Department of Workforce Development
Division of Operations
P.O. Box 7946
Madison, WI 53707
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STATE OF WISCONSIN
DWD
Department of Workforce Development

Tony Evers, Governor
Caleb Frostman, Secretary

Amendment #4

Commodity/Service: Administrative Services

Request for Bid/Proposal No.: ILF0012

Contract Period: July 1, 2016 through June 30, 2017
1st Renewal: July 1, 2017 through June 30, 2018
2nd Renewal: July 1, 2018 through June 30, 2019
3rd Renewal: July 1, 2019 through June 30, 2020

Contract No.: 44500-O16-ILF0012-00

WHEREAS, the State of Wisconsin Department of Workforce Development ("the State" or "the Department"), Division of Vocational Rehabilitation (DVR) and Randolph Sheppard Vendors of Wisconsin (RSVW), ("the Contractor") have entered into a Contract for a one (1) year period beginning July 1, 2016 through June 30, 2017; and Amendment #1 for a one (1) year period beginning July 2, 2017 through June 30, 2018; and Amendment #2 for a one (1) year period beginning July 1, 2018 through June 30, 2019, and Amendment #3 to provide for an updated budget; for Administrative Services for the Wisconsin Business Enterprise Blind Facility Vending Program, pursuant to the Request for Bid No.: 44500-016-ILF0012-00 (the Agreement").

This amendment is made by the Randolph Sheppard Vendors of Wisconsin (RSVW) and the Department of Workforce Development (DWD), on behalf of the Division of Vocational Rehabilitation (DVR), parties to the Administrative Service Contract fully executed on June 27, 2016.

WHEREAS, the State and Randolph Sheppard Vendors of Wisconsin; have agreed to amend the contract by renewing for an additional one (1) year period.

NOW, THEREFORE, IT IS AGREED BY AND BETWEEN THE PARTIES HERETO:

1. The Agreement is renewed for a period of one (1) year starting July 1, 2019 through June 30, 2020.
2. Exhibit 1 Program Goals and Exhibit 2 Program Budget.
3. All other terms and conditions of the original Agreement shall remain unchanged.

Except as set forth in this Amendment, the Contract is unaffected and shall continue in full force and effect in accordance with its terms until June 30, 2020. If there is conflict between this amendment and the Contract or any earlier amendment, the terms of this amendment shall prevail.

By signing below the parties agree to the terms of this Amendment

Sally Zenchenko
Randolph Sheppard Vendors of Wisconsin (RSVW)

8-1-2019
Date

Delora Newton
Division Administrator
DWD-Division of Vocational Rehabilitation

8/2/2019
Date

JoAnna Richard
Deputy Secretary
Department of Workforce Development

8-12-19

Standard Terms and Conditions
(Request for Bids / Proposals)

1.0 SPECIFICATIONS: The specifications in this request are the minimum acceptable. When specific manufacturer and model numbers are used, they are to establish a design, type of construction, quality, functional capability and/or performance level desired. When alternates are bid/proposed, they must be identified by manufacturer, stock number, and such other information necessary to establish equivalency. The State of Wisconsin shall be the sole judge of equivalency. Bidders/proposers are cautioned to avoid bidding alternates to the specifications which may result in rejection of their bid/proposal.

2.0 DEVIATIONS AND EXCEPTIONS: Deviations and exceptions from original text, terms, conditions, or specifications shall be described fully, on the bidder's/proposer's letterhead, signed, and attached to the request. In the absence of such statement, the bid/proposal shall be accepted as in strict compliance with all terms, conditions, and specifications and the bidders/proposers shall be held liable.

3.0 QUALITY: Unless otherwise indicated in the request, all material shall be first quality. Items which are used, demonstrators, obsolete, seconds, or which have been discontinued are unacceptable without prior written approval by the State of Wisconsin.

4.0 QUANTITIES: The quantities shown on this request are based on estimated needs. The state reserves the right to increase or decrease quantities to meet actual needs.

5.0 DELIVERY: Deliveries shall be F.O.B. destination freight prepaid and included unless otherwise specified.

6.0 PRICING AND DISCOUNT: The State of Wisconsin qualifies for governmental discounts and its educational institutions also qualify for educational discounts. Unit prices shall reflect these discounts.

6.1 Unit prices shown on the bid/proposal or contract shall be the price per unit of sale (e.g., gal., cs., doz., ea.) as stated on the request or contract. For any given item, the quantity multiplied by the unit price shall establish the extended price, the unit price shall govern in the bid/proposal evaluation and contract administration.

6.2 Prices established in continuing agreements and term contracts may be lowered due to general market conditions, but prices shall not be subject to increase for ninety (90) calendar days from the date of award. Any increase proposed shall be submitted to the contracting agency thirty (30) calendar days before the proposed effective date of the price increase and shall be limited to fully documented cost increases to the contractor which are demonstrated to be industrywide. The conditions under which price increases may be granted shall be expressed in bid/proposal documents and contracts or agreements.

6.3 In determination of award, discounts for early payment will only be considered when all other conditions are equal and when payment terms allow at least fifteen (15) days, providing the discount terms are deemed favorable. All payment terms must allow the option of net thirty (30).

7.0 UNFAIR SALES ACT: Prices quoted to the State of Wisconsin are not governed by the Unfair Sales Act.

8.0 ACCEPTANCE-REJECTION: The State of Wisconsin reserves the right to accept or reject any or all bids/proposals, to waive any technicality in any bid/proposal submitted, and to accept any part of a bid/proposal as deemed to be in the best interests of the State of Wisconsin.

Bids/proposals MUST be date and time stamped by the soliciting purchasing office on or before the date and time that the bid/proposal is due. Bids/proposals date and time stamped in another office will be rejected. Receipt of a bid/proposal by the mail system does not constitute receipt of a bid/proposal by the purchasing office.

9.0 METHOD OF AWARD: Award shall be made to the lowest responsible, responsive bidder unless otherwise specified.

10.0 ORDERING: Purchase orders or releases via purchasing cards shall be placed directly to the contractor by an authorized agency. No other purchase orders are authorized.

11.0 PAYMENT TERMS AND INVOICING: The State of Wisconsin normally will pay properly submitted vendor invoices within thirty (30) days of receipt providing goods and/or services have been delivered, installed (if required), and accepted as specified.

Invoices presented for payment must be submitted in accordance with instructions contained on the purchase order including reference to purchase order number and submittal to the correct address for processing.

A good faith dispute creates an exception to prompt payment.

12.0 TAXES: The State of Wisconsin and its agencies are exempt from payment of all federal tax and Wisconsin state and local taxes on its purchases except Wisconsin excise taxes as described below.

The State of Wisconsin, including all its agencies, is required to pay the Wisconsin excise or occupation tax on its purchase of beer, liquor, wine, cigarettes, tobacco products, motor vehicle fuel and general aviation fuel. However, it is exempt from payment of Wisconsin sales or use tax on its purchases. The State of Wisconsin may be subject to other states' taxes on its purchases in that state depending on the laws of that state. Contractors performing construction activities are required to pay state use tax on the cost of materials.

13.0 GUARANTEED DELIVERY: Failure of the contractor to adhere to delivery schedules as specified or to promptly replace rejected materials shall render the contractor liable for all costs in excess of the contract price when alternate procurement is necessary. Excess costs shall include the administrative costs.

14.0 ENTIRE AGREEMENT: These Standard Terms and Conditions shall apply to any contract or order awarded as a result of this request except where special requirements are stated elsewhere in the request; in such cases, the special requirements shall apply. Further, the written contract and/or order with referenced parts and attachments shall constitute the entire agreement and no other terms and conditions in any document, acceptance, or acknowledgment shall be effective or binding unless expressly agreed to in writing by the contracting authority.

15.0 APPLICABLE LAW AND COMPLIANCE: This contract shall be governed under the laws of the State of Wisconsin. The contractor shall at all times comply with and observe all federal and state laws, local laws, ordinances, and regulations which are in effect during the period of this contract and which in any manner affect the work or its conduct. The State of Wisconsin reserves the right to cancel this contract if the contractor fails to follow the requirements of s. 77.66, Wis. Stats., and related statutes regarding certification for collection of sales and use tax. The State of Wisconsin also reserves the right to cancel this contract with any federally debarred contractor or a contractor that is presently identified on the list of parties excluded from federal procurement and non-procurement contracts.

16.0 ANTITRUST ASSIGNMENT: The contractor and the State of Wisconsin recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the State of Wisconsin (purchaser). Therefore, the contractor hereby assigns to the State of Wisconsin any and all claims for such overcharges as to goods, materials or services purchased in connection with this contract.

17.0 ASSIGNMENT: No right or duty in whole or in part of the contractor under this contract may be assigned or delegated without the prior written consent of the State of Wisconsin.

18.0 WORK CENTER CRITERIA: A work center must be certified under s. 16.752, Wis. Stats., and must ensure that when engaged in the production of materials, supplies or equipment or the performance of contractual services, not less than seventy-five percent (75%) of the total hours of direct labor are performed by severely handicapped individuals.

19.0 NONDISCRIMINATION / AFFIRMATIVE ACTION: In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01(5), Wis. Stats., sexual orientation as defined in s. 111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the contractor further agrees to take affirmative action to ensure equal employment opportunities.

19.1 Contracts estimated to be over fifty thousand dollars ($50,000) require the submission of a written affirmative action plan by the contractor. An exemption occurs from this requirement if the contractor has a workforce of less than fifty (50) employees. Within fifteen (15) working days after the contract is awarded, the contractor must submit the plan to the contracting state agency for approval. Instructions on preparing the plan and technical assistance regarding this clause are available from the contracting state agency.

19.2 The contractor agrees to post in conspicuous places, available for employees and applicants for employment, a notice to be provided by the contracting state agency that sets forth the provisions of the State of Wisconsin's nondiscrimination law.

19.3 Failure to comply with the conditions of this clause may result in the contractor's becoming declared an "ineligible" contractor, termination of the contract, or withholding of payment.

19.4 Pursuant to s. 16.75(10p), Wis. Stats., contractor agrees it is not, and will not for the duration of the contract, engage in a prohibited boycott of the State of Israel as defined in s. 20.931(1)(b). State agencies and authorities may not execute a contract and reserve the right to terminate an existing contract with a company that is not compliant with this provision. This provision applies to contracts valued $100,000 or over.

19.5 Pursuant to 2019 Wisconsin Executive Order 1, contractor agrees it will hire only on the basis of merit and will not discriminate against any persons performing a contract, subcontract or grant because of military or veteran status, gender identity or expression, marital or familial status, genetic information or political affiliation.

20.0 PATENT INFRINGEMENT: The contractor selling to the State of Wisconsin the articles described herein guarantees the articles were manufactured or produced in accordance with applicable federal labor laws. Further, that the sale or use of the articles described herein will not infringe any United States patent. The contractor covenants that it will at its own expense defend every suit which shall be brought against the State of Wisconsin (provided that such contractor is promptly notified of such suit, and all papers therein are delivered to it) for any alleged infringement of any patent by