**Business Enterprises Program Report**

**February 2023**

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

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

**BEP Staffing**

Like much of the public and private sector, BEP is not immune to high employee turn-over, staff shortages and a limited hiring pool. To meet these challenges the BEP team is working hard to support one another to provide quality and timely services to keep our equally hard-working vendors in business.

The BEP Central Office conducted interviews for two key positions. On January 24, 2023, interviews for the Training Officer position were completed. Interviews for the Location Development Officer Position were held on January 31, 2023. We anticipate a decision for both positions will be made soon. The Office Technician position for Central Office is slated to be advertised soon to provide much needed support to the Central Office staff.

The BEP Southern Region has a new Staff Services Analyst, Jeremy Santos. Jeremy joined the BEP effective December 1, 2022. While learning his routine job duties he assisted in completing a time sensitive statewide project and is back to serving our vendors’ business needs. Business Enterprises Consultant, Emefa Tsikata accepted a promotion on December 16, 2022 and transferred to another section of DOR. Applications for this vacant position have been reviewed and interviews are scheduled for Tuesday, January 31, 2023.

In the Northern Field Office, Carlene Guzman transferred to another State Department, leaving a vacancy for a Staff Services Manager. The BEP Management team is in the process of hiring a new SSM I. All staff are working with the vendors and stakeholders to keep the locations running smoothly while we work to fill this position.

**Location Announcements, Awards, and Selections**

October 26, 2022 – January 25, 2023

The Navy issued a solicitation for San Clemente Island recognizing the Randolph Sheppard Act (RSA) Priority. Our proposal was accepted, and this will provide an excellent primary location for a hard-working vendor. Another upside for the program is Department of Defense locations do not draw from the set-aside fund. We hope to acquire additional DoD locations now that the 9th Circuit Court has ruled that Dining Facility Attendant service contracts fall under the RSA priority.

Interim location 428 Metropolitan State Hospital and Norwalk Courthouse was awarded to Reynold Chen.

Interim location 1035 California Health Care Facility and Stockton Courthouse awarded to Barbara Moore.

Satellite location 658, East County Regional Courthouse, was awarded to Michael Headley.

Interim location 844, Long Beach Vending Route, was awarded to Reynold Chen.

Satellite location, Santa Rosa VA, was awarded to Annie Roche.

Primary location 739, Tejon Roadside Rest Area, was awarded to Steve Alford.

**Pending Selections:**

Primary location 815, Fresno Coalinga Vending Route

Satellite location, Alhambra Courthouse

Satellite location 535, Gordon Schaber Courthouse and Sacramento Hall of Justice

Satellite location 657, North County Regional Vista Courthouse

**Procurement Section Overview**

October 26, 2022 – January 25, 2023

There were two pieces of equipment purchased for a total of: $5,743.24 for this period.

\*The procurement of certain types of vending machines continues to be on hold pending compliance by vending machine manufacturers due to the new refrigerant regulations in California. Also, due to manufacturer supply chain issues resulting from labor shortages, BEP is challenged with getting timely delivery from vending machine distributers.

BEP has been able to provide vendors with equipment from closed and downsized locations over this reporting period which have kept the equipment purchases low. Another key factor that has kept purchases low is the determination by the Rehabilitation Services Administration that any purchase under $1,000 is considered a supply and therefore set-aside funds cannot be used for these items. Still another consideration is growth has been slow as many locations continue to have reduced operating hours or remain closed as most state employees prefer to continue to telework.

**BEP Training**

BEP training will resume once a Training Officer is onboarded. The Training Committee met on January 18, 2023, and discussed the future of the BEP training program along with the annual training conference for current BEP vendors.

**Other Key Activities**

BEP has completed the Financial Relief and Restoration Payments (FRRP) Final Report which was due to Rehabilitation Services Administration (RSA) by January 30, 2023. This report provides RSA with how vendors used the payments to offset their losses during the pandemic. The FRRP money helped vendors to replace inventory once business resumed; to help pay employee payroll; to pay credit cards which were used to fund losses; and to help with the fixed operating expenses such as warehouse and vehicle payments. Vendors indicated that the FRRP money allowed them to remain a vendor and to keep their business.

The RSA 15 Report was submitted before the December 31, 2022, deadline. There was an overall increase in gross sales and vendor earnings from the prior year, but they are substantially less than the level prior to COVID. The RSA 15 Report reflects 61 vendors operating locations as of September 30, 2022. This decrease from 68 in the prior year is due to the resignation, retirement, or loss of 7 vendors.