Introduction

The Business Enterprise Program (BEP) administered by the New York State (NYS) Office of Children and Family Services Commission for the Blind and Visually Handicapped (CBVH) provides business opportunities for qualified legally blind residents of New York State. The federal law supporting this program, known as the Randolph-Sheppard Act, guarantees a State Licensing Agency (CBVH) priority access to business opportunities on federal property. In 1992, the New York State Legislature enacted Section 8714-a of the Unconsolidated Laws of New York (Chapter 693 of the Laws of 1992) which expanded the program’s priority on state owned and leased properties. Regulations supporting this law define the relationship between the state licensing agency and host agencies and provide operational guidelines for the administration of the program.

The Unconsolidated Law was recently amended to remove some of the exemptions to the program’s priority, which will result in further expanding business opportunities on state owned and leased properties for licensed blind managers.

This law requires the establishment of a State Committee of Blind Vendors. This committee is made up of BEP licensed blind managers. Their charge is to participate with CBVH in major administrative decisions, policy and program development; receive grievances of blind licensees and serve as advocates for such licensees; participate with CBVH in the development and administration of a transfer and promotion system and training and retraining programs for blind licensees; and, with the assistance of CBVH, sponsor meetings and instructional conferences for blind licensees.

Also in accordance with this law, CBVH must submit an annual report to the Governor, the Senate Majority Leader, the Assembly Speaker, the Chair of the Senate Finance Committee, and the Chair of the Assembly Ways and Means Committee. This report must include an evaluation of the current status of CBVH’s program and an evaluation of CBVH’s success in establishing new vending sites for legally blind individuals during the year.

Organization

CBVH’s BEP is a division within the Office of Children and Family Services. There are three regional offices – New York City, Rensselaer and Buffalo – that provide coverage for all the counties in the State. Each regional office is staffed by a District Supervisor,
Business/Food Service Specialists and a support staff person. The Business/Food Service Specialists work directly with the licensed program members.

Among its many responsibilities, the BEP is charged with providing for professional customer service at vending/food service facilities. Satisfactory host relationships and program integrity must be maintained. This requires regular visits to the vending facilities, reviewing and analyzing monthly financial reports and providing advice and support to the licensed program members on such matters that directly affect the success of the business. Specialists also develop specifications for equipment necessary to operate the vending facility efficiently and profitably, coordinate equipment replacement and coordinate repairs for equipment as required.

The CBVH Home Office located in Rensselaer, provides overall supervision for the program. The Home Office currently includes two professional staff but CBVH has requested approval to fill existing federally-funded vacant BEP home office positions. CBVH is also developing a proposal for an expanded federally-funded BEP Home Office staffing plan to address the new opportunities for employment of legally blind vending facility managers created by Chapter 532 of the Laws of 2010, which amended Section 8714-a of the Unconsolidated Laws. Home Office staff and the support units within the Office of Children and Family Services provide assistance to the field offices by handling purchasing functions, personnel transactions, legal support, program member benefit management, contract processing, fiscal accounting, budget functions and program policy development in coordination with the State Committee of Blind Vendors.

Various external agencies also assist in the implementation of the Business Enterprise Program. The NYS Office of General Services reviews and assists with many purchasing, leasing and construction functions. The NYS Attorney General’s Office, the Office of the State Comptroller and the NYS Division of the Budget monitor fiscal compliance with the state and federal law and review contract activities.

The BEP provides business opportunities to individuals who are legally blind in New York State. Each licensed program member must provide quality products and services at reasonable prices to all customers. The licensed blind manager must be proficient in all facets of retail business management, including purchasing, inventory control, merchandise display, marketing, customer relations, employee relations, record keeping and sanitation. The licensed blind manager must understand and adhere to the conditions prescribed in the Memorandum of Agreement or permit, which provides the legal basis for the BEP to operate the facility in the host location. The Business/Food Service Specialists as well as the other BEP staff provide support and expertise to the licensed program members to guide them in operating the vending facility in an appropriate and profitable manner. Income for each licensed program member is only derived from the net profit of the business they operate; there is no income assistance provided by CBVH.
The BEP is financially supported by a combination of federal, state and unassigned vending machine funds, as well as funds generated through program activities such as the Set-Aside of Funds Levy (SAFL). The federal funds are derived from the vocational rehabilitation funding received by CBVH from the Federal Rehabilitation Services Administration. These funds are used to purchase equipment for new business facilities, replace existing equipment and provide management services. State funds are used to provide a portion of the matching funds required to access the federal dollars for personal and non-personal services.

