.

SERVICES PROVIDED BY THE PROGRAM:

Experience throughout the nation indicates that the Business Enterprise Program (BEP) can be an effective method to help blind and/or significantly disabled individuals become contributing members of society. It also provides a service to occupants of specific buildings who have available to them the goods offered in vending facilities located within the buildings.

ADMINISTRATIVE RESPONSIBILITY:

The BEP in Alaska is under the jurisdiction and administrative control of the Alaska Division of Vocational Rehabilitation which is the State Licensing Agency (SLA). The program is located within the Division of Vocational Rehabilitation and is dependent upon that division for administrative support, the selection and training of individuals to become licensed vending facility managers, and for other services.

RULES AND REGULATIONS:

The State Board of Vocational Rehabilitation adopts policies and procedures which are consistent with and designed to carry out the law and regulations related to the Randolph Sheppard Act and the Chance Act. The rules and regulations are subject to change as changes in legislation and operating conditions dictate.

PROCEDURE:

GUIDING PRINCIPLES AND VALUES:

The Alaska Division of Vocational Rehabilitation has determined that the BEP operates most effectively within the state under the following guiding values:

1. Encouragement of self-reliance and self direction,

2. Maximum personal development for licensed vending facility managers,
3. Maximization of success potential through providing licensed vending facility managers with entrepreneurial skills,
4. Principled management,
5. Accountability, with natural consequences.

In order to uphold the guiding principles and values, the BEP in Alaska utilizes a modified franchise model. This model consists of:

1. Private individuals (licensed vending facility managers) operating state or leased owned facilities (BEP vending facilities) within established guidelines; being free to make decisions within those constraints, and hold responsibility to the consequences of those decisions.
2. Licensed vending facility managers contribute a certain percentage of their net proceeds to a set-aside fund which is used to maintain and build the program.
3. The franchising entity (SLA) has overall responsibility to assure the quality of service offered by franchisees (licensed vending facility managers). The state must assure that the BEP is operated within the constraints of the law and regulations.
4. The SLA may elect to provide continuing education, management, consultation services, program development and quality control services through a nominee agency by entering into a nominee agreement (contract) with an appropriate agency.
5. Licensed Vending Facility Managers' Committee(s) are established to provide active participation in the operation of the BEP. They function to advise the SLA and/or nominee agency on program operation and to serve as the united voice of the licensed vending facility managers. The committees also advocate for licensed vending facility managers and perform other advisory, management and custodial tasks as defined in these regulations and policies.

GENERAL STRUCTURE AND RESPONSIBILITIES:

Administrative responsibility for the BEP rests with the SLA. Through a contractual arrangement, the daily management of the program may be delegated to a nominee agency.

DOCUMENTATION:

None.

EXCEPTIONS:

None.

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ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 1.1

POLICY: Licensed Vending Facility Managers' Committees

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: 34 CFR 395.14; AS 23.15.134; AS 23.15.135; 4 AAC 54.455

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

There are established in the State of Alaska two separate committees which assist in the administration of the Alaska Business Enterprise Program (BEP). They consist of a Licensed Blind Vending Facility Managers' Committee and a Licensed Significantly Disabled Vending Facility Managers' Committee. Each committee is composed of active licensed vending facility managers only.

PROCEDURE:

The bylaws for the Licensed Vending Facility Managers' Committee(s) will be developed and implemented by the respective committee(s) and made a part of this manual.

DOCUMENTATION:

The bylaws of any operational committee(s) will become a part of this manual.

EXCEPTIONS:

None.

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ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 1.2

POLICY: Licensed Vending Facility Managers' Nominee Agency Relationships

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: 34 CFR 395.15

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The Alaska Division of Vocational Rehabilitation (DVR), in accordance with 34 CFR 395.15, may establish a contractual relationship with an appropriate agency to serve as a nominee agency for the daily management of the Business Enterprise Program (BEP) within the state. The authority and limitations of the nominee agency are clearly indicated in the contract between the division, as the state licensing agency, (SLA) and the nominee agency. Section 110 funds will be used to pay for the administration of the program by the nominee agency and will be provided as authorized.

Both the Randolph-Sheppard Program (for licensed blind vending facility managers) and the Chance Act Program (for blind or significantly disabled licensed vending facility managers) may be included under this arrangement.

PROCEDURE:

See the nominee agency or SLA contract for specific duties and obligations of the nominee agency as it relates to the vending facility managers. The current contract is appended to these policies as APPENDIX E.

DOCUMENTATION:

None.

EXCEPTIONS:

None.

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**ALASKA DIVISION OF VOCATIONAL REHABILITATION
POLICY AND PROCEDURE MANUAL**


POLICY NUMBER: BEP 1.3

POLICY: Licensed Vending Facility Managers' State Licensing Agency Relationships

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: 34 CFR 395; AS 23.120135

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The State Licensing Agency (SLA) has final responsibility and authority for operation of the Alaska Business Enterprise Program (BEP).

Acting under this authority, the Alaska Division of Vocational Rehabilitation has the authority and responsibility to promulgate rules, regulations, policies and procedures for management of the program. The SLA is required to involve the Licensed Vending Facility Managers' Committee(s) to the greatest feasible extent; however, the SLA may not relinquish ultimate authority. Because of this, the Licensed Vending Facility Managers' Committee(s) function in an advisory capacity.

PROCEDURE:

The SLA is the Division of Vocational Rehabilitation. This agency may, through a contractual arrangement with a nominee agency, or by itself, exercise ultimate responsibility and authority for both the federal Randolph-Sheppard and the state Chance Act Programs. All licensed vending facility managers who participate in either of these programs must be licensed by, and function under, the administrative jurisdiction of the SLA.

DOCUMENTATION:

None.

EXCEPTIONS:

None.

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ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 1.4

POLICY: Licensed Vending Facility Managers' Building Manager Relationships

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: December 1, 1991

REFERENCES: 34 CFR 395.35 (a) and (b)

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The licensed vending facility manager and the building manager must have a good working relationship in order for the BEP vending facility to provide appropriate services to those who occupy the building. The permit to operate the BEP vending facility in the building belongs to the State Licensing Agency (SLA) and the contractual agreement is between the SLA and the building owner/manager. Jeopardizing that permit is grounds for suspension or termination of the operating agreement. The terms and conditions of a permit to operate a vending facility under the Randolph-Sheppard Program are contained in 34 CFR 395.35 (a) and (b).

PROCEDURE:

It is the responsibility of the licensed vending facility manager to cooperate, in every way possible, with the building manager. It should be remembered that the purpose of the BEP vending facility is to enhance the quality of life for those who occupy the building and, at the same time, provide an employment opportunity to the vending facility manager. If the relationship is maintained on a positive level, the arrangement can be mutually beneficial.

If problems develop in the relationship between the licensed vending facility manager and the building manager, the SLA or nominee agency is available to negotiate an equitable settlement of the problem. Both the licensed vending facility manager and the building manager are encouraged to utilize the services of the SLA or, when possible, the nominee agency as a means of problem resolution.

The licensed vending facility manager is not responsible for negotiating items contained in the permit/contract. This rests with the SLA or the nominee agency if a nominee contract is in place.

DOCUMENTATION:

If problems persist, or a situation is of a critical nature, it is beneficial if the parties involved document the situation. This documentation should be presented to the SLA or its designee to assist with resolution of any dispute.

EXCEPTIONS:

With approval of the Director of the State Licensing Agency.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 1.5

POLICY: Licensed Vending Managers' Committee(s) Nominee Agency Relationships

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: PI 7814

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

In the event the State Licensing Agency (SLA) elects to use a nominee agency, the Licensed Vending Managers' Committee(s) and the nominee agency must work closely together to insure a cooperative relationship exists for the benefit of licensed vending facility managers and those who occupy the buildings in which the Business Enterprise Program (BEP) vending facilities are located.

The major purpose of the Licensed Vending Managers' Committee(s) is to provide for active participation of the licensed vending facility managers with the SLA in major management decisions and policy and program development decisions affecting the overall administration of the BEP.

The SLA and the nominee agency, if used, will consider the written recommendation(s) of the Licensed Vending Managers' Committee (s) in developing and administering a system for vending facility management training, transferring and promotion of licensed vending facility managers. If recommendations are not used, the committee making the recommendation(s) will be provided a written explanation of the rationale for the decision.

PROCEDURE:

The Licensed Vending Managers' Committee(s) meeting is the opportunity for individual licensed vending facility managers to join together to resolve problems, discuss policies and procedures and negotiate with the SLA and the nominee agency for desired changes.

DOCUMENTATION:

Minutes of Licensed Vending Managers' Committee(s) meetings will be written and approved by the membership.

EXCEPTIONS: None

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ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 1.6

POLICY: Role of a Nominee Agency

DATE OF ORIGIN: May 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: 34 CFR 395.15: AS 23.15.130 to AS 23.15.210

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

OVERVIEW OF RELATIONSHIP:

The Alaska Division of Vocational Rehabilitation may elect to contract for a nominee agency to assist with the operation of the Business Enterprise Program (BEP) throughout the State.

If such an election is made, the BEP policies and procedures will be interpreted to include the nominee agency performing the staff duties which are normally performed by the State Licensing Agency (SLA) but which are specified as nominee agency responsibilities in the contract between the SLA and the nominee agency. It is the responsibility of the division to clearly specify the relationship which must exist between the nominee agency and the SLA in a formal contract. The roles and functions of each agency must also be clearly specified.

The appropriate role of the nominee agency is to serve a staff function for the SLA. In order to comply with state and federal laws and regulations, a written contract or agreement must contain provisions which:

1. Clearly insure the retention by the SLA of full responsibility for the administration and operation of all phases of the program.
2. Specify the type and extent of the services to be provided under such agreement.
3. Provide that no set-aside charges will be collected from licensed vendors except as specified in such agreement;
4. Specify that no nominee will be allowed to exercise any function with respect to funds for the purchase of new equipment or for assuring a fair minimum of

return to vendors, except to collect and hold solely for disposition in accordance with the order of the SLA any charges authorized for those purposes by the licensing agency.

5. Specify that only the SLA shall have control with respect to selection, placement, transfer, financial participation and termination of the vendors, and the preservation, utilization and disposition of program assets.

GENERAL FUNCTIONS IN RELATIONSHIP:

In accordance with these citations, the SLA must retain the final responsibility for the operation of the program. The mechanics for assuring that the program is operating properly may be given to the nominee agency as they function as an extension of the SLA, but the nominee agency cannot usurp the authority from the SLA.

It is necessary that the SLA and the nominee agency enter into a contractual agreement which clearly specifies the roles, responsibilities and limitations of both the SLA and the nominee agency.

The contractual agreement between the SLA and the nominee agency must clearly stipulate under what terms and conditions the nominee agency will collect set-aside funds from vending facility managers and the amount of those set-aside funds. It must also stipulate that no set-aside charges will be collected from vending facility managers except those specified in the agreement.

The SLA may allow the nominee agency to receive and expend funds; however, this must be done with the prior approval and authorization of the SLA. The best vehicle for assuring that prior approval is provided is the budget document which must be approved by the SLA before funds can be committed. This process may also make it necessary for budget revisions to be used frequently; however, these revisions must be likewise approved.

The SLA is required to control selection, placement, transfer, financial participation and termination of vendors. In these areas the nominee agency can only function to recommend.

The SLA must also retain the responsibility for determining how the program assets are preserved, utilized and disposed of. This cannot be delegated to the nominee agency; however, the nominee agency may be asked to carry out the necessary tasks, under the direction of the SLA, to insure that assets are safeguarded.

PROCEDURE:

SPECIFIC FUNCTIONS OF AGENCIES IN THE RELATIONSHIP:

The nominee agency SLA agreement must contain the following statements:

1. Introduction to the contract:

Both the SLA and the nominee agency hereby affirm their agreement that the overall responsibility for the operation of the BEP within the State of Alaska must be retained by the SLA. The mechanics for assuring that the program is properly managed may be given to the nominee agency and they may be authorized to function as an extension of the SLA, but the nominee agency cannot usurp the authority of the SLA.

Both the SLA and the nominee agency recognize the importance of protecting confidential information concerning mutual clients. All procedures necessary to protect the confidentiality of information, as contained in ADVR policy, applies. It is also recognized that the SLA has oversight responsibility and must have access to the information necessary to perform this function.

2. The nominee agency is expected to:
 - a. Maintain a financial accounting system which will allow for a single bank account, with separate accounting for the following funds as they relate to federal or other programs:
 1. Unassigned vending machine income
 2. Set-aside funds
 3. Fees, fines and penalties
 4. Paybacks
 - b. Expend moneys from the BEP fund only after specific approval of the SLA and in accordance with the provisions of ADVR Policy BEP4.4.
 - c. Provide the day-to-day management of the program within the policies established in the BEP policy manual and any changes made therein by the SLA.
 - d. Maintain a BEP fund sufficient to meet an emergency situation which is to be used to insure continued growth and operation of the BEP by promoting the program and increasing the number of vending facility and vending machine locations throughout the state. It is necessary for the nominee agency to receive authorization from the SLA prior to expending monies from the BEP fund. This authorization can be in the form of an approved budget.
 - e. Furnish and perform, under the direction and supervision of the SLA, any of the following services the SLA may from time to time direct.
 - Training of vending facility managers.

2. Location and development of future locations for vending facilities, as time and funds permit.
 3. Submit final layout and bid proposals to the SLA for approval and implementation.
- f. Submit financial reports monthly and statistical reports containing such information and at such times as the SLA may require.
- g. Participate in an annual audit of all financial accounts relating to the BEP Program.
- h. Operate the BEP in such a manner that it will not directly or indirectly prejudice, impair or limit:
 1. Fringe benefits for the vending facility managers
 2. The authority of the SLA to take any action deemed necessary for the proper, efficient and legal management, control and operation of the program, selection, placement, management and financial participation of the vending facility managers.
 3. The relationship established between the SLA and the vending facility managers.
 4. The relationship between the federal and state agencies which manage public buildings and the SLA, as well as, the relationship between the SLA and the individual building managers.
- i. Make recommendations to the SLA regarding complaints coming to the attention of the nominee agency.
- j. Have a representative present at all meetings of the Licensed Vending Facility Managers' Committee(s).
- k. Adhere to all rules, regulations, policies and standards of the federal and state government related to the BEP as established by the SLA in Alaska.
- l. The nominee agency will be the primary contact between the BEP and the building manager. There may be infrequent occasions when the BEP is best served by having the SLA interact directly with the building manager. As the official contracted representative of the SLA, the nominee agency has the power and authority to act for the SLA in dealing with the building manager.
- m. The SLA has the responsibility of negotiating and applying for permits with government authorities or private individuals if the building is owned or leased

- by a private entity, to establish vending facilities in new locations. However, the mechanics of establishing the facility rests with the nominee agency.
3. Set-aside funds will be collected from vending facility managers by the nominee agency only within the following guidelines:
 - a. The set-aside fee is established at five percent (5%) of the net proceeds of the licensed vending facility manager.
 - b. The set-aside fee will be collected monthly on or before the 25th day of the month following the month for which the payment is due. (I.e. the payment for the month of April is due on or before May 25th.
 - c. The nominee agency will receive and receipt the set-aside fees.
 - d. Set-aside fees may be expended only with the specific approval of the SLA.
 4. The nominee agency will not be allowed to exercise any function with respect to funds for the purchase of new equipment or for assuring a fair minimum of return to licensed vending facility managers except under the following conditions:
 - a. The SLA may authorize the nominee agency to expend money from the BEP fund only after it has been made a part of the BEP budget and approved by the SLA. The nominee agency will seek recommendations from the vending facility managers committee whenever major changes in the budget are anticipated.
 - b. Approval for emergency expenditures may be granted by the SLA verbally and documented within five (5) working days following the expenditure.
 5. The SLA has ultimate control and authority over selection, placement, transfer, financial participation and termination of vending facility managers. This responsibility cannot be given over to the nominee agency, but the SLA may ask the nominee agency to make recommendations to the SLA in these matters. The SLA will also solicit recommendations from the Vending Facility Managers' Committees in these matters.
 6. Only the SLA has the authority to determine the preservation, utilization and disposition of program assets. The nominee agency may make recommendations to the SLA.

DOCUMENTATION:

None.

EXCEPTIONS:

None.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 2.0

POLICY: The Process for Entrance into the Small Business Enterprise Program

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: December 1, 1991

REFERENCES: None

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The Alaska State Licensing Agency (SLA) has a clearly defined process by which all potential candidates for the program are screened, trained and placed in Business Enterprise Program (BEP) vending facilities.

PROCEDURE:

The process which will be followed in preparing a candidate for the BEP includes the following steps (see pages BEP 2.05 through 2.08):

1. Identification of potential candidates for placement in vending facilities:
 - a. A Vocational Rehabilitation Counselor (VRC) has the responsibility to interview and identify potential clients who are eligible to receive VR services to the designated VRC working with persons who are legally blind, and/or significantly disabled for consideration of acceptance into the BEP.
 - b. A VRC has the responsibility to provide a summary report and supporting documentation, along with his/her recommendation regarding feasibility, to the designated VRC at the time of recommendation. The decision concerning whether or not to refer the client for consideration to the BEP is made between the VRC and designated VRC.
 - c. The designated VRC will maintain responsibility for the management of the case from the time the decision is made to refer the client to the BEP through the application process.

2. Consideration of the individual for acceptance into the BEP:
 - a. A designated VRC for persons who is trained to work with persons who are blind, low vision and/or significantly disabled will maintain responsibility for management of the case from the time applicant is accepted into the VR program until he/she has been trained, received certification of training from the BEP, licensed, and placed in a vending facility.
 - b. Involvement by the referring DVR counselor will be on a consultation basis.
 - c. The individual will be considered by an admissions committee to determine if he/she is an appropriate candidate to manage a BEP vending facility. The admissions committee shall consist of the Chairperson of the Vending Facility Managers Committee, the BEP Coordinator and one other individual chosen by the SLA.
 - d. The designated VRC is responsible to present eligible VR clients to the admissions committee for consideration. The VR client may be present or, if the decision is made to not be present, the VRC will present pertinent information to the admissions committee in behalf of the client.
 - e. After due consideration the admissions committee will make their recommendation regarding acceptance into the BEP.
3. Notification of applicant:

Acting upon the recommendation of the admissions committee, the SLA will notify the applicant of the final decision. If accepted, a training plan will be generated between the VRC and the client.
4. Generation of a training plan and a pre training agreement of the prospective vending facility manager will be made a part of the BEP case file and will clearly stipulate:
 - a. The proposed pre service training agreement for the VR client.
 - b. Documentation verifying that the clients successfully completed all parts of the training program as outlined.
 - c. The assurance that, if a location is available and all other conditions are successfully met, the individual will be placed in a BEP vending facility.

- d. A clear understanding of the alternatives available to the client if a location is not available for that individual upon completion of the prescribed training program or if it is determined that the individual is unsuccessful in training.
5. Pre service training will be provided to the client:
- a. All arrangements for pre service training will be handled by the designated VRC and will be part of the Individualized Plan for Employment (IPE).
 - b. Pre service training costs will be paid from case service (Section 110) funds.

6. Assurance that the VR client is qualified to become a licensed vending facility manager.

The VR client for licensure must successfully pass a written competency examination thus demonstrating his/her ability to successfully manage a specific type of vending facility. This examination will be administered by the Evaluation Center.

The candidate must also undergo an on-the-job evaluation in a vending facility under the direction of a licensed vending facility manager. This evaluation is arranged by the BEP Coordinator. The licensed vending facility manager will produce a written evaluation of this experience.

Upon receipt of the report of pre service training and the on-the-job evaluation the BEP Coordinator will certify that the individual is qualified and make a recommendation to the SLA regarding licensure, or that s/he is not qualified and that licensure is not recommended.

7. Licensure of the prospective vending facility manager:
- a. Upon successful completion of the pre service training and confirmed by the BEP Coordinator that the individual is qualified, the SLA will issue a license which indicates that the individual is qualified to operate a BEP of facility.
 - b. A license is a formal document which is presented to the prospective vending facility manager with a copy retained by the SLA.
8. Consideration of the individual by the selection committee:
- a. When a vending facility becomes available all licensed vendors will be notified and allowed to indicate their interest in being considered as the manager of that facility. If there is more than one applicant, selection for

the licensed vending facility manager will be made by a selection committee. The selection committee will consist of a representative from the SLA, a representative from the appropriate managers' committee, a representative from the owners of the building where the facility is located. The committee will convene at the request of the BEP Coordinator.

- b. The designated VRC and BEP Coordinator will present their recommendations, along with supporting documentation, to the selection committee. This may be done in a face-to-face or teleconference meeting.
- c. The client may be asked to appear or speak personally before the selection committee.
- d. In making the recommendation concerning acceptance of an individual for a specific vending facility the selection committee will consider that:
 1. The criteria outlined in Policy BEP2.1, with documentation, are met.
 2. The type of vending facility, for which the individual is licensed, is available and has demonstrated they possess the required skills, knowledge, and ability to manage the facility.

The selection committee will recommend acceptance or rejection of the candidate to the SLA. The SLA makes the official determination of acceptance or rejection and will notify the candidate of that decision. If acceptance, the case file information will be transferred to the nominee agency for construction of an BEP case file; if rejection the case file information will be returned to the VRC.

9. Placement in a BEP vending facility on probation:
 - a. When a vending facility becomes available the individual will be placed with probationary status by the SLA or nominee agency.
 - b. A probationary contract between the SLA and the client is negotiated by the BEP Coordinator and the client and must be finalized by the SLA.
10. Placement in a BEP vending facility as an active licensed vending facility manager:
 - a. The licensed vending facility manager will be provided consultation and assistance by the BEP Coordinator, using the criteria previously established by the SLA, and found to have performed satisfactorily.
 - b. A BEP vending facility operating contract between the SLA and the individual is negotiated and finalized by the SLA.

Responsibility and timelines for specific activities:

1. Identification of potential candidates for placement in vending facilities:

Responsibility:

- a. Referral by VRC.
- b. Responsibility for identification lies with the designated VRC.

Timeline:

None.

2. Consideration of the individual for acceptance into the BEP:

Responsibility:

- a. Presented by the designated VRC.
- b. Recommendation by the Admissions Committee.

Timeline:

Within 5 days of recommendation.

3. Notification of applicant:

Responsibility:

- a. Decision by SLA.
- b. Notification by SLA.

Timeline:

Within 5 days of consideration.

4. Generation of a training plan by the designated VRC and a pre training agreement between the prospective vending facility manager and the SLA:

Responsibility:

- Training plan is developed by the designated VRC with the VR client.
- The pre training agreement is negotiated by the designated VRC and signed by the client, the VRC, the BEP Coordinator and the SLA.

Timeline:

15 calendar days.

5. Pre service training will be provided to the client:

Responsibility:

- a. Designated VRC.
- b. Made a part of the IWRP.
- c. Paid for by Section 110 funds.

Timeline:

As needed.

6. Assurance that the individual is qualified to become a licensed vending facility manager:

Responsibility:

- a. The competency examination is administered by the DVR evaluation center.
- b. The on the job evaluation is conducted by a licensed vending facility manager as assigned by the BEP Coordinator.

Timeline:

The competency examination must be administered within 10 calendar days of notification that the VR client has successfully completed training. The report of that examination must be made available to the BEP Coordinator within 5 working days after administration.

The report of the on the job evaluation must be provided to the BEP Coordinator within 5 days of the completion of the evaluation.

7. Licensure of the prospective vending facility manager:

Responsibility:

- a. License is issued by the SLA.

Timeline:

The license must be issued within 5 days of receipt of the results of the competency exam and the on-the-job training evaluation.

8. Consideration of the individual by the selection committee:

Responsibility:

- a. The selection committee will be convened when a vending facility manager's position becomes available as necessary.
- b. The selection committee consists of a representative of the SLA, a representative from the appropriate licensed vending facility managers' committee, and a representative from the building where the facility is located.
- c. The committee recommends an individual to the SLA. The SLA notifies the licensed vendor of his/her selection. The BEP Coordinator makes the physical placement.

Timeline:

5 days from date of vacancy.

9. Placement in a BEP vending facility on probation:

Responsibility:

- a. Placement is made by the BEP Coordinator.
- b. The probationary contract is negotiated by the BEP Coordinator and finalized by the SLA.

Timeline:

Immediately after facility is available and a selection is made.

10. Placement in a BEP vending facility as an active licensed vending facility manager with an operating contract:

Responsibility:

- a. Consultation will be provided by the BEP Coordinator.
- b. An operating contract for a BEP vending facility is negotiated by the BEP Coordinator and finalized by the SLA.

Timeline:

Immediately after successful completion of the probationary period.

11. Postemployment services are provided:

Responsibility:

Designated VRC, upon consultation and in coordination, with the BEP Coordinator.

Timeline:

As necessary.

DOCUMENTATION:

Each step in the process must be carefully documented with copies of all pertinent information. This includes all agreements, contract and backup information.

EXCEPTIONS:

None

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 2.1

POLICY: Eligibility for Participation in the Alaska Business Enterprise Program

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: AS 23.15.020(c); AS 23.15.100(b)(6); AS 23.15.133; 4 AAC 54.310;
34 CFR 395.7

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

In order to be eligible for referral to the Alaska Business Enterprise Program (BEP) an individual must:

1. Be an eligible DVR client; and
2. Meet the following BEP Program eligibility criteria;
 - a. The person must be blind or significantly disabled, with preference being given to blind individuals; and
 - b. The person must be a citizen of the United States; and
 - c. The person must be physically present in the state of Alaska; and
 - d. Unless waived by the Director for good cause, the person must have had a complete physical examination within the prior six months, to include:
 1. A current eye examination by an ophthalmologist or an optometrist and/or a specialty examination.
 - e. The person must have completed a vocational evaluation, which includes an assessment in a food service or appropriate small business for a minimum of two weeks and longer if necessary, within the prior six months, to determine an individual's personality traits and aptitude for managing a vending facility;

- f. The person must have demonstrated he/she possesses sufficient educational skills, knowledge, or potential capacity to benefit from on-the-job and formal training in the operation of a vending facility;
 - g. The person must have adequate health and stamina required to work an eight (8) hour day, five (5) days per week as determined through evaluation by placement in an actual facility or through other appropriate means;
 - h. The person must have transportation available to and from the prospective work place; and
 - The person must show evidence of good personal hygiene, grooming, and mobility skills to safely and professionally operate a BEP facility.
3. Submit an "Application for The Alaska Business Enterprise Program" (BEP 5a) to the designated VRC.

The client and the VRC determine that the client desires, has reasonable expectations regarding the job responsibilities, duties, and requirements necessary to be a successful Licensed Vending Facility Manager.

PROCEDURE:

Determination of eligibility for DVR services is to be accomplished by the VRC.

If, during the initial workup, it appears that the client would be an appropriate referral to the BEP, the counselor needs to develop the necessary backup information and make the referral to the Admission Committee.

The Admission Committee will recommend admission into the BEP based on documentation from the counselor and a reasonable expectation that vending facility location will be available for the client at the successful completion of the training program.

The case will be transferred to the designated VRC who will manage the case, including preparation or revision of the IPE.

DOCUMENTATION:

Eligibility for the BEP must be carefully documented in the case file with all necessary medical, psychological, and other diagnostic information. An application for the BEP must be completed. (See Attachment A)

EXCEPTIONS:

Persons, who have been previously trained, must submit documentation of the training they have received, successfully pass the Alaska BEP competency examination for

management of a BEP facility and demonstrate their competence through an on the job evaluation, may be admitted into the program without being an eligible DVR client.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 2.2

POLICY: Pre placement Training for Licensed Vending Facility Managers

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: AS 23.15.020(c); AS 23.15.100(b)(6); AS 23.15.133; AAC 54.320;
34 CFR 395.11;

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The Division of Vocational Rehabilitation (DVR) will, under provisions contained in their policies and procedures, provide the necessary training and preparation of prospective vending facility managers who have been selected for participation in the Business Enterprise Program (BEP).

Before a potential vending facility manager is provided pre service training, it is necessary for them to formalize a pre training agreement with the division.

PROCEDURE:

The VRC designated to work with clients who are blind, low vision, and/or significantly disabled, will make all arrangements necessary for the training to be accomplished using the established DVR programs, policies and procedures.

The designated VRC will determine the training needs of and provide the necessary training to prepare an applicant to be a licensed vending facility manager. The costs may include, but are not limited to:

1. Personal and vocational adjustment.
2. Training in business management, to include customer relations, business mathematics, merchandising, inventory control, financial reporting, taxation, accounting procedures, food handling, preparation and service, and health and sanitation and systems for inventory control, record keeping and financial analysis.

3. Books, tests, and other training devices or materials.
4. Temporary relocation out-of-state.

Pre-placement training will be coordinated by the eligible VRC for individuals who have been determined eligible for the BEP, appropriate to participate in the training with the goal for eventual placement at a vending facility.

Costs for training will be paid by the eligible VRC using Section 110 funds authorized with an Authorization for Payment (AFP) form. If the individual to be trained fits the exceptional criterion outlined in policy BEP2.1 the cost of training could be paid from BEP unassigned vending income.

Trainees who have successfully completed the training program shall be considered for licensure as vending facility managers under the provisions of Policy BEP 2.5.

DOCUMENTATION:

The need for training, curriculum, quality of training, quality of performance and skill level of the trainee upon graduation from the structured training program will be documented in the case record.

EXCEPTIONS:

None.

**ALASKA DIVISION OF VOCATIONAL REHABILITATION
POLICY AND PROCEDURE MANUAL**


POLICY NUMBER: BEP 2.3

POLICY: Continuing Education of Licensed Vending Facility Managers

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: AS 23.15.020(c); AS 23.15.100(b)(6); 4 AAC 54.360; 34 CFR 395.11

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The State Licensing Agency (SLA) will provide appropriate continuing education for the licensed vending facility managers to expand and improve their capacity for successful operation of the BEP facility they manage and for upward mobility within the program.

PROCEDURE:

The licensed vending facility manager will request training in those areas he/she feels are necessary and appropriate and would enhance the potential for successful operation of the facility. The request will be made to the nominee agency if such an agency is in place or directly to the SLA if a nominee agency is not in place. The training request will be discussed to determine if the training is appropriate, available, and if funds are budgeted to cover costs for training request. Continuing education costs will be paid from the BEP fund. If approved, the SLA or its designated nominee agency will make arrangements for the training of the vending facility manager.

Licensed vending facility managers are encouraged to provide input to the SLA or its designated nominee agency concerning training needs and opportunities through the Licensed Vending Facilities Manager's Committees.

DOCUMENTATION:

Training activities of each licensed vending facility manager will be documented by the SLA or its designated nominee agency and maintained in the individual case file for the licensed vending facility manager. The documentation will include the date of training, title of training, content, and the vending facility manager's evaluation of the training along with the trainer's evaluation of the vending facility manager, if available.

EXCEPTIONS: None.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 2.4

POLICY: Assurance of a Fair Minimum Return to a Licensed Facility Manager During the Probationary Period

DATE OF ORIGIN: March 10, 1998

EFFECTIVE/CHANGE DATE: July 1, 1998

REFERENCES: None

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

A probationary licensed vending facility manager is assured a fair minimum return of \$1,000 per month throughout their initial six (6) month probationary period only when:

- The facility is new and has no proven history of profitability;
- The manager is a first-time operator and has never previously managed a vending facility; or,
- The BEP Coordinator determines the additional support is critically important in order to establish or re-establish the viability of a facility with a recent history of unprofitability for an identifiable cause other than vendor mismanagement. This option may only be used when reasonable expectation dictates that the facility will be restored to its previously profitable status.

PROCEDURE:

1. The BEP Coordinator and the probationary licensed vending facility manager will agree upon a beginning inventory value prior to the facility being opened for business. At the end of the first full calendar month and each calendar month thereafter, throughout the probationary period, a physical inventory will be conducted and agreed upon by both parties. The licensed vending facility manager is expected to maintain an inventory of approximately the same value as the initial inventory.
2. The State Licensing Agency (SLA) will issue an initial check to the probationary licensed vending facility manager on the fifteenth day of the month after the new BEP facility opens for business, in the amount of \$500.00. If the facility has been open less than one month the amount of payment will be prorated.

3. Upon completion of the inventory at the end of the first full calendar month's operation, the BEP Coordinator and the vending facility manager will calculate the accumulated net profit for the period, adjust it to reflect any change in the value of the inventory, subtract the \$500 advance and a check will be issued by the SLA to the vending facility manager for an amount which insures a minimum financial return of at least \$1,000 per month to the licensed vending facility manager. If the net profit for the month is more than \$1,000 the excess will be disbursed to the probationary licensed vending facility manager by the SLA. This procedure will be repeated at the end of each month until the six month probationary period is completed. If the probationary period is extended the SLA and the vending facility manager will determine whether or not to continue this procedure and note the decision on the new probationary contract.
4. The licensed vending facility manager is not allowed to take funds from the BEP vending facility income using any other process, during the probationary period.

DOCUMENTATION:

All records of inventory, income, etc. will be maintained in the managers BEP case file.

EXCEPTIONS:

Exceptions to this procedure may be made by prior mutual agreement of the vending facility manager, the BEP manager and the SLA, for extenuating circumstances.

**ALASKA DIVISION OF VOCATIONAL REHABILITATION
POLICY AND PROCEDURE MANUAL**


POLICY NUMBER: BEP 2.5

POLICY: Licensing of Vending Facility Managers

DATE OF ORIGIN: February 27, 1998

EFFECTIVE/CHANGE DATE: July 1, 1998

REFERENCES: 34 CFR 395.7; 4 AAC 54.340; 20 USC 107107(f); AS 23.15.210;
4 AAC 54.115(a)(1); 34 CFR 395(1)(c);

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

In accordance with federal and state laws and regulations, each participating vending facility manager in the Business Enterprise Program (BEP) must be licensed prior to managing a BEP vending facility.

The SLA shall license vending facility managers using the following criteria:

1. The licensee must meet all applicable eligibility requirements as outlined in 34 CFR 395.7 and Policy BEP 2.1.
2. The licensee must have successfully completed the prescribed training program within the last two years.
3. The licensee must have demonstrated capacity to effectively manage a BEP vending facility by successfully passing the oral or written proficiency examination and completion of an on-the-job evaluation.

RELICENSING OF A FORMERLY LICENSED VENDING FACILITY MANAGER:

If an individual has been previously licensed, either in the state of Alaska or another state, the following conditions apply for relicensing:

1. An information release has been signed for all states where rehabilitation services have been received.
2. Applicant must have no outstanding debts with any rehabilitation agency.

3. The individual must demonstrate a working knowledge and abilities in the operation of a BEP vending facility by successfully passing the proficiency examination provided by the SLA.
4. The individual must complete an on the job evaluation by the licensed vending facility manager of a BEP vending facility assigned by the BEP Coordinator for a minimum of one week. Following this experience, an evaluation will be written by the BEP Coordinator and the vending facility manager where the trainee worked.
5. The individual must comply with all other eligibility requirements (i.e. a medical/ophthalmological examination, be physically present in the state, etc.).

An individual will receive a license which will indicate the name of the vending facility manager, the type of facility for which licensed and the date of issuance. The license is not transferable.

PROCEDURE:

1. For a first-time applicant, the designated VRC will review the training documentation provided by the training program to insure that the client has successfully completed all aspects of the program.
2. The designated VRC will contact the individual and arrange for the proficiency examination.
3. The BEP Coordinator may coordinate a one week on-the-job evaluation for a person who is being relicensed. This placement must be approved by the licensed vending facility manager who is performing the training.
4. After all criterion have been satisfied, the SLA issues the license. The original is given to the licensee and a copy is retained by the SLA.

DOCUMENTATION:

All requirements for licensure will be documented in the case file.

EXCEPTIONS:

None.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 2.6

POLICY: Transfer, Promotion and Placement of Blind and/or Significantly Disabled Individuals as Licensed Managers of Vending Facilities

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: July 1, 1998

REFERENCES: AS 23.15.020(c); AS 23.15.100(b)(6); 4 AAC 54.380;

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The Alaska Business Enterprise Program (BEP) is designed to provide employment opportunities to individuals who are qualified for the program. While an individual is taking advantage of this employment opportunity, adequate opportunities for transfer and promotion will be provided. It is also the philosophy of the program that individuals will be provided training and help to become independent business people and will be encouraged to move through the program.

Qualifications for placement as a vending facility manager in the Alaska BEP:

1. RANDOLPHSHEPPARD PROGRAM:

For placement in a BEP vending facility on federal property the individual must:

- a. Be blind.
- b. Be a citizen of the United States.
- c. Be licensed by the SLA as qualified to operate a BEP vending facility under the requirements of 34 CFR 395.7 and Alaska DVR Policy BEP 2.5.

2. CHANCE ACT (MINI RANDOLPHSHEPPARD) PROGRAM:

For placement in a BEP vending facility on property other than federal property the individual must:

- a. Be blind or significantly disabled, with preference given to blind.
- b. Be physically present in the State of Alaska.
- c. Be licensed by the SLA as qualified to operate a BEP vending facility under the requirements of 4 ACC 54.330 and Alaska DVR Policy BEP 2.5.

PROCEDURE:

STANDARDS AND PRIORITIES FOR PLACEMENT OF VENDING FACILITY

MANAGERS:

- Solicitation of Qualified Vending Facility Managers to fill Vacancies:

When a BEP vending facility becomes vacant and the need for a new licensed vending facility manager arises, the State Licensing Agency (SLA) will issue a vacancy announcement. This announcement will include the following information:

- The location and type of facility.
- The yearly gross, sales, and net proceeds for the previous three (3) years for existing facilities or projected yearly financial information for new facilities.
- Days and hours of operation required by the permit.
- List equipment placed in the facility.
- List of items currently sold, current menu if available, and items which cannot be sold.
- Accessibility of the facility (transportation, etc.) and physical requirements.
- Current staffing pattern, if any.
- Additional pertinent information.
- The final date for application and projected date of appointment.
- Placement of a single applicant:

If only one appropriately licensed vending facility manager is applying, the BEP Coordinator may assign the facility to that licensed vending facility manager without going through a formal selection process. That assignment must be ratified by the SLA.

3. Selection and placement if there is more than one applicant:

In the event that more than one appropriate applicant is available for placement in a BEP facility, the selection committee shall make the recommendation of the licensed vending facility manager to be placed in the facility using the criteria stated in this policy (a through d, below). The selection committee shall be composed of the following:

- A representative of the SLA, preferably an available Regional Manager.
 - A representative of the appropriate BEP Vending Facility Managers' Committee.
 - A representative from the building (owner or property manager) where the vending facility is located.
- d. An SLA executive is an ex officio, nonvoting member and is charged with the final decision regarding placement.

If all factors are relatively equal, the following priorities, in the order listed, will be used in selecting vending facility managers to operate new BEP vending facilities or for filling vacancies in existing vending facilities.

- a. Currently active licensed vending facility managers who request a new location:

When more than one person requests consideration for promotion to a new or vacated facility, the selection committee will take into account the capabilities of each candidate based on their training, seniority, experience and past record of operation in their current BEP vending facility along with the skills which will be required in the new facility (i.e. a Licensed Vending Facility Manager may have adequate skills to manage a small wet stand but may not have the capacity to manage a large cafeteria).

- b. Licensed vending facility managers who are recently licensed in Alaska, but have never been placed in a vending facility:

If the roster of licensed, eligible vending facility managers contains more than one person, the Selection Committee will recommend to the SLA that they place them based on trainer evaluations, evaluations by vending facility managers for whom the candidate has worked type of training relative to the type of vending facility, designated VRC evaluations and date of training.

- c. Persons who were former licensed vending facility managers in any state who desire to return to the vending facility program and whose previous record demonstrates their ability as vending facility managers:

The selection committee will take into account their training, experience and past record of operation, including their reason for leaving their original program.

DOCUMENTATION:

Each step in the placement process must be carefully documented in the licensed vending facility manager's case file.

EXCEPTIONS:

None

**ALASKA DIVISION OF VOCATIONAL REHABILITATION
POLICY AND PROCEDURE MANUAL**

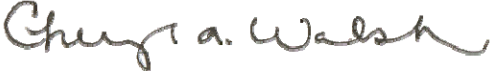
POLICY NUMBER: BEP 2.7

POLICY: Payment of Moving Costs by the State Licensing Agency

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: 4 AAC 54.350; AS 23.15.020(c); AS 23.15.100(b)(6);

APPROVED:		<u>January 27, 2011</u>	
		Date	

POLICY:

The State Licensing Agency (SLA) will pay the personal moving costs of newly licensed vending facility managers who are eligible for the Vocational Rehabilitation Program and who are selected for placement in a vending facility which is at least 100 miles from their present place of residence. The SLA, or its designee, will pay these costs at the travel and moving cost rates for state employees under state and division policies as funds are available.

Current licensed vending facility managers who elect to move to a new facility or former vending facility managers requesting reentry into the program must pay their own personal moving costs.

PROCEDURE:

Each eligible vending facility manager is responsible to acquire approval for payment of moving costs before making physical arrangements for the move. Approval may be acquired through the SLA. Payment will be based on the funds available and will not exceed the amount allowable for moving state employees.

DOCUMENTATION:

The DVR case file will contain copies of all documents used to request and receive approval for the nominee agency to pay personal travel costs. It will also include complete documentation of the cost of the move with details concerning what was moved and the method of moving the personal effects of the manager.

EXCEPTIONS:

None.

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ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP2.8

POLICY: Recurrent Licensed Vending Facility Manager Responsibilities

DATE OF ORIGIN: February 27, 1998

EFFECTIVE/CHANGE DATE: July 1, 1998

REFERENCES: 34 CFR 395; 4 AAC 54130 THROUGH 4 AAC 54990

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The Alaska Division of Vocational Rehabilitation (DVR) subscribes to the principle of assisting Alaskans with disabilities to obtain and maintain employment. DVR believes in empowering value of employment in an individual's life, helping participants fully understand what is expected of them. This honors and respects each individual for their strengths, skills, choices, abilities, and cultural identity. DVR allows persons to govern their own actions, for individuals to succeed or fail, based on their own efforts and abilities. This principle seems especially important in the Business Enterprise Program (BEP).

This policy is an effort to insure each licensed vending facility manager fully understands exactly what is expected of them. Failure to comply with these BEP responsibilities may result in termination from the BEP.

Each licensed vending facility manager is expected to comply with the following responsibilities:

1. Submit reports of business activities in the format required by the SLA and in a accurate and timely manner. All reports must be received on or before the 25th day of the month following the reporting period.
2. Submit set-aside, payback, or other such payments for deposit into the BEP fund in the exact amount and at the times agreed to in the probationary or operating contract.

3. Maintain good relationships with the building manager, exercising sensitivity to the needs of the occupants of the building, the structure, zoning and building requirements, and abide by the requirements of the permit/contract.
4. The BEP is designed to provide employment opportunities to qualified persons who experience blindness and/or significant disabilities. It is an owner operated program and therefore requires the active and continuous involvement of the licensed vendor in the daily operation of the BEP facility. It is the licensed vendor to ensure the quality and delivery of service is being met as well as maintains compliance with all licensing agencies.
5. Apply for and receive permission to be absent from the BEP facility when the absence is for more than two consecutive days. Approval must be received in advance of the absence unless the absence is due to an emergency. If it is an emergency, it is the responsibility of the licensed vending facility manager to notify the SLA within one working day of the situation. It is the responsibility of the licensed vending facility manager to insure that the BEP vending facility remains open as required in the permit/contract.
6. Maintain the BEP vending facility in an orderly and businesslike manner. The vending facility must operate in compliance with all health and safety requirements as well as being attractive to the public.
7. Maintain and display the appropriate licenses and permits which as required by local and state agencies.
8. Maintain personal and property damage liability insurance, naming the State of Alaska as an "Additional Insured." Liability insurance must be in the amount of at least \$250,000 for each person and \$1,000,000 for each occurrence. The licensed vending facility manager is also required to maintain insurance against loss of the vending facility property by fire or other hazard and workers compensation insurance.
9. Operate the BEP vending facility in accordance with laws relating to vending facilities, public health, taxes, compensation of employees, workers compensation, insurance, civil rights, fire and safety codes and all applicable licenses.
10. Maintain business accounts and records separate from those maintained for personal affairs.
11. Maintain a commercial bank account into which all funds not required as cash on hand are deposited daily.
12. Make payment for all business expenses in a timely fashion, in a professional manner, preferably by check.

13. Retain receipts for goods and services purchased for the business.
14. Maintain regular business hours as stipulated in the operating contract.
15. Maintain an inventory of equal or greater value than the initial inventory in order to insure continuation of services and maintenance of a viable business operation.
16. Work cooperatively with the SLA in the management of the vending facility and for proper administration of the BEP including:
 - a. Financial audits as requested by the SLA.
 - b. Facility and management review.
 - c. Participation in recommended continuing education.
 - d. Program planning and expansion.
 - e. Assistance with on the job training for potential facility managers. The vending facility manager to which assignment of an individual is being considered will be contacted by the BEP coordinator prior to formalization of the assignment to insure that the licensed vendor is able to accommodate the assignment.
 - f. Provide all reports, records and information related to the management of the business, upon the request of the duly authorized representative of the BEP.
 - g. Cooperate with qualified management consultants. A qualified management consultant is one who has been recommended by the SLA, presented to the Licensed Vending Facility Managers' Committee members and a majority of those managers, after reviewing their qualifications, agree that they are qualified to perform the functions for which they are hired.
17. Public relations shall be maintained at a high level at all times. It is each licensed vending facility manager's responsibility as well as in their best interest to strive to maintain excellent public relations with the customers as well as the general public.
18. All equipment must be maintained in good working condition. If a piece of equipment is worn out or obsolete it may be disposed of with the approval of the SLA.

19. No equipment, which would change the nature of the business or the intent of the permit/contract, may be added to, removed, or disposed from a vending facility without the prior permission of the SLA. If the licensed vending facility manager desires to add small items of equipment in an effort to make his/her tasks easier and at his/her own expense, the addition must be cleared with the SLA prior to placing it in the facility. The SLA will then check with the building manager to insure that the electrical or other mechanical facilities are not being overloaded by the addition.
20. Licensed vending facility managers must undergo an ophthalmologic, optometric or specialty examination at time intervals specified in the probationary or operating contract. A copy of the examination results must be sent to the SLA within 10 days following completion of the examination.
21. No BEP vending facility may be remodeled, altered or changed without the prior written approval of the state licensing agency. The SLA will work closely with the building manager during this process.
22. No significant change to the business concept or the items or services offered to the public may be made without prior written approval of the SLA. If it is mutually agreed by the SLA and the building manager that the permit should be changed the SLA will negotiate that change.
23. The BEP vending facility must be operated in a manner which will maintain a minimum annual net profit of at least \$12,000. However, situations may arise when it is appropriate to establish the minimum annual net profit at an amount other than \$12,000. Requests for a change in the minimum will be initiated by the vending facility manager and submitted to the SLA. The final decision regarding exceptions to the established amount or closure of unprofitable facilities rests with the Director of the Division of Vocational Rehabilitation.
24. If the BEP vending facility is not showing a reasonable profit, the licensed vending facility manager will work together with the SLA or its designee to:
 - a. Review all business and financial management practices.
 - b. Review location and layout of the vending facility.
 - c. Review the customer needs and availability of services.
 - d. Review public relations including relationships with the building management and customers.
 - e. Review performance of BEP vending facility employees.

- f. Incorporate changes deemed necessary to make the business profitable and approved by the SLA.
 - g. Assist the SLA or its designated nominee agency in closing the vending facility if the profits are not maintained at the level required by the operating contract.
25. The licensed vending facility manager must submit any payments due the SLA promptly. All payments are due by no later than the 25th day of the month following the month of indebtedness.
26. Each licensed vending facility manager is required to repay the amount of the initial inventory and startup cash beginning at the signing of the operating contract. Repayment will be made at a rate and scheduled as agreed upon between the licensed vendor and the SLA.
- Payment must accompany the monthly report and must be postmarked no later than the 25th of the month following the reporting month.
27. The licensed vending facility manager and the SLA will conduct an inventory (including stock, supplies, equipment and cash) immediately prior to the renegotiation of the probationary and/or operating contract.
28. The vending facility manager must provide the building manager and the BEP Assistant with a key which will provide access to the vending facility. If the licensed vending facility manager changes the lock the new key must be made available to the building manager immediately and BEP assistant within a reasonable amount of time.

PROCEDURE:

A complete list of recurring vending facility manager responsibilities is made a part of the probationary and operating contract between the vending facility manager and the SLA.

DOCUMENTATION:

The operating contract, containing a list of recurring vending facility manager responsibilities will be filed in the BEP case file.

EXCEPTIONS:

None

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**ALASKA DIVISION OF VOCATIONAL REHABILITATION
POLICY AND PROCEDURE MANUAL**


POLICY NUMBER: BEP 2.9

POLICY: Failure to Operate a Business Enterprise Program Vending Facility as Stipulated

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November, 1, 1991

REFERENCES: 4 AAC 54.460480; AS 23.15.010(c); AS 23.15.100(b)(6);
AS 44.62.33044.62.640; 20 U.S.C. sec. 107d1;
ADVR Policy CS2.3;

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

Licensed vending facility managers will be responsible for adherence to all policies, procedures and regulations of the Alaska Business Enterprise Program (BEP).

A licensed vending facility manager may be disciplined by the State Licensing Agency (SLA) in one of five ways:

1. Fines:

A fine may be imposed for failure to comply with the requirement to submit reports or to make payments punctually.

A \$25.00 fine may be imposed for late submission of the Monthly Income Report, monthly set-aside payment, and/or return payments due to insufficient amount of funds.

This may result in no further action unless the problem is not resolved. If not resolved, other sanctions may be imposed.

2. Probation:

A time limited period, based on individual need, wherein the SLA or its designated nominee agency will work closely with and carefully monitor the vending facility manager and his/her operation of the facility in an effort to resolve problems and

improve the management of the facility and its operation. Probation requires a plan for resolution of the problems and must be agreed to by both the SLA or its designated nominee agency and the vending facility manager. It also requires the execution of a probationary contract between the SLA and the licensed vending facility manager.

At the end of the probationary period the probationary contract is extended, a new operating contract is negotiated, or the existing contract is terminated.

3. Suspension:

This is the act of restricting the licensed vending facility manager from operating the BEP vending facility while alleged misconduct or mismanagement is being investigated. Suspension may be effective immediately if the licensed vending facility manager is seriously jeopardizing the health and safety of others or placing the continued use of the facility at risk. Suspension must be for justifiable reasons and those reasons must be communicated in writing to the licensed vending facility manager.

Suspension can only last for up to 15 days. Before that time has expired it is necessary for the status of the vending facility manager to change to reinstatement, probation, or to terminate the contract.

While the licensed vending facility manager is in a state of suspension the SLA will hire someone to operate the BEP vending facility. The licensed vending facility manager will be guaranteed an income equal to that received in the two weeks prior to suspension as long as that income was properly derived from the legal and appropriate management of the vending facility.

4. Termination of the Contract:

If the terms and conditions of the contract are violated by the licensed vending facility manager and no satisfactory solution is available for continuation of the association between the licensed vending facility manager and the BEP, it may be necessary to terminate the licensed vending facility manager's contract.

The contract can be terminated only for the failure to operate the licensed vending facility as stipulated in Alaska BEP policies. At the time of the notification of the reason for termination of the contract, the licensed vending facility manager must be informed, in writing, of the specific reason(s) for termination of the contract.

PROCEDURE:

Each of the possible sanctions and the procedures related to them are as follows:

1. Fine:

- a. late fee, at the rate of \$25.00, will be charged to license vending facility managers who fail to submit timely reports and payment of the monthly set-aside fees. The set-aside payment must accompany the monthly report and must be received no later than the 25th of the month following the reporting month.

A fee of \$25.00 will be charged to license vending facility managers if there are insufficient funds in the licensed vendor account to cover the amount of the payment.

- b. Failure to submit the monthly required amount for repayment of the initial inventory and startup cash, with the monthly financial report, will result in a fine of \$25.00.
- c. Monies owed to the licensed vending facility manager for closing inventory, refunds or any other purpose may be withheld by the state licensing agency to satisfy outstanding fines, payments or debts owed to the program.

2. Probation:

Probation may be initiated under either of two conditions:

- a. The SLA determines during a facility review, audit or evaluation, problems exist in the management and overall operation of the BEP vending facility. The licensed vending facility manager agrees to the probationary period and implementation of a plan for corrective action.
- b. If, after suspension and a thorough investigation, it is agreed that the licensed vending facility manager can, with proper training and supervision, operate the vending facility properly:
 1. Probation may be implemented for a period ranging from three (3) months to one (1) year and must be clearly understood by all parties at the time the probation commences.
 2. A clearly stated, written plan for correction of any problems must be jointly developed and agreed upon by the SLA and licensed vending facility manager. Failure to reach agreement may result in taking the necessary action to have the licensed vending facility manager's contract revoked and thus make the facility available for a more cooperative licensed vending facility manager. Probation is a meaningless state unless a plan can be developed and all parties agree to use the plan to correct the perceived deficiencies.

3. Immediate Suspension:

The SLA may, with documented cause, immediately suspend the license of a licensed vending facility manager for up to 15 days, pending the outcome of an investigation. Suspension will occur:

- a. When, in the best judgment of the director, the health and safety of the licensed vending facility manager, the employees, or the customers are jeopardized.
- b. If the licensed vending facility manager jeopardizes the state's investment in that vending facility by violating the terms of the permit/contract or by operating the facility in such a manner as to place the vending facility in danger of being closed.
- c. If the licensed vending facility manager fails to maintain the required insurance coverage.
- d. If the licensed vending facility manager no longer meets eligibility requirements as outlined in BEP2.1
- e. If the licensed vending facility manager abandons the vending facility by being absent without leave from the vending facility for more than two (2) consecutive days without prior authorization and/or notification to the SLA.
- f. If the BEP vending facility is not operated in accordance with the laws, regulations, policies or contract which govern the operation of that facility.
- g. If the building manager requests, and documents in writing, the removal of the licensed vending facility manager and if the SLA, or nominee agency determines that it is in the best interest of the state to temporarily remove the licensed vending facility manager from the BEP vending facility while a thorough investigation of the allegations is being conducted.
- h. If the licensed vending facility manager engages in conduct which interferes with the effective management of the vending facility, including but not limited to:
 - Fraud
 - Intoxication or drug abuse while on duty
 - Embezzlement
 - Submitting false reports

- Failure to submit to a medical examination, if severely disabled, and/or an eye examination, if legally blind, as requested by the SLA
- Failure to make prompt payment of taxes, fees, and debts arising from operation of the vending facility
- Failure to maintain current licenses and permits as required by state, municipal, and borough governments
- Willful and malicious destruction of the equipment or vending facility
- Failure to pay set-aside charges, scheduled repayments, or penalties for more than ninety (90) days
- Late reports and/or set-aside payments more than three (3) times in any twelvemonth period
- Failure to personally operate and manage the vending facility
- Failure to provide records or financial reports to the state licensing agency or its designee, when requested
- Failure to comply with the terms of the probationary or operating contract.

4. Termination of the probationary or operating contract:

Either of these contracts may be terminated if:

- a. The terms and conditions contained therein, and agreed to by both parties, are violated.
- b. After suspension and a thorough investigation, it is determined that the licensed vending facility manager is unwilling or unable to properly function in the BEP vending facility under the terms of the written contract and within the policies, procedures, program regulations and the vending facility permit.
- c. The licensed vending facility manager and the SLA mutually agree to terminate the contract.
- d. The BEP vending facility is closed.
- e. The licensed vending facility manager is unwilling to cooperate with the request of the SLA to enter a probationary period. Failure to cooperate upon entering into a probationary period is interpreted as an unwillingness to work on the issues which precipitated the request.

- f. Inability to perform because of extended illness or incompetence. This policy will apply if the illness or incompetence extends for more than 90 calendar days. It may be a shorter period of time, if agreed upon by both the vending facility manager and the SLA or its designee.

Rights and recourse available to the vending facility manager:

1. The SLA or its designee must notify the licensed vending facility manager of the intent to either suspend the vending facility manager, place the vending facility manager on probation or to revoke the contract of the vending facility manager. This notification must be in writing, must clearly state the situation which has precipitated the action, and the delivery of the notification must be certified. The notification must include a date for the action to become effective and the specific grounds for the action.
2. The licensed vending facility manager has the same appeal rights as any client of the division, as outlined in DVR policy CS2.3. If the decision is made to proceed beyond the administrative review, the Administrative Procedures Act as outlined in AS 44.62.330 - AS 44.62.630 applies. The BEP will not pay attorney fees incurred by the individual.
3. Nothing precludes a qualified person from proceeding to arbitration under U.S.C. sec. 107d1.
4. If a licensed vending facility manager is suspended for cause he/she will continue to receive the net proceeds from the operation of the vending facility until the situation is properly investigated and a permanent resolution is achieved. That manager may not, however, continue to function in the facility. It is the responsibility of the SLA or its designated nominee agency to insure that the facility remains open and functions properly in order to insure continuing services to the residents of the building.
5. The steps in the appeals process which are open to the vending facility manager include:
 - a. An administrative review;
 - b. An evidentiary hearing; and
 - c. An arbitration.

DOCUMENTATION:

All accusations, actions and minutes and findings of any review, hearing and/or arbitration must be included in the licensed vending facility manager's BEP case file.

The results of any reviews, hearings, etc. must be provided to the vending facility manager in either large print, audio tape or Braille.

EXCEPTIONS:

None

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 3.1

POLICY: Initial Development of Business Enterprise Program Vending Facilities

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: PAC 8902;

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The Alaska State Licensing Agency (SLA) is committed to the development of Business Enterprise Program (BEP) vending facilities at all locations within the state when:

1. The site offers the potential for reasonable profit for a licensed vending facility manager.
2. The resources, including funds for construction and startup costs, are available.
3. An eligible blind or significantly disabled individual is qualified and available to manage the BEP vending facility.

BEP vending facilities will be developed in an orderly fashion, using the process explained in the procedures section of this policy.

Responsibility for development of BEP vending facilities ultimately rests with the Alaska SLA; however, it may be delegated to a nominee agency if that is determined to be in the best interest of the licensed vending facility managers, the SLA and the BEP.

PROCEDURE:

The standard procedure for initial development of BEP vending facilities is as follows:

1. Location of a potential vending facility site:

Potential vending facility sites are located in one of three ways:

- a. The federal or state agency may contact the Alaska SLA and propose that a vending facility be established in a building which is managed by that organization. In making this proposal it is expected that the referent will provide enough information for the SLA to adequately evaluate the feasibility of the site and the appropriate type of vending facility to be developed at the site.
- b. SLA or nominee agency personnel familiar with the BEP may locate a potential vending facility site and recommend that it be considered.
- c. One of the licensed vendor manager committees may recommend that a site they have located be considered for development.

2. Evaluation of the potential facility site:

- a. Potential BEP vending facility sites must be considered in relation to the requirements established in the regulations (4 AAC 54.390). The following standards apply:
 1. The building in which the vending facility is to be located must either house at least 250 employees on a daily basis or evidence foot traffic through it of at least 400 persons daily.
 2. At least 250 square feet of floor space must be available for the vending facility.
 3. Adequate storage space, utility outlets and hookups must be available.
 4. A permit or authorization to establish a vending facility in the building must be obtainable.
- b. The BEP Coordinator will do an initial assessment of the potential of the site and recommend establishment to be SLA. The final decision regarding establishment of new vending facilities rests with the SLA.
- c. The SLA must determine that sufficient financial resources are available to pay for the cost of developing, stocking and launching the new vending facility before moving to establish the vending facility.

3. Determination of the type of operation to establish at the proposed site:

Any of three options are open to the state licensing agency when a new site is nominated for consideration.

- a. Rejection of the site because it does not meet the criterion established in

2(a) or 2(b), above.

- b. The decision is made to service the needs of the building residents with vending machines which will become a part of the total BEP program of the state licensing agency.
- c. The decision is made to service the needs of the building residents with a vending facility which is defined as, "automatic vending machines, cafeterias, snack bars, cart services, shelters, counters, and such other appropriate auxiliary equipment as the Secretary of Education may by regulation prescribe as being necessary for the sale of the articles or services described in Section 2(a)(5) of the Randolph-Sheppard Act, and which may be operated by licensees."

This may be:

1. A facility using automatic vending machines, defined as:

"An automated coin or currency operated facility which dispenses a variety of food and refreshment items and services. The licensed vendor is responsible for the complete management of the machines and the area in which they are located. The vendor also must be located on the premises and provide such functions as loading and servicing such machines and other necessary customer related services."

2. A cafeteria facility, defined as:

"A food dispensing facility capable of providing a broad variety of prepared foods and beverages (including hot meals) primarily through the use of a line where the customer serves himself from display selections. A cafeteria may be fully automatic or some limited waiter or waitress service may be available and provided within a cafeteria and table or booth seating facilities are always provided."

3. A snack bar facility, defined as:

"A facility engaged in selling limited lines of refreshments and prepared food suitable for a light meal. Included are stands that sell food and refreshments prepared on or off the premises that is wrapped or put in containers at point of sale."

4. A dry/wet facility, defined as:

"A facility which offers a variety of article, refreshments and services for off premises consumption. These are dispensed by the licensed vending facility manager or by vending machines."

4. A specific agreement is made with the building owner/manager for operation of the BEP vending facility.
 - a. If the BEP vending facility is to be located in a location administered by the General Services Administration a permit or contract will be negotiated and consummated by the SLA representative.
 - b. If the BEP vending facility is located on a site other than a federal location the SLA or its designated nominee agency representative will negotiate and consummate a permit or contract.
 - c. All permits, contracts, or leases will allow the state licensing agency to prominently display a sign identifying the vending facility as a part of the Alaska Division of Vocational Rehabilitation's Business Enterprise Program.
5. The SLA or its designated nominee agency will conduct a detailed survey of the proposed site. The prospective licensed vending facility manager will be involved in the survey, which will include:
 - a. a location evaluation
 - b. a complete business plan
 - c. a careful analysis of competition.
6. Preconstruction activities.
 - a. The SLA or its nominee agency, with the full involvement of the prospective vending facility manager (if available), will develop the specifications for the vending facility and provide them to the State Department of Transportation and Public Facilities (DOT/PF) who will oversee the actual construction of the vending facility.
 - b. The architect will be selected by either DOT/PF or the state licensing agency, depending upon the scope of the project. Guidelines are established in Section 7a of this policy. Final plans for construction of the vending facility must be approved by the SLA and GSA, if the location is in a federal building, prior to the issuance of a contract for construction.
7. Actual Construction of the Vending Facility.

- a. If the anticipated cost of the project is more than \$50,000, construction will be managed by the Alaska DOTPF who will insure that the state licensing agency specifications are adhered to. If the cost is less than \$25,000, construction may be managed by the SLA or its designated nominee agency and with consultation from the building manager regarding the capacity of the building to handle the equipment.
 - b. If the DOT/PF oversees the construction, the SLA and prospective licensed vending facility manager (if available) will be actively involved in the construction process and their requests will be considered by the DOT/PF. If the DOT/PF is not involved, the project will be managed by the SLA or its designated nominee agency with consultation from the SLA and the licensed vending facility manager.
8. Acquisition of equipment.
 - a. The specifications for the equipment to be used in the BEP vending facility will be developed jointly by the architect, the licensed vending facility manager and the SLA or their designee.
 - b. Equipment may be acquired:
 - as a part of the construction contract;
 - as a direct purchase by the SLA; and/or
 - as a general services and supply purchase.
 - c. A complete inventory of all equipment will be made a matter of record and when the licensed vending facility manager vacates the BEP vending facility he/she will be responsible for the return of all equipment to the SLA in good condition, normal wear and tear expected.
9. Purchase and inventory of the necessary initial stock.

Prior to opening the vending facility, the SLA, with the consultation and help of the licensed vending facility manager, will authorize the purchase of necessary inventory and supplies to stock the vending facility.
10. Acquisition of necessary permits, licenses, and insurance.
 - a. The SLA will insure that the licensed vending facility manager acquires all necessary permits, licenses and insurance to insure that the vending facility is operated within legal requirements and without placing the state in a position of liability.

b. The costs for all permits, licenses and insurance will be paid by the SLA or its designee for the first six months of operation as a new BEP vending facility or if the vending facility has a new licensed vending facility manager.

11. Provision of necessary startup cash.

The cash necessary to make change for customers of the new BEP vending facility will be provided by the SLA. The accepted amount of startup cash is normally not more than \$200.00.

12. A complete record of initial inventory including stock, supplies, equipment and startup cash will be prepared by the SLA or its designated nominee agency and given to the vending facility manager with a copy maintained by the state licensing agency.

13. The licensed vending facility manager will be provided with all necessary keys to the facility. The building manager will retain a complete set of keys to the facility as well as a copy kept on file with the SLA.

14. The BEP vending facility is open to the public.

15. An open house is held.

An open house is a very good method of publicizing the new vending facility and making occupants of the building aware of this new vending facility for their use.

DOCUMENTATION:

Each step in the process of initially developing a potential vending facility location will be documented in a separate file maintained for that purpose.

EXCEPTIONS:

None.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 3.2

POLICY: Renovation (Refurbishment or Expansion) of Existing Business Enterprise Program Vending Facilities

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: PPD 834

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The State Licensing Agency (SLA) will renovate Business Enterprise Program (BEP) vending facilities when such renovation is determined by the SLA to be necessary for the profitable operation of the vending facility, when the renovation has been proven to be necessary and appropriate and when funds are available to cover all costs. The SLA or its designated nominee agency, in consultation with the licensed vending facility manager, will provide information and recommendations for vending facility renovation.

Refurbishment is defined as, "the process whereby a vending facility is renovated or redecorated for the purpose of improving the efficiency and appearance for increased patronage or for retaining the viability of a location. Refurbishment may include, but not be limited to, painting, remodeling, upgrading of equipment and improving layout design to make the operation more effective and cost efficient. Normal maintenance and purchase of replacement equipment as the only services rendered would not be considered meeting the definition of refurbishment of a vending facility."

Expansion is "the process whereby the size and scope of the facility is expanded which requires renovation of the facility to accommodate the expanded function."

PROCEDURE:

The process for renovation of BEP vending facilities is essentially the same as for initial development of BEP vending facilities.

When renovation of a site is raised as a consideration, steps #2 through 8 will be followed as outlined in DVR Policy BEP3.1. Each location may require other activities

which would need to be developed in a site-specific basis prior to the initiation of preconstruction work.

DOCUMENTATION:

All activities related to renovation of a BEP vending facility must be documented and maintained in the file for that vending facility. This includes a detailed survey of the site of the proposed renovation.

EXCEPTIONS:

None.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 3.3

POLICY: Operation of Business Enterprise Program Vending Facilities

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 9, 1991

REFERENCES: 34 CFR 395.3(a)(11)(vii):

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The Alaska Division of Vocational Rehabilitation (DVR) has been designated as the State Licensing Agency (SLA) for the Randolph-Sheppard Program by the federal government. It has also been designated as the unit of state government charged with administering the Chance Act. In an effort to administer both programs equitably, the division has adopted policies and procedures regarding operation which comply with both federal and state laws and regulations and are similar. The total program is designated as the Alaska State Business Enterprise Program (BEP).

Vending facilities are operated in the state of Alaska, "...for the purpose of providing blind [and significantly disabled] persons with remunerative employment, enlarging economic opportunities of blind [and significantly disabled], and stimulating blind [and significantly disabled] to greater efforts in striving to make themselves self-supporting..."

All vending facilities in the Alaska BEP will be operated at a level which will assure that the licensed vending facility manager will make a reasonable wage. Therefore, it is the policy of the division to close any facility which does not show a net profit of at least \$12,000 per year.

Each BEP vending facility will undergo a comprehensive financial audit biannually and a vending facility review at least annually to insure that the vending facility is operated in a profitable and appropriate manner.

PROCEDURE:

Each BEP vending facility must be open during the hours specified in the permit/contract. The licensed vending facility manager is the individual who is under contract to operate the facility, in other words, the blind or significantly disabled

individual must be physically present in order to insure that the BEP facility is properly managed.

Full time vending facilities must show an average net profit over the previous 12 months of at least \$1,000 per month. If the net profit falls below that amount, the SLA or its designated nominee agency will work closely with the licensed vending facility manager to help them raise the net profit. If the net profit cannot be raised to an average of \$1,000 per month or more during the succeeding six (6) months, and it is determined that the site is not financially feasible, the vending facility will be closed as an unprofitable enterprise. No BEP vending facility will be allowed to remain open (except with the specific permission of the SLA, because the licensed vending facility manager and the SLA or its designated nominee agency are working together to correct the reason for the poor profit) if the average net profit over the previous 12 months is less than \$1,000 per month.

Income requirements for part-time BEP vending facilities will be established at the time the operating contract is negotiated and signed.

DOCUMENTATION:

Any problems or unusual circumstances identified with a specific vending facility will be documented in order that the SLA may have a historical accounting of the performance of the vending facility.

EXCEPTIONS:

None.

**ALASKA DIVISION OF VOCATIONAL REHABILITATION
POLICY AND PROCEDURE MANUAL**


POLICY NUMBER: BEP 3.4

POLICY: Vending Facility Equipment: Purchase, Repair, Replacement and Disposal

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: AS 23.15.020(c); AS 23.15.100(B)(6); 4 AAC 54.400

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The equipment necessary for effective and efficient operation of each vending facility will be available to each licensed vending facility manager. Purchase, repair and replacement of equipment will be financed from the Business Enterprise Program (BEP) fund to the extent indicated in the procedures section of this policy.

The purchase, repair, replacement and disposal of vending facility equipment will be administered by the State Licensing Agency (SLA) or its designated nominee agency.

The Alaska Division of Vocational Rehabilitation will retain the right, title and interest to all BEP program equipment and fixtures. It will have the authority to direct and control transfers, and dispose of such equipment when necessary.

A licensed vending facility manager may not make additions to, or reductions of, equipment provided to the vending facility except as stipulated in Policy 2.8, Item 19, without the prior written approval of the SLA or its designated nominee agency.

PROCEDURE:

1. Additions and deletions of equipment:

a. Adaptive equipment for use by the vending facility manager:

If the licensed vending facility manager needs adaptive equipment or aids in order to effectively manage his/her vending facility, and those equipment or aids are for his/her personal use, it is necessary that they be purchased with "case service" funds. Expenditure of these funds may only be made by the VRC and with prior approval.

- b. Equipment which is necessary for the operation of the vending facility.

Licensed vending facility managers will not make additions to, or reductions of, equipment provided to the vending facility except as stipulated in Policy BEP 2.8, Item 19, without prior written approval of the SLA. Requests to make changes will be made by the vending facility manager to the SLA or its designated nominee agency.

2. Maintenance of equipment:

The vending facility manager shall maintain, or cause to be maintained, all equipment. The SLA or its designee shall replace worn out or obsolete equipment which is required for the continued successful operation of the vending facility.

3. Care and ongoing maintenance of equipment:

Licensed vending facility managers will take reasonable care of equipment and provide routine day-to-day maintenance of the equipment.

4. Payment for repairs of equipment:

The SLA or its designee shall pay a reasonable cost of repair for:

- a. The first six months of operation of a vending facility (either a new vending facility manager or a new vending facility).
- b. The first three months of operation for equipment transferred from one vending facility to another.
- c. The first 30 days for equipment in a vending facility managed by a vending facility manager promoted or transferred from another existing vending facility.

Following completion of the time periods stated above, the licensed vending facility manager will pay up to the first \$50 of repair costs, with the SLA or its designee paying repair costs in excess of \$50 when the program authorizes the repair in advance.

5. Reporting damage, breakage, theft and/or malfunction:

Licensed vending facility managers are responsible for reporting all incidents of damage, breakage, theft and malfunction of equipment or fixtures to the BEP Coordinator at the first opportunity.

Repair which the SLA or its designee has not authorized is the sole responsibility of the vending facility manager except for emergency repairs to avoid the loss of perishable items or endangering life or property.

6. Emergency repairs of equipment:

The licensed vending facility manager is authorized to arrange for emergency repairs to avoid loss of perishable stocks or to avoid endangering life or property.

7. Unauthorized repair of equipment:

Repair will be deemed unauthorized when:

- a. The licensed vending facility manager neglects or fails to notify the SLA or its designated nominee agency of damage, breakage, theft, defacement or malfunction of equipment or fixtures in the vending facility.
- b. The repairs are attributable to negligent actions by the vending facility manager or facility employees.
- c. The maintenance of the equipment or fixtures are not the responsibility of the Alaska BEP Program.

DOCUMENTATION:

Documentation of equipment repairs, replacement or disposal for each vending facility will be maintained in a file on that facility.

EXCEPTIONS:

None.

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**ALASKA DIVISION OF VOCATIONAL REHABILITATION
POLICY AND PROCEDURE MANUAL**

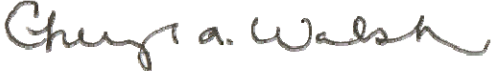
POLICY NUMBER: BEP 4.1

POLICY: Proposed Benefits Package for Licensed Vending Facility Managers

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: None

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

There is nothing to support the clear statement that licensed vending facility managers are employees of the state. However, there is ample indication in the law to the effect that they are not private business people. The facilities and equipment used by licensed vending facility managers belongs to the federal government and/or the State of Alaska. The licensed vending facility managers manage their resources and are provided with the income derived from that management. The benefit package may, with the majority vote of the appropriate Licensed Vending Facility Managers' Committee, contain any or all of the following benefits:

1. Health insurance contributions
2. Retirement or pension plan
3. Paid sick leave and vacation time through the provision of a substitute manager.

It is the policy of the Alaska State Licensing Agency (SLA) that, although licensed vending facility managers in the Business Enterprise Program (BEP) are not employees of the state, they will be provided with a reasonable benefits package for health insurance, retirement and the hiring of a substitute manager.

The funds for payment of the benefits package will come from the BEP unassigned vending machine income. The benefits package will be paid before monies are allocated for any other purpose. The licensed vendor managers' committee(s) must determine by a majority vote the acceptance of the proposed package. The vote must be taken at the meeting held during the 1st calendar quarter.

The licensed vending facility manager will begin to accrue benefits at the time the operating contract is signed.

PROCEDURE:

1. Substitute management:

Each licensed vending facility manager may be paid, as a part of the benefits package and upon application for and approval of annual leave, an amount equal to the accrued value of the cost of hiring a substitute manager for fifteen (15) working days each year.

The money to hire a substitute manager is based on \$18.00 per hour, 8 hours per day totaling \$2160 per year. Payments of \$540.00 will be made on a quarterly basis.

2. Insurance:

Each licensed vending facility manager may receive in the benefits package the basic health insurance provided through the State of Alaska to political subdivision (Plan II services) employees. Additional coverage for spouse and children may be purchased through contributions by the vending facility manager.

3. Retirement:

Each licensed vending facility manager may be provided with a retirement program of their choice. The BEP will provide up to \$2,000 per year toward the purchase of their desired retirement package. This may be paid directly to the licensed vending facility manager or to a retirement program of their choice. If the check is made directly to the licensed vending facility manager it is necessary that the state provide the licensed vending facility manager with a 1099 form for tax purposes. If it is paid directly to a retirement program a form 1099 is not required.

Payment toward retirement will be prorated for any licensed vending facility managers who have been with the program for less than one year. Payment will be made on or before April 1 of each year.

DOCUMENTATION:

The SLA or its designated nominee agency will maintain in the case file of each licensed vending facility manager an accounting of the benefits package unique to that individual. Any changes in that package will be documented.

EXCEPTIONS:

None.

**ALASKA DIVISION OF VOCATIONAL REHABILITATION
POLICY AND PROCEDURE MANUAL**


POLICY NUMBER: BEP 4.2

POLICY: Travel of Licensed Vending Facility Managers

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: None

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The State Licensing Agency (SLA) or its designated nominee agency will provide for transportation of appropriate licensed vending facility managers for participation in appropriate Licensed Vending Facility Manager Committee meetings, preapproved continuing education, for moving under situations explained in policy BEP 2.7 and in other unique situations with prior written approval from the SLA or its designee.

The SLA firmly believes that the Licensed Vending Facility Managers' Committee (s) should actively participate in the determination of which meetings, conventions, continuing education opportunities, etc. they attend. At the same time it is recognized that no individual can, at program expense, attend any and all meetings, conventions and training meetings they desire. Therefore, the SLA will seriously consider all recommendations of the Licensed Vending Facility Managers' Committee (s) and approve travel when possible, within budgetary constraints.

PROCEDURE:

Payment of transportation for licensed vending facility managers who are members of a managers' committee:

Members of the Licensed Vending Facility Managers' Committee(s), with prior approval of the SLA or its designated nominee agency, may be paid for the cost of transportation and per diem expenses associated with attendance at meetings of the committee if the member must travel to another city. Current state travel requirements and policies for payment apply. The SLA or its designated nominee agency will issue payment to the vending facility manager.

Payment of transportation to receive continuing education:

After having received prior written approval from the SLA or its designated nominee agency, licensed vending facility managers may travel at the expense of the BEP for the purpose of participating in continuing education programs. Current state travel requirements and policies for payment apply. The SLA or its designated nominee agency will issue payment.

Payment of moving expenses:

The circumstances under which a licensed vending facility manager will be reimbursed for moving costs are explained in policy BEP 2.7.

DOCUMENTATION:

Documentation must substantiate that the licensed vending facility manager complied with all of the steps necessary to receive permission prior to traveling, and that the travel was reimbursed in accordance with prevailing state procedures. At this time the procedure includes:

1. A travel request is initiated by the licensed vending facility manager.
2. The request is approved by the SLA or its designated nominee agency.
3. Advances are provided, as appropriate, and in accordance with state procedures.
4. Receipts and other necessary documentation is provided to the SLA or its designated nominee agency.
5. Final payment is made to balance the account.

EXCEPTIONS:

None.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL

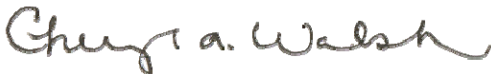
POLICY NUMBER: BEP 4.3

POLICY: Program Reporting Responsibilities of the State Licensing Agency

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: RSAPPD834; AS 23.15.020(c); AS 23.15.100(b)(6)

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The following information will be provided to the designated groups/individuals by the State Licensing Agency (SLA) or its designated nominee agency. If the reports are prepared by the SLA the specific responsibility rests with the designated Vocational Rehabilitation Counselor. If the reports are prepared by the nominee agency the specific responsibility rests with the Business Enterprise Program (BEP) Coordinator. The schedule for submission of the reports is indicated hereafter.

The SLA or its designated nominee agency will provide the following information to the designated individuals/groups on the schedule indicated.

1. All active licensed vending facility managers:

a. Quarterly statewide facility statistics.

This report, which is provided 30 days after the end of the reporting quarter, averages all elements of the monthly facility reports submitted by the vending facility managers to the state licensing agency or its designated nominee agency and provides that information in aggregate.

b. Quarterly vending machine commissions report.

This is a statewide report of all receipts from the vending machine contracts and will be provided within 30 days after the end of the reporting quarter.

- c. Annual budget information for the BEP.

The operating budget for this component of the Division of Vocational Rehabilitation will be provided within 30 days of adoption of the budget by the legislature.

- d. Information concerning the uses of the BEP revolving fund over the most recent two (2) years.

This report will be provided on or before September 30th of each year.

- e. Other reports as requested and available.

2. Federal Randolph-Sheppard Program:

RSA15 Report

A report of the earnings, employment, income and expenditures of the statewide BEP is provided to the federal government on or before November 15th of each year.

3. State Vocational Rehabilitation Administration:

Various fiscal reports to balance the revolving account are provided as necessary and requested.

PROCEDURE:

Addressed above.

DOCUMENTATION:

As required by various agencies.

EXCEPTIONS:

None.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 4.4

POLICY: Financial Management Alaska Business Enterprise Program

DATE OF ORIGIN: April 1, 1989

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: 4 AAC 54.430

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

It is the intent of the State Licensing Agency (SLA) that the funds derived from unassigned vending machine commissions, donations, levied set-aside funds, fines and fund raising activities be used to maintain the program and that these funds are sufficient to make the program self-sustaining.

As funds are available, the SLA may designate Vocational Rehabilitation general program funds (Section 110) to be used for administrative costs. Section 110 funds will not be used for individual licensed vending facility managers benefits, inventory, new vending facility equipment, replacement of vending facility equipment, repair and maintenance of vending facilities and/or equipment, startup costs, facility insurance, licenses, permits, construction costs, architectural fees, consultants, auditors, in-service training not preapproved by the Vocational Rehabilitation Counselor or any other cost directly related to the operation of the Business Enterprise Program (BEP) vending facilities.

Revenue:

Income derived from vending machine commissions, set-aside's and fines generated from facilities in federally owned or leased buildings will be held and accounted for separately from any income derived from locations other than federal.

The BEP program in Alaska can be funded from four sources, to include:

1. Vending machine income:

The program, by both federal and state statute, is allowed to realize income from contracts with private vending machine companies who operate vending

machines on public property. Individual contracts, which are bid and negotiated by General Services and Supply, stipulate the commissions paid to the BEP program.

Vending machine income is distributed as follows:

- Assigned income: If a vending machine is in the same building, the net proceeds from the machine accrue to the licensed vending facility manager(s) in an amount not to exceed the lesser of (1) the average net income of all licensed vending facility managers within the state determined each federal fiscal year on the basis of the prior federal fiscal year's operation; or (2) an amount equal to the average net income of all blind vending facility managers in the United States determined on the basis of the prior fiscal year's operation.
- Unassigned income: The program will retain the commissions from vending machines exceeding the requirements of item a, above. The first priority for use of these funds is to pay licensed vending facility managers benefits as described in Policy BEP 4.4 a, b and c.

2. Set-aside Income:

Each licensed vending facility manager will contribute to a set-aside fund maintained by the state licensing agency or its designee. The amount of the set-aside is established by the SLA with active participation of the appropriate Licensed Vending Facility Managers' Committee(s) and will be determined at the end of each fiscal year for the next fiscal year. The set-aside fund donation by each vending facility manager is computed as a percentage of the monthly net proceeds of the vending facility. The set-aside fee may not exceed 10 percent of the monthly net proceeds of the vending facility unless public hearings are conducted, the input from the Licensed Vending Facility Managers' Committee(s) is received and these policies and regulations are changed to reflect the higher set-aside. The SLA must conclusively prove the need for a set-aside greater than 10% before raising it above that amount.

3. Penalties:

Funds will be generated from fines assessed against licensed vending facility managers. The terms and conditions for payment of these fines and penalties are explained in Policy BEP2.9.

4. Section 110 Funds:

Funds from the federal Section 110 program may be used for administration of the BEP program by the SLA or its designee.

Expenditures:

Income derived from federal locations can only be spent on facilities located on federal property. Income derived from state and other locations may be spent on vending facilities located anywhere within the state.

Unassigned vending machine income may be used for:

- a. Retirement, health insurance, and payment of substitute managers for active licensed vending facility managers.
- b. Maintenance and replacement of equipment.
- c. Purchase of new equipment.
- d. Management services.
- e. Assuring a fair minimum return to newly licensed vending facility managers during the first six months of their probationary period.
- f. Initial inventory, supplies and other startup costs.
- g. Construction costs of new facilities.
- h. Costs of renovation and remodeling of existing vending facilities.

Funds from the set-aside may be expended for items a. through e. above.

PROCEDURE:

The procedures for accounting for all receipts and expenditures are clearly outlined in the state accounting procedures manual.

DOCUMENTATION:

All receipts and expenditures will be maintained separately for each location.

EXCEPTIONS:

None.

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**ALASKA DIVISION OF VOCATIONAL REHABILITATION
POLICY AND PROCEDURE MANUAL**


POLICY NUMBER: BEP 4.5

POLICY: Accounting for Work of the Spouse of the Licensed Vending Facility Manager

DATE OF ORIGIN: October 1, 1991

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: None

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

Licensed vending facility managers are allowed to consider the labor provided by a spouse and account for such labor at a value not to exceed \$3.00 per hour more than the normal wage for the type of labor performed by that spouse.

PROCEDURE:

The licensed vending facility manager must keep a time card for recording the hours their spouse devotes to the operation of the facility. It is not acceptable for the spouse to manage the vending facility; the Business Enterprise Program (BEP) requires that this be done by the licensed vending facility manager.

At the end of each reporting period the vending facility manager must clearly indicate on the reporting form, the number of hours the spouse spent working in the facility, the hourly wage provided, and the total amount for the spouses' labor. This amount can be considered an operating expense and be subtracted before calculating the net proceeds (and before calculating the set-aside).

DOCUMENTATION:

Hours worked, wage per hour and total deduction for spouse contribution must be included on the monthly reporting form and will become a part of the vending facility manager's case file.

EXCEPTIONS:

None.

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ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 5.1

POLICY: Placement of Vending Machines

DATE OF ORIGIN: March 6, 1990

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: P.L. 93516, as amended; 34 CFR 395.16; 34 CFR 395.30;
AS 23.15.132; 4 AAC 54.390

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The Alaska State Licensing Agency (SLA) is committed to honor all requests for the placement of vending machines on state, federal and other property which meet the following criteria:

1. The building manager or authority has approved the placement of vending machines on the property;
2. The site offers the potential for a reasonable profit from the vending machines solely or in combination with a vending facility (see BEP 3.1);
3. The SLA has the vending machines available or the resources to purchase the machines and a licensed vending facility manager to maintain the site or a private for-profit vending service company that can maintain the site; and
4. The location has the necessary plumbing and electrical outlets or they can be installed by the building authority or the SLA.

Responsibility for the development of sites for vending machines rests ultimately with the SLA; however, it may be delegated to a nominee agency if it is determined to be in the best interest of the Business Enterprise Program (BEP).

PROCEDURE:

If vending machines are to be placed on federal property it is necessary to obtain a permit from the federal authority (see BEP 3.15).

The standard procedure for the initial placement of vending machines is as follows:

1. A written request must be made to the SLA from the building authority. The request should indicate:
 - a. the specific type of machine, i.e. canned pop, candy/snack, cigarette, hot food, cold food, frozen food, juice, etc.;
 - b. the exact location for the machines, including the building name, street address and room number;
 - c. if the property is owned or leased by the federal or state government or if it is private property;
 - d. the number of people housed in the building and the foot traffic through the building, and;
 - e. the name and telephone number of the contact person in the building.
2. The SLA will determine if all criteria have been met. A notification will be sent to the building authority or the contact person indicating the approximate date the machines will be placed and the name of the vending facility manager or the private vending service company that will handle the location.
3. If the machines are to be placed by a private vending service company the SLA will add the location to an existing Contract for Vending Services for the area or, if no contract exists, make arrangements to request bids from companies in the area interested in placing the machines. The contract will be awarded based on the contractor offering the highest commission on gross sales and may also consider such things as estimated sales and the past performance of the company. The SLA may delegate the bidding and contracting to the Division of General Services and Supply. (See Appendix J - Vending Services Contract)
4. If the machines are to be maintained by a vending facility manager the SLA will follow the same policy and procedure as would be required for any other type of facility. An operating contract or an amendment to an existing operating contract is required (see BEP 5.2 for the specific management policy).

DOCUMENTATION:

The request for vending machines, along with the vending services contract, bid schedules and/or the operating contract will be maintained in a separate file.

EXCEPTIONS:

None.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 5.2

POLICY: Vending Machine Management

DATE OF ORIGIN: March 9, 1990

EFFECTIVE/CHANGE DATE: November 1, 1991

REFERENCES: P.L. 93516, as amended; 34 CFR 398.8; AS 23.15.132; 4 AAC 54.430

APPROVED:		<u>January 27, 2011</u> Date
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POLICY:

The Alaska State Licensing Agency (SLA) will insure that all vending machines managed through the Business Enterprise Program (BEP) will provide a good quality of service to the building occupants. The machines must be in good working order, clean, and well stocked with products in marketable condition, including such considerations as the sanitary condition, freshness, and appearance of these products and their containers and wrappings. In all cases the cold drinks will be those in the top ten (10) nationally advertised beverages; the candy, snacks, hot and cold food and any other items to be vended will be those products listed in the top twenty (20) nationally advertised items.

Vending machines which are assigned to a licensed vending facility manager as part of his/her vending facility must be located in the same building or a building which is physically attached to the building housing the vending facility. In no instance will vending machines which are located in one building be assigned as part of a vending facility in another building. The SLA may have an operating contract with a licensed vending facility manager to manage only vending machines located in one or several buildings. In such a case the combination of vending machine locations is considered a single vending facility.

When more than one vending facility is located in a building the SLA will insure that the management of the vending machines will be assigned in such a way as to provide a fair and equitable share of the profits to all vending facility managers in the building.

PROCEDURE:

The SLA will review quarterly sales reports to ascertain if the vending machines are managed appropriately. Site visits will be performed as necessary and may include interviews with building occupants. The SLA may deem it necessary to record

information from the no reset counters located on the vending machines and/or requesting access to accounting records.

If the SLA determines that the vending machines are not being managed appropriately written notification will be sent to the vending facility manager or the vending services contractor informing him/her of the specific management problem, the corrective action to be taken and the date to be completed.

If the corrective action is not taken the SLA will take the necessary steps to cancel the probationary or operating contract or vending services contract as allowed in those agreements.

DOCUMENTATION:

The SLA will maintain all quarterly reports and notes from site visits in a separate file for each vending facility or contractor. The results of any audits, correspondence requesting corrective action and any other pertinent information will also be maintained in the appropriate file.

EXCEPTIONS:

Exceptions may be made in unusual situations and with the prior approval of the SLA.

ALASKA DIVISION OF VOCATIONAL REHABILITATION POLICY AND PROCEDURE MANUAL


POLICY NUMBER: BEP 6.0

POLICY: Definitions

DATE OF ORIGIN: July 15, 2004

EFFECTIVE/CHANGE DATE: August 1, 2004

REFERENCES: Randolph Sheppard Act (Chapter 6A of Title 20 of the U.S. Code, Chapter 6A); CFR 395; Chance Act - [Alaska Statute 23.15.010-210](#), [Alaska Administrative Code 8 AAC 98.300 - 8 AAC](#)

APPROVED:		<u>January 27, 2011</u> Date
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ADMISSIONS COMMITTEE

A committee composed of the chairperson of the appropriate licensed vending facility manager's committee, the Business Enterprise Program coordinator and one other individual chosen by the state licensing agency. This committee has the responsibility to consider each applicant for admission into the Alaska Business Enterprise Program and make recommendations regarding acceptance into the program.

ACTIVE PARTICIPATION

The licensed vending facility managers' committees will participate with the state licensing agency by making recommendations concerning major administrative decisions and policy and program development decisions affecting the overall administration of the Alaska Business Enterprise vending facility program.

BEP

The Business Enterprise Program within the state of Alaska includes the federal Randolph-Sheppard Program and the state Chance Act programs.

BEP BUSINESS MANAGER/PROGRAM COORDINATOR

The individual has responsibility for daily management of the Alaska Business Enterprise Program. Specific duties for the Program Coordinator's position are determined by Division Vocational Rehabilitation.

BEP FUND

All funds used by the Business Enterprise Program for management services, facility development and expansion, in-service training, equipment repair and replacement, etc.

The fund includes assigned and unassigned vending machine commissions, set-aside funds, fees, penalties, gifts and possibly direct appropriation state funds.

BLIND

A person who, after examination by a physician skilled in the diseases of the eye or an ophthalmologist, has been determined to have not more than 20/200 central visual acuity in the better eye to such a degree that its widest diameter subtends an angle of no greater than 20 degrees.

CERTIFIED VENDOR

A person who has successfully completed all requirements of a Business Enterprise Program training program and who is eligible to apply for vending facility vacancies as they become available. (BEP 2.5)

CONTRACT/PERMIT

The agreement between the state licensing agency and the agency, person or entity that has care, control or custody of the property authorizing the establishment of a vending facility.

DIRECTOR

The Director of the Alaska Division of Vocational Rehabilitation.

DIVISION

The Alaska Division of Vocational Rehabilitation.

FACILITY/VENDING FACILITY

Automatic vending machines, cafeterias, snack bars, cart service, shelters, counters and any other appropriate auxiliary equipment operated by a blind or severely disabled licensee.

FAIR MINIMUM RETURN

The income collected by a licensed vending facility manager for the operation of a vending facility over a one month period. It is calculated by subtracting the net profit from \$1,000.

FEDERAL PROPERTY

Any building, land or other real property owned, leased, or occupied by the federal government.

LICENSED VENDING FACILITY MANAGER

A blind or significantly disabled individual who is working under an operating contract to manage a BEP vending facility -or- a blind or significantly disabled individual who within the last 180 days has worked under an operating contract to manage a Business Enterprise Program facility and when that operating contract was terminated through

actions other than revocation of license as described in 8 AAC 98.460 or by voluntary discontinuation of operation of a vending facility by the vendor.

MANAGEMENT SERVICES

Supervision, inspection, quality control, consultation, accounting, regulating, in-service training and other related services provided on a systematic basis to support and improve vending facilities.

NET PROCEEDS

The amount remaining from the sale of goods or services and vending machine income after deducting the cost of goods and expenses, excluding set-aside (total sales minus purchases, minus expenses, equals net proceeds).

NET PROFIT

Net proceeds minus the set-aside payment (total sales minus purchases, minus expenses, minus set-aside payment, equals net profit).

OPERATING CONTRACT

A contract between the licensed vending facility manager and the Business Enterprise Program which stipulates the expectations of the licensed vending facility manager and the Business Enterprise program.

OTHER PROPERTY

Any building, land, or other real property owned, leased or occupied by the state. Local governmental organization or private entities may participate with the Business Enterprise Program on a voluntary basis.

PAY BACKS

Funds which have been advanced to the licensed vending facility manager and are to be paid back to the state licensing agency over a period of time by prior contract.

PRETRAINING CONTRACT

An agreement negotiated and agreed to by the prospective facility manager/trainee and the division prior to the placement of the manager/trainee in training to become a vending facility manager. This agreement stipulates the expectations of all parties to the agreement.

PROBATIONARY CONTRACT

A contract between the facility manager and the Business Enterprise Program coordinator outlining the expectations of the vending facility manager and the Business Enterprise Program during that period of time when the licensed vending facility manager is serving in a probationary status.

PROBATIONARY LICENSED VENDING FACILITY MANAGER

A blind or significantly disabled individual who is licensed by the Business Enterprise Program and placed in a vending facility on a probationary basis for the first six (6) months or as deemed necessary.

REVOLVING FUND

Assigned and unassigned vending machine commissions.

SELECTION COMMITTEE

A committee consisting of a representative from the state licensing agency, a representative from the appropriate licensed vending Manager's Committee, a representative from the owners of the building where the facility is located and a representative from the nominee agency who have the responsibility of selecting from a pool of vending facility managers who are licensed to operate a specific type of facility, those individuals who are to be placed in a specific vending facility. Their recommendations are presented to the state licensing agency for official action.

SETASIDE FUND

The fund established by the state licensing agency from money paid by licensed vending facility managers to the state licensing agency from the net proceeds of the operation of each vending facility.

SIGNIFICANTLY DISABLED

Any person who meets the division's criteria of significantly disabled. Also referred to as "significantly disabled" or "person with a significant disability".

SLA

The State Licensing Agency for the federal Randolph-Sheppard Act and the state Chance Act. In Alaska, this is the Division of Vocational Rehabilitation.

TEMPORARY LICENSEE

A person who is operating a specific Business Enterprise Program vending facility under a probationary or temporary contract. Individual competency must be established prior to the issuance of a permanent license to operate.

VENDING FACILITY

Automatic vending machines, cafeterias, snack bars, cart service, shelters, counters and such other appropriate auxiliary equipment which may be operated by blind licensees and which is necessary for the sale of newspapers, periodicals, confections, tobacco products, foods, beverages and other articles or services dispensed automatically or manually and prepared on or off the premises in accordance with all applicable health laws, and including the vending or exchange of changes for any lottery authorized by state law and conducted by an agency of a state within such state.

VENDING FACILITY MANAGERS COMMITTEES

Two committees are established for vendors, one for licensed facility vendors who are blind and one for licensed vending facility vendors who are significantly disabled. Each committee will report to the separately to the State Licensing Agency.

VENDOR

See "licensed vending facility manager".

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Alaska Business Enterprise Program Application

NAME: _____

SOCIAL SECURITY NUMBER: _____

ADDRESS: _____

TELEPHONE NUMBER: _____

ELIGIBILITY REQUIREMENTS:	YES	NO
U.S. CITIZEN	_____	_____
ALASKA RESIDENT	_____	_____
BLIND	_____	_____
SEVERELY DISABLED	_____	_____

(ATTACH DOCUMENTATION RE: DISABILITY)

DESCRIPTION OF MOBILITY/COMMUNICATION SKILLS:

HIGHEST GRADE COMPLETED: _____

SPECIAL RELATED TRAINING: _____

WORK EXPERIENCE (IF NEEDED ATTACH AN ADDITIONAL LIST):

EMPLOYER: _____

FROM: ___/___/___ TO: ___/___/___

ADDRESS: _____

REASON FOR LEAVING: _____

WORK ASSIGNMENTS: _____

EMPLOYER: _____

FROM: ___/___/___ TO: ___/___/___

ADDRESS: _____

REASON FOR LEAVING: _____

WORK ASSIGNMENTS: _____

EMPLOYER: _____

FROM: ___/___/___ TO: ___/___/___

ADDRESS: _____

REASON FOR LEAVING: _____

WORK ASSIGNMENTS: _____

EMPLOYER: _____

FROM: ___/___/___ TO: ___/___/___

ADDRESS: _____

REASON FOR LEAVING: _____

WORK ASSIGNMENTS: _____

APPLICANT SIGNATURE: _____ DATE: _____

DVR COUNSELOR SIGNATURE: _____ DATE: _____

ACTION BY SELECTION COMMITTEE:

APPROVED _____

DISAPPROVED _____

IF DISAPPROVED, REASON: _____

DATE: _____

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Alaska Business Enterprise Program Pre Training Agreement

This agreement, entered into this ____ day of _____, 19 ____ between _____, hereinafter known as the Prospective Business Enterprise Vending Facility Manager, and the Alaska Division of Vocational Rehabilitation, hereinafter known as the Division.

The purpose of this Agreement is to facilitate a clear understanding of expectations between the Prospective Vending Facility Manager and the Division as they enter into a joint undertaking to prepare the Prospective Vending Facility Manager to manage a Vending Facility.

The Prospective Vending Facility Manager agrees to:

1. Actively participate in the development of a training plan which is mutually designed by the VR Counselor for the Blind and the Prospective Vending Facility Manager to prepare the Vending Facility Manager to effectively manage a Vending Facility under the sponsorship of the State Licensing Agency. A copy of that training plan is attached as addendum #1.
2. Successfully complete the prescribed training plan and to become a licensed vending facility manager in order to be placed in a Vending Facility.
3. Be placed in a Vending Facility described as follows:

4. Accept the following alternative plan if placement at a vending facility is not possible:

The Division agrees:

1. To arrange for the prescribed training and provide for the necessary costs of training as outlined in DVR policy. Costs to be paid by the Division include:

2. Upon the successful completion of the training plan by the Prospective Vending Facility Manager the VRC for the Blind will make arrangements for the prospective Vending Facility Manager to complete the other requirements for licensure as described in ADVR Policy BEP2.5.
3. After all requirements for licensure are met, a Vending Facility location is available and a probationary contract is signed, the Vending Facility Manager will be placed by the BEP Business Manager.
4. If a Vending Facility location is not available, the Division will assist the Prospective Vending Facility Manager to achieve a successful placement in the alternative program previously described in #4 above.

Prospective Vending Facility Manager Date:

VRC Date:

cc: Referring/Designated Vocational Rehabilitation Counselor

Alaska Business Enterprise Program Probationary Contract

This contract is entered into this ____ day of _____, 20 ____ between _____, hereinafter known as the Vending Facility Manager and the Alaska Division of Vocational Rehabilitation, Business Enterprise Program, hereinafter known as the State Licensing Agency (SLA).

The purpose of this contract is to facilitate a clear understanding of expectations between the Licensed Vending Facility Manager and the SLA as they enter into a joint undertaking to help the Licensed Vending Facility Manager become proficient in the operation of a BEP Vending Facility under the sponsorship of the SLA.

General Terms and Conditions:

It is mutually agreed that the Licensed Vending Facility Manager will be placed in a BEP Vending Facility located at:

This contract begins _____, 19 ____ and ends _____, 19 ____.

It is clearly understood that the Licensed Vending Facility Manager is on probation for the following reason:

- ____ 1. A newly placed Licensed Vending Facility Manager.
- ____ 2. A previously placed Vending Facility Manager who is placed on probation for the following reasons:

The Licensed Vending Facility Manager agrees to:

1. Adhere to the terms and conditions of the permit for the Vending Facility (Addendum A).

2. Adhere to the recurrent Licensed Vending Facility Manager's responsibilities as contained in Policy BEP2.8 (Addendum B).
3. Adhere to any special terms and conditions outlined by the SLA and listed in Addendum C.

The SLA agrees to:

1. Provide to a new Licensed Vending Facility Manager or a relocated Licensed Vending Facility Manager:
 - a. initial stock and supplies.
 - b. start up cash.
 - c. adequate equipment.
 - d. insurance for one year.
 - e. a guaranteed fair minimum return in the amount of at least \$1,000 per month for the first six (6) months probation.
2. Provide to any probationary Vending Facility Manager:
 - a. training and/or management services, as described in Addendum D.
 - b. a final management evaluation and review of records prior to consideration for an operating contract.

Licensed Vending Facility Manager Date

VRC Date

BEP Coordinator Date

Alaska Business Enterprise Program Operating Contract

This contract is entered into this _____ day of _____ between _____, hereinafter known as the Licensed Vending Facility Manager and the Alaska Division of Vocational Rehabilitation, Business Enterprise Program (BEP), hereinafter known as the State Licensing Agency (SLA).

The purpose of this contract is to facilitate a clear understanding of expectations between the Licensed Vending Facility Manager and the SLA as they enter into a joint undertaking to operate a Vending Facility under the sponsorship of the SLA.

General Terms and Conditions:

It is mutually agreed that the Licensed Vending Facility Manager will be placed in a BEP Vending Facility located at:

This contract begins _____ and ends _____.

The Vending Facility Manager agrees to:

1. Adhere to the terms and conditions of the permit/contract for the Vending Facility (Addendum A).
2. Adhere to the recurrent Licensed Vending Facility Manager responsibilities as contained in Policy BEP2.8 (Addendum B).
3. Maintain monthly total net proceeds of at least \$_____. If the average net earnings drop below this level for a six month period, this contract may be cancelled by the SLA with 30 days written notice.
4. Make monthly payment to the SLA, in the form of a set-aside and in the amount of five percent (5%) of the net proceeds.
5. Repay the SLA for the costs of the initial inventory, supplies and startup costs as outlined in Addendum C.
6. Adhere to any special terms and conditions outlined by the SLA and listed in Addendum D.

The SLA agrees to:

1. Provide to the Licensed Vending Facility Manager:
 - a. Training and/or management services, as described in Addendum E.
 - b. Ongoing management evaluation and review of records in order to help the Licensed Vending Facility Manager succeed.
 - c. Repair and replacement of equipment as described in policy BEP 3.4.
 - d. A benefits package as described in Policy BEP 4.1.
 - e. Payment for transportation as explained in Policy BEP 4.2.
2. Furnish the Licensed Vending Facility Manager a copy of the policy manual governing this program in regular or large print, audio tape or Braille.

Termination of Contract:

This contract may be terminated under the following conditions:

1. Upon a written request from the permit/contract agency the SLA may terminate the operating contract with 15 days notice.
2. The Licensed Vending Facility Manager may terminate the operating contract at any time with 15 days written notice.
3. The SLA may cancel the operating contract for due cause with 15 days written notice.

Certifications:

I certify that a copy of this contract has been delivered to the Licensed Vending Facility Manager and that all rights and responsibilities have been explained. I further certify that I agree to adhere to the terms and conditions of this contract.

SLA Representative

Date

I certify that I have received a copy of the policy manual governing this program. I have had these rules and regulations, as well as my rights and responsibilities, explained to me and agree to adhere to the terms and conditions of this operating contract.

Vending Facility Manager

Date

I concur with the terms and conditions of this contract, as stipulated.

BEP Coordinator

Date

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**Contract between the Nominee Agency
And
The Alaska Division of Vocational Rehabilitation**

The Alaska Division of Vocational Rehabilitation, Business Enterprise Program (BEP), hereinafter known as the State Licensing Agency (SLA) and the Nominee Agency, hereinafter known as the "Agency", mutually agree to enter into a contractual agreement for the purpose of facilitating the daily operation of the Alaska BEP by having the Agency function as a nominee agency.

GENERAL PURPOSE OF THE CONTRACT:

The SLA and the Agency agree that the Agency shall perform the function of a nominee agency as described in 34 CFR 395.15 and Alaska BEP Policy 1.6.

The SLA and the Agency will establish a management framework which:

1. provides employment opportunities for blind and significantly disabled persons,
2. promotes and ensures efficient and effective business practices in the operation of vending facilities, and
3. adheres to all rules and regulations that apply to the federal and state BEP vending facility program.

OVERVIEW OF THE RELATIONSHIP:

Both the SLA and the nominee agency hereby affirm their agreement that the overall responsibility for the operation of the BEP within the State of Alaska must be retained by the SLA.

The mechanics for assuring that the program is properly managed may be given to the nominee agency as they function as an extension of the SLA, but the nominee agency cannot usurp the authority from the SLA.

Both the SLA and the nominee agency agree that information concerning mutual clients will be shared only with the prior written approval of the client. All other procedures necessary to protect the confidentiality of information, as contained in Alaska BEP policy, applies.

RESPONSIBILITIES:

The Nominee Agency agrees to:

1. Maintain a financial accounting system which will allow for a single bank account, with separate accounting for the following funds as they relate to BEP vending facilities on federal or state and other property:
 - a. unassigned vending machine income
 - b. set-aside funds
 - c. fees, fines and penalties
 - d. paybacks.
2. Expend monies from the BEP fund only after specific approval of the SLA and in accordance with the provisions of ADVR Policy BEP4.4.
3. Provide the day-to-day oversight management of the program within the policies established in the BEP policy manual and any changes made therein by the SLA.
4. Maintain a healthy BEP fund to be used to insure continued growth and operation of the BEP by promoting the program and increasing the number of vending facilities and vending machines locations throughout the state.
5. Furnish and perform, under the direction and supervision of the SLA, any of the following services the SLA may from time to time direct:
 - a. Training of vending facility managers.
 - b. Location and development of future locations for vending facilities, as time and funds permit.
 - c. Submit final layout and bid proposals to the SLA for approval, and implementation.
6. Submit financial reports and status reports monthly and statistical reports containing such information and at such times as the SLA may require.
7. Include the BEP in the annual audit of the Agency.
8. Operate the BEP in such a manner that it will not directly or indirectly prejudice, impair or limit:
 - a. privileges to the licensed vending facility managers.

- b. the authority of the SLA to take any action deemed necessary for the proper, efficient and legal management, control and operation of the program, selection, placement, management and financial participation of the BEP vending facility.
 - c. the relationship established between the SLA and the vending facility
 - d. the relationship between the federal and state agencies which manage public buildings and the SLA as well as the relationship between the SLA and the individual building managers.
- 9. Make recommendations to the SLA regarding complaints coming to the attention of the nominee agency.
 - 10. Have a representative present at all of the Licensed Vending Facility Managers' Committee(s) meetings.
 - 11. Adhere to all rules, regulations, policies and standards of the federal and state government related to the BEP as established by the SLA in Alaska.

THE AGENCY, FUNCTIONING AS THE NOMINEE AGENCY, AND THE DIVISION, FUNCTIONING AS THE STATE LICENSING AGENCY, FURTHER AGREE THAT:

- 1. The Agency will be the primary contact between the Business Enterprise Program and the building manager. There may be infrequent occasions when the Business Enterprise Program is best served by having the State Licensing Agency interact directly with the building manager. As the official contracted representative of the State Licensing Agency, the Agency has the power and authority to act for the State Licensing Agency in dealing with the building manager.
- 2. The Agency has the responsibility of negotiating and applying for permits with government authorities or private individuals, if the building is owned or leased by a private entity, to establish vending facilities in new locations.
- 3. Set-aside funds will be collected from vending facility managers by the Agency only within the following guidelines:
 - a. The set-aside fee is established at five percent (5%) of the monthly net proceeds of the vending facility.
 - b. The set-aside fee will be collected monthly on or before the 25th day of the month following the month for which the payment is due (i.e. the payment for the month of April is due on or before May 25).

- c. The Agency will receive and receipt the set-aside fees.
 - d. Set-aside fees may be expended only with the specific approval of the SLA.
4. The Agency will not be allowed to exercise any function with respect to funds for the purchase of new equipment or for assuring a fair minimum of return to vending facility managers except under the following conditions:
- a. The SLA may authorize the Agency to expend money from the BEP fund only after it has been made a part of the BEP budget and approved by the SLA. The Agency will seek recommendations from the Licensed Vending Facility Managers' Committee whenever major changes in the budget are anticipated.
 - b. Approval for emergency expenditures may be granted by the SLA verbally and documented within five (5) working days following the expenditure.
5. The SLA has ultimate control and authority over selection, placement, transfer, financial participation and termination of vending facility managers. This responsibility cannot be given over to the Agency, but the SLA may ask the Agency to make recommendations to the SLA in this matter. The SLA will also solicit recommendations from the Licensed Vending Facility Managers' Committee(s) in these matters.
6. Only the SLA has the authority to determine the preservation, utilization and disposition of program assets. The Agency may make recommendations to the SLA.

THE DIVISION OF VOCATIONAL REHABILITATION (SLA) AGREES TO:

- 1. Retain full responsibility for the administration and operation of all phases of the program.
- 2. Perform all program responsibilities, which cannot be delegated to the Agency, as described in the Alaska Business Enterprise policies.
- 3. Oversee the work of the Agency as it relates to the Business Enterprise Program.
- 4. Ensure that no set-aside charges will be collected from licensed vending facility managers except as specified in this agreement.
- 5. Maintain control with respect to selection, placement, transfer, financial participation and termination of the licensed vending facility managers.

6. Maintain control over the preservation, utilization and disposition of the Business Enterprise Program assets.
7. Provide prior approval, in the form of a budget document, before any funds can be expended by the Agency.
8. Make recommendations to the Agency in response to complaints coming to the attention of the SLA.
9. Report to the Agency for its consideration, any action or plan concerning the management or financial operations of the Business Enterprise Program.
10. Establish, maintain, revise and promulgate the rules, regulations and standards of the Business Enterprise Program.
11. Conduct annual formal performance reviews of management of the Business Enterprise Program by the Agency.
12. Utilize Section 110 monies to pay for administration of the Business Enterprise Program by the Agency.
13. Conduct a biennial program review of the Agency, including the Business Enterprise Program.

THIS CONTRACT WILL INCLUDE THE FOLLOWING TERMS FOR PAYMENT OF FUNDS FROM THE SLA TO THE AGENCY FOR BUSINESS ENTERPRISE PROGRAM COSTS AS OUTLINED IN POLICY BEP 4.4:

1. The SLA will pay to the Agency an advance sum of \$10,000 at the beginning of each state fiscal year.

These funds are to be used to pay program costs as outlined in the agreement and approved in the annual operating budget and capital budget.

2. As the Agency makes payments from the fund a Request for Reimbursement will be submitted to the SLA to replenish the fund.

The request will include receipts/invoices to document the payments made by the Agency. The Agency will indicate if the payment was made from state or federal program funds or if the expenditure was from the capital budget. The SLA will reimburse the Agency for the total amount requested for which payment documents are received and for which a budget has been approved. The Agency may request funds for the payment of manager benefits prior to making the payments to the licensed vending facility managers.

Requests for Reimbursement may be submitted as often as necessary.

3. The Agency will use any program receipts and interest earned from the fund for program expenses as outlined in policy BEP 4.4.

All receipts and interest earned will be shown in the annual budget submitted to the SLA. Program receipts include fines, penalties, set-aside fees and any other funds received by the Agency which have not come through the SLA.

4. The Agency will submit a financial report within thirty days after the close of the state fiscal year.

The report will include the advance sum, all reimbursements received, expenditures and/or obligations made from the fund and the balance available at the end of the fiscal year. The SLA and the Agency will reconcile their reports and accounting records.

5. The Agency will refund to the SLA the balance of the advance sum which has not been expended or obligated for the state fiscal year.

The refund will be submitted with the annual financial report outlined in item IV.

This contract may be terminated with sixty (60) days written notification, duly delivered and certified, by either party.

Within 30 days of the termination of this contract, the Nominee Agency will provide an accounting of the BEP funds and relinquish to the SLA all monies remaining in the fund.

Costs incurred will be paid through the date of termination of this contract.

Addenda:

1. Position description:

Business Manager Business Enterprise Program

2. Policies:

BEP1.2 BEP1.6
BEP1.3 BEP4.4
BEP1.5

I hereby agree to the terms and conditions of this contract, as stated.

Executive Director
Nominee Agency

Date

Director
Alaska Div. of Vocational Rehabilitation

Date

President
Board of Directors

Date

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**ALASKA BUSINESS ENTERPRISE PROGRAM
LICENSED VENDING FACILITY MANAGER
In the
ALASKA BUSINESS ENTERPRISE PROGRAM**

This license authorizes the holder, _____, to operate the following types of vending facilities:

Director
Div. of Vocational Rehabilitation

Date

Commissioner
Alaska Department of Labor and Workforce Development

Date

Vocational Rehabilitation Counselor

Date

Licensee

Date

THIS LICENSE IS NONTRANSFERABLE

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	Facility: _____		
	Business Manager: _____		
	Month: _____		
1	SALES		
2	Revenue from Vending Machines		
3	Other Revenue from _____		
4	Sales Tax Collected		
5	GROSS RECEIPTS - add 1, 2, 3, 4		
6	Purchases		
7	Freight/Delivery on Purchases		
8	Sales Tax Paid		
9	Total Cost of Purchases - add 5, 6, 7		
10	GROSS PROFIT FROM SALES - 5 minus 9		
	<u>OPERATING EXPENSES</u>		
11	Gross Wages to Employees		
12	Gross Wages to Spouse		
13	Payroll Tax, Employer's Federal		
14	Payroll Tax, Employer's State		
15	Business Insurance		
16	Telephone (\$75)		
17	Supplies - Office, Cleaning, etc.		
18	Laundry (\$100)		
19	Accounting Service (\$250)		
20	Repair, Invoice # _____		
	Repair, Invoice # _____		
21	Licenses/Permits		
22	Bank Service Fees (\$50)		
23	Advertising (\$50)		
24	Parking (\$75)		
25	Rent/Office Space (\$50)		
26	Membership Fees (\$50)		
27	Misc. - (Itemize) Thermometers		
	-		
	-		
28	Total Operating Expenses - add 13 - 30		\$ -
29	NET PROCEEDS - 10 minus 28		
30	Set Aside Due - 29 times .05 (or 5%)		
31	NET INCOME - 29 minus 30		

	Set-Aside Paid		
	Inventory Payback		
	Insurance Co-Payment		
	Total Payment Enclosed		
	Managers Signature	Date	

LEAVE NOTICE

FACILITY: _____

MANAGER: _____

TELEPHONE: H: _____ W: _____

C: _____
(Contact numbers to be reached while absent)

DATES OF LEAVE: FROM: ___/___/___ TO: ___/___/___

SUBSTITUTE MANAGER/REPLACEMENT: _____

TELEPHONE: _____

I hereby give notice of leave as indicated above.

Signature, Licensed Facility Manager Date

Signature, BEP Coordinator Date

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This is to notify interested parties that a Business Enterprise Vending Facility is available. Any individual who is licensed to manage a facility of this type is invited to apply for the position of Licensed Vending Facility Manager.

CLOSING DATE/TIME FOR APPLICATIONS:

(Bids must be received by this closing date & time.)

FACILITY INFORMATION:

- **Type of Facility:** _____
(i.e.: cafeteria, snack bar and/or vending machine)

- **Name of Building & Location of Facility:**

(Physical address as well as location within the building)

- **Yearly Net Proceeds and Sales for Past Revenues (Total Sales Minus Purchases) for the last three (3) years:**
* Minus 5% Set-Aside Payment

Do labor costs include spouse? _____ If so, what portion of Labor Costs is paid to spouse?

		Gross	Gross	Labor Costs	Operating	*Net
	Month/Yr	Receipts	Profit	Employee(s)	Expenses	Income
			from Sales	&/or Spouse		
1		\$	\$	\$	\$	\$
2		\$	\$	\$	\$	\$
3		\$	\$	\$	\$	\$
4		\$	\$	\$	\$	\$
5		\$	\$	\$	\$	\$
6		\$	\$	\$	\$	\$
7		\$	\$	\$	\$	\$
8		\$	\$	\$	\$	\$
9		\$	\$	\$	\$	\$
10		\$	\$	\$	\$	\$

11		\$	\$	\$	\$	\$
12		\$	\$	\$	\$	\$
	Total	\$	\$	\$	\$	\$
				Labor Costs		
		Gross	Gross	Employee	Operating	*Net
	Year	Receipts	Profit	&/or Spouse	Expenses	Income
			from Sales			
				Labor Costs		
		Gross	Gross	Employee	Operating	*Net
	Year	Receipts	Profit	&/or Spouse	Expenses	Income
			from Sales			

4. **Days and Hours of Operation Required by the Permit:**

5. **List of Equipment in the Facility:**

(See Attachment A)

6. **List of Equipment provided by Vending Service Co.:**

*Everything in facility listed is provided by the SLA. When small kitchen wares break or wear out they should be replaced by manager and remain at the facility at time of departure. The SLA re-replaces equipment as necessary.

7. **Items Currently Sold:**

(i.e.: full line of espresso drinks; blended ice drinks, refrigerated beverages, snack items muffins, candy, etc. (See Attachment B))

*An agreement between the successful applicant, building manager, and the SLA will need to be reached, if any additional articles or services are considered to be sold or provided at this facility.

8. **Items that cannot be sold:** Alcoholic beverages and cigarettes and any associated items of this nature.

9. **Accessibility of the Facility:**

Meets ADA Requirements? Yes _____ No _____

Transportation:

(i.e.: City bus system, Taxi, Anchor Rides or must be provided & arranged by vendor)

Name and Physical Address of Building:

Surrounding Area:

(i.e.: downtown Anchorage; 4th and E, etc.)

- Days & Hours of Operation:
Staffing Pattern of the Facility (if any):

(List current patterns as well as what would be reasonable for that facility, i.e.: On-Site Manager, full-time employees.)

Pursuant to 8 AAC 98.380 (a) requires "A licensed vending facility manager shall personally operate the facility unless he or she has designated an assistant manager, a temporary relief manager, or a substitute vacation manager who has been approved by the division".

11. **Other Pertinent Information:**

(Specific pertinent & unique information for this particular facility, i.e.: background check required; includes 2 separate locations within 1 facility; approximate # of building occupants, etc.)

- Applicant must be in good current standing with the Business Enterprise Program. The selection's Committee will take into account their seniority, training, experience and past record of operation.
- The following priorities will be used in selecting the _____ Vending Facility Manager:
(name of building)

- Currently active licensed vending facility managers who request a new location or certified vending facility managers who have lost their vending facility through no action or fault of their own.
- Managers who are recently certified in Alaska, but have never been placed in a BEP vending facility.
- A former licensee in any state who wishes to return to the Alaska BEP vending program and whose previous record demonstrates his/her ability as a licensee; the Division will review each candidate based on training, experience, past performance; and
- Reason for leaving the BEP vending program.

The _____ Service Vending
(name of building)

Facility will be considered by the applicant as:
the Primary vending facility site; OR an Individual contract for a designated period of time (temporary.)

- The successful applicant will make a monthly five percent set-aside payment, from net proceeds of the operation, to the SLA. This amount is to accompany the monthly Income Statement (BEP Policy 2.8-1)

WHAT TO DO:

- Drop off, fax, or mail a written statement or a brief letter, stating your interest to bid for this facility by the closing date & time as stated above, to the BEP office at:
- **Include the following information with your statement:**

The _____ Service Vending
(name of building)

Facility will be considered by the applicant as a:
_____ Primary vending facility site; OR
_____ Individual contract for a designated and/or temporary period of time.

**Pamela Geary, Project Coordinator
State of Alaska
Division of Vocational Rehabilitation
Business Enterprise Program
1251 Muldoon Rd. Ste. 101
Anchorage, AK 99504-2096**

Phone: 907.269.3568
Fax: 907.269.3632]
Email: Pamela_geary@labor.state.ak.us

Closing Date for Applicants: _____

Projected Date of Appointment: _____
(I.e. contract to begin as soon as possible after award)

Signature of Person Making Notification

Date received

**ALASKA BUSINESS ENTERPRISE PROGRAM
TRAINING PROFICIENCY EXAM**

NAME

DATE

1. NAME THE ACT THAT GOVERNS THE BUSINESS ENTERPRISE PROGRAM (BEP):

2. THIS ACT WAS CONSIDERED TO BE NECESSARY BECAUSE:

3. WHAT WAS ACCOMPLISHED AND CHANGED WHEN THE ACT WAS AMENDED (1) IN 1954, AND (2) IN 1974: 1)
2)

4. THE ALASKA BEP IS ADMINISTERED BY THE WHICH IS A BRANCH OF THE

5. WHAT STATE STATUTES IMPLEMENTED THE ALASKA BEP?

6. LIST THE THREE TYPES OF FACILITIES OPERATED BY THE ALASKA BEP AND EQUIPMENT YOU MIGHT FIND IN EACH ONE:
 - 1.
 - 2.
 - 3.

7. LIST THE THREE MANDATORY FINANCIAL MANAGEMENT RECORDS/FORMS YOU WILL USE IN YOUR BUSINESS:
 - 1.
 - 2.
 - 3.

8. LIST THE TYPE OF INFORMATION THAT IS OBTAINED FROM EACH OF THE PRECEDING FORMS:
 - 1.
 - 2.

3.

9. WHAT RECORDS ARE NECESSARY FOR YOUR BEP TAX PURPOSES. HOW LONG SHOULD YOU KEEP THESE RECORDS?

10. WHAT IS THE CLOSING DATE FOR EACH QUARTERLY TAX REPORT? 1ST
2ND _____ 3RD
4TH

11. WHAT TYPES OF CHARGES ARE SHOWN ON YOUR MONTHLY BEP INCOME STATEMENT?

12. BRIEFLY DEFINE THE FOLLOWING TERMS:

PURCHASES:

EXPENSES:

DISBURSEMENTS:

FOOD COSTS:

FICA:

EXEMPTION:

DEDUCTION:

W-4:

GROSS PROFIT:

NET PROFIT:

SET ASIDE:

W-2:

DAILY RECONCILIATION:

13. WHY IS THE WAY YOU GREET THE CUSTOMER SO IMPORTANT?
14. HOW SHOULD CUSTOMER COMPLAINTS BE HANDLED?
15. EXPLAIN THE IMPORTANCE OF KEEPING A FACILITY CLEAN:
16. EXPLAIN THE IMPORTANCE FOR HAVING SAFE WORKING CONDITIONS AND CUSTOMER SERVICE AREAS IN THE FACILITY:
17. HOW SHOULD CLEANING SUPPLIES BE STORED?
18. LIST THREE ACCEPTABLE WAYS TO DEFROST FOOD:
 - 1.
 - 2.
 - 3.
19. LIST THREE CONDITIONS THAT SUPPORT BACTERIA GROWTH:
 - 1.
 - 2.
 - 3.
20. AT WHAT TEMPERATURES DOES BACTERIA THRIVE?
21. EXPLAIN HOW DISEASES CAN BE TRANSMITTED FROM ONE PERSON TO ANOTHER THROUGH CONTAMINATED FOOD AND/OR FOOD HANDLING:
22. WHAT PRECAUTIONS SHOULD BE TAKEN TO PREVENT TRANSMITTING DISEASE THROUGH FOOD?
23. HOW OFTEN SHOULD THE FOLLOWING BE CLEANED?
FOUNTAIN BEVERAGE EQUIPMENT:
COFFEE BREWING EQUIPMENT:
FRONT LINE COUNTER:

TABLE TOPS:

FLOORS:

NAPKIN/CONDIMENT HOLDERS:

HOOD EXHAUST SYSTEMS:

PREP COUNTERS:

POPCORN MAKER:

GRILL:

MEAT SLICERS:

24. WHAT IS THE MINIMUM TEMPERATURE FOR AUTOMATIC DISHWASHER WASH CYCLES?
25. WHAT IS THE MINIMUM TEMPERATURE FOR AUTOMATIC DISHWASHER RINSE CYCLES?
26. DESCRIBE HOW TO USE A THREE COMPARTMENT SINK FOR WASHING DISHES:
27. WHAT STEPS ARE INVOLVED WHEN PURCHASING INVENTORY?
28. WHAT BENEFITS ARE REALIZED THROUGH HAVING GOOD INVENTORY CONTROL:
29. WHEN PAYING BILLS, WHAT NEEDS TO BE CHECKED WHEN A BILL PERTAINS TO DELIVERED GOODS?
30. WHAT DOES "ROTATING YOUR STOCK" MEAN AND WHY IS IT IMPORTANT?
31. LIST SEVERAL MERCHANDISING TOOLS AND EXPLAIN HOW THEY ARE USED:

32. DEFINE AN IMPULSE ITEM AND GIVE AN EXAMPLE OF AN IMPULSE PURCHASE:
33. WHAT TYPE OF INFORMATION SHOULD BE INCLUDED ON A MENU?
34. WHAT IS THE PURPOSE FOR COMPLETING A DAILY CASH RECONCILIATION FORM?
35. THE RESPONSIBILITY FOR PAYING ALL EXPENSES ASSOCIATED WITH THE FACILITY BELONGS TO:

TRUE AND FALSE QUESTIONS

- | | | | |
|----|--|---|---|
| 1. | HEPATITIS IS TRANSMITTED THROUGH FOOD THAT IS NOT STORED AT THE PROPER TEMPERATURE. | T | F |
| 2. | E-COLI BACTERIA IS TRANSMITTED FROM HANDLING FOOD WITH DIRTY HANDS. | T | F |
| 3. | IT IS A GOOD PRACTICE TO PROVIDE A CHANGE TRAY BY THE CASH REGISTER SO CUSTOMERS CAN EXPEDITE THEIR PURCHASE TRANSACTIONS. | T | F |
| 4. | YOU ARE ENCOURAGED TO USE AEROSOL SPRAYS OR OTHER HOUSEHOLD INSECT CONTROLS IN THE FOOD PREP AREAS TO CONTROL INSECT PROBLEMS. | T | F |
| 5. | "A CASE OF #10 CANS" REFERS TO THE NUMBER OF CANS THAT ARE ACTUALLY IN A CASE. | T | F |
| 6. | PRODUCTS CANNED, PROCESSED OR PACKAGED IN YOUR HOME MAY BE USED TO ADD APPEAL AND A "HOMEY" TOUCH TO YOUR MENUS. | T | F |
| 7. | EMPLOYEES SHOULD HAVE ONLY ONE DIRECT SUPERVISOR, AND SUPERVISORS SHOULD BE CHANGED ON A REGULAR BASIS. | T | F |
| 8. | THE BEST TIME TO GET TO KNOW THE CUSTOMER IS WHEN YOU ARE MAKING CHANGE FOR THEIR PURCHASE. | T | F |

- | | | | | |
|-----|--|---|---|---|
| 9. | A #5 CAN HOLDS TWICE AS MUCH AS A #2-1/2 CAN. | T | F | |
| 10. | REGARDLESS OF AN INDIVIDUAL'S PERFORMANCE, ALL EMPLOYEES SHOULD BE TREATED THE SAME. | | T | F |
| 11. | IT IS MORE CONFUSING TO HAVE EMPLOYEE POLICIES THAN TO SIMPLY HANDLE EACH SITUATION AS IT OCCURS. | T | F | |
| 12. | SITTING ON WORK TABLES IS PERMITTED WHEN THE BUSINESS IS CLOSED. | T | F | |
| 13. | IT IS PERMISSIBLE TO SERVE A VENISON SPECIAL IF THE MEAT WAS BOUGHT FROM SOMEONE KNOWN BY A FACILITY WORKER. | T | F | |
| 14. | MENU VARIETY IS NOT ENCOURAGED BECAUSE CUSTOMERS LIKE THE SAME FOOD ALL THE TIME. | | T | F |
| 15. | WHEN COMPARING PRICES, QUALITY AND YIELD SHOULD BE TAKEN INTO CONSIDERATION. | T | F | |
| 16. | A "HEALTH CARD" IS ISSUED BY THE STATE CERTIFIES THAT YOU'RE IN GOOD HEALTH. | T | F | |
| 17. | TO MAINTAIN A HEALTHY BUSINESS, A GOOD MANAGER FOLLOWS A DAILY SCHEDULE AND HAS AN ORGANIZED OPERATING SYSTEM. | | T | F |
| 18. | IT IS INCONVENIENT TO KEEP CUSTOMER AND SALES COUNTS, AND IT IS NOT RECOMMENDED TO DO SO. | | T | F |
| 19. | NET PROFIT IS LESS IMPORTANT THAN GROSS PROFIT. | T | F | |
| 20. | PRESENTATION, COST AND QUALITY ARE EQUALLY IMPORTANT TO THE CUSTOMER. | T | F | |
| 21. | COOKING TIMES IN CONVENTIONAL AND CONVECTION OVENS ARE THE SAME. | | T | F |
| 22. | STAFF SMOKING SHOULD BE RESTRICTED TO THE | | | |

- | | | | | |
|-----|--|---|---|---|
| | BACK ROOM STORAGE AND PREP AREAS. | T | F | |
| 23. | UTENSILS USED FOR TASTING WHILE COOKING MAY BE USED OVER AGAIN AS LONG AS THEY ARE RINSED IN HOT WATER BETWEEN TASTINGS. | T | F | |
| 24. | SINGLE SERVE ITEMS MAY COST MORE INITIALLY, BUT CAN SOMETIMES SAVE MONEY IN THE LONG RUN. | T | F | |
| 25. | IT IS IMPORTANT TO BE AWARE OF MARKET TRENDS SO YOU CAN COMPETE IN THE MARKETPLACE. | T | F | |
| 26. | IF YOU HAVE A PERSONAL CHECKING ACCOUNT, IT IS UNNECESSARY TO OPEN A SEPARATE BUSINESS CHECKING ACCOUNT. | | T | F |
| 27. | IT IS IMPORTANT TO LABEL ALL LEFTOVERS WITH THE DATE THEY WERE ORIGINALLY PREPARED. | T | F | |
| 28. | CHIPPED OR CRACKED CHINA SHOULD BE DISCARDED. | | T | F |
| 29. | AS LONG AS YOU HAVE A HEALTH LICENSE, IT IS ACCEPTABLE TO USE ANY SINK TO WASH AND PREPARE FOODS. | T | F | |
| 30. | YOU SHOULD NEVER OFFER FREE SAMPLES OF FOOD YOU SELL. | T | F | |
| 31. | ALL FOODS THAT ARE COOKED IN ADVANCE AND THEN REFRIGERATED, AND THAT HAVE A POTENTIAL FOR PTOMAIN, MUST BE RAPIDLY REHEATED TO 165 DEGREES FAHRENHEIT OR GREATER BEFORE BEING SERVED OR PLACED IN A HOT FOOD STORAGE UNIT. | | T | F |
| 32. | ALL DISHES AND UTENSILS SHOULD BE STORED AT LEAST 8 INCHES ABOVE THE FLOOR. | T | F | |
| 33. | IT IS NOT NECESSARY TO WASH YOUR HANDS BETWEEN MAKING A SANDWICH AND MAKING CHANGE AT THE REGISTER. | T | F | |

34. IT IS IMPORTANT TO FREQUENTLY RINSE TOWELS USED TO WIPE COUNTERS AND HANDS IN A SANITIZING SOLUTION. T F

ESSAY QUESTIONS

1. WHAT ARE SOME GOOD WAYS TO MARKET YOUR FOOD SERVICE FACILITY?
2. WHAT ARE IMPORTANT FACTORS FOR SUCCESSFUL MENU PLANNING?
3. WHAT PAYMENTS AND RECORDS MUST BE PROCESSED AND MAINTAINED FOR EMPLOYEE PAYROLL?
4. WHAT ARE SOME IMPORTANT FACTORS TO MAINTAIN GOOD RAPPORT WITH YOUR EMPLOYEES?
5. WHAT STEPS SHOULD YOU TAKE TO IDENTIFY THE CAUSE FOR NUMEROUS CASH SHORTAGES IN YOUR OPERATIONS?
6. WHAT IS THE IMPORTANCE OF TAKING MONTHLY INVENTORIES?

MATH QUESTIONS

1. A CUSTOMER GIVES YOU A TWENTY DOLLAR BILL TO PAY FOR A \$4.60 PURCHASE. HOW MUCH CHANGE SHOULD THEY GET BACK AND IN WHAT DENOMINATIONS?
2. THE WHOLESALE COST OF A COOKIE IS \$0.25. WHAT WOULD THE RETAIL PRICE BE FOR THIS ITEM AT A 20%, 25%, AND 30% MARKUP?
3. YOU ARE OFFERING A SPECIAL PROMOTION SELLING POPCORN AT A REDUCED RATE. HOW WOULD YOU TRACK YOUR SALES TO SEE HOW SUCCESSFUL THIS IDEA WAS?
4. COMPUTE WHAT A 3% SALES TAX WOULD BE ON THE FOLLOWING ITEMS:

CANDY BAR @ \$0.55 =

POTATO CHIPS @ \$0.79 =

ICE CREAM @ \$0.45 =

GREETING CARD @ \$1.25 =

5. IF SOMEONE STOLE TWO CANDY BARS FROM A BOX OF 36 AND THE WHOLESALE COST OF THE BOX IS \$6.50, HOW MUCH MONEY HAS BEEN LOST?

6. A PRIVATE VENDOR HAS BEEN CONTRACTED TO VEND CANNED COKE IN A VENDING MACHINE FROM WHICH YOU WILL RECEIVE A 20% COMMISSION ON GROSS SALES. A \$65.00 CHECK WAS RECEIVED FROM THE COMPANY.

HOW MUCH WERE THE GROSS SALES FROM THAT PERIOD?

7. ROAST BEEF COSTS \$2.24 PER POUND. A LOAF OF BREAD COSTS \$0.72 AND HAS 24 USABLE SLICES. IF 2 OZ. OF BEEF IS USED ON EACH SANDWICH, WHAT IS THE FOOD COST FOR EACH SANDWICH?

HOW MANY SANDWICHES CAN BE MADE FROM ONE LOAF OF BREAD, AND HOW MUCH BEEF WILL BE LEFT OVER FROM ONE POUND OF BEEF?

8. IF A CASE OF 24 COKES COSTS \$9.75 AND THE SALE PRICE IS \$0.75 A CAN, HOW MUCH PROFIT CAN BE MADE ON THE WHOLE CASE?

9. YOU ARE BEING CHARGED 1/36 OF YOUR PURCHASED INVENTORY ON YOUR MONTHLY STATEMENT FROM THE ALASKA BEP. WHAT WILL YOUR INVENTORY PAYMENT BE ON \$3,782.56?

10. YOU KEEP A CHANGE FUND IN YOUR SAFE WHICH TOTALS \$150.00 LIST A DENOMINATIONAL INVENTORY OF CASH IN YOUR FUND.