The SAFL and the unassigned vending machine funds are maintained by the Office of the State Comptroller in fiduciary accounts. These accounts are comprised exclusively of levies against the net proceeds of the licensed program members’ businesses and of revenues derived from vending machine operations located on state, federal and non-federal/state property. These fiduciary accounts were established and are operated in accordance with the strict financial and administrative guidelines of the Randolph-Sheppard Act. Licensed program members contribute to this fund by paying 20 percent of their net profits that exceed $18,000 annually. Uses of SAFL monies are limited by federal regulations and state statute and the monies can only be used for:

1. Maintenance and replacement of equipment;
2. Purchase of new equipment;
3. Refurbishment of facilities;
4. Management services, as this term is defined in federal regulations; and
5. Establishment and maintenance of retirement/pension funds, health insurance contributions and provisions for paid sick leave and vacation time, if so, determined by a majority vote of all program members.

Current Operations

CBVH currently supervises the operation of 92 business opportunities (newsstands, cafeterias, snack bars, vending machine operations and vending machine routes) across the state. Of these, 26 are located on federal property, 65 on state, county or municipal property, and 1 is on private property. Of the 92 business opportunities, 4 are vending machine routes. For this fiscal year total gross sales were $13,775,477, with net proceeds (including benefits) of $3,037,574. Average licensed program member earnings were $33,997. In addition to providing business opportunities to our licensed blind managers, BEP facilities employed 14 individuals with visual disabilities, 5 with other than visual disabilities and 113 other employees.

Through a concerted effort with the NY State Lottery, CBVH has been successful in providing talking terminals for all of our Lottery selling locations. The new equipment that was developed with the assistance of our BEP staff has now been installed and operational training has been completed. New York State is the first in the nation to provide full function talking terminals that allow legally blind Lottery agents full access and control of their Lottery operations.
Training Program

The BEP training program, which has now been in operation for 2 years, utilizes in-house BEP staff to perform the training function instead of purchasing training services. In addition to substantial cost savings, we have gained the advantage of controlling the curriculum, developing an early relationship with each individual and the ability to extend training to the business site as needed. During this fiscal period the BEP provided initial training for 6 individuals. Of these trainees, 4 were licensed and placed as managers, and 2 were licensed and are awaiting placement.

The BEP training program has made it possible for individuals who are legally blind, and are interested in the BEP to attend training with the least disruption to their personal lives. Additionally, current licensed BEP managers and the NY State Committee of Blind Vendors are actively involved in assisting and training prospective licensees.

All new program members are provided training in ServSafe™, a nationally recognized certification from the National Restaurant Association. In addition we now have 10 certified ServSafe instructors on staff.

Prospects for Federal Fiscal Year 2010 – 2011

CBVH/BEP will continue to modernize its training approach. A Training Review Committee has been initiated to oversee training operations, and develop improvements so that established goals are achieved. The BEP will continue to work closely with CBVH’s Vocational Rehabilitation Counselors to expand the number of candidates served by the BEP.

Chapter 532 of the Laws of 2010, effective October 1, 2010, amended Section 8714-a of the Unconsolidated Laws to provide expanded program priority on State owned and leased properties. Previously exempted properties including public authorities, the State University of New York (SUNY) properties, Department of Corrections, public airports and sites with populations of less than 400 employees are now available for program site development. In the upcoming year we will be focusing on contacting these new affiliates and developing a comprehensive inventory of potential sites. As new opportunities are identified, sites will be established and offered to program members. This has the potential to increase the number of BEP managed sites substantially, thus enhancing opportunities for licensed blind managers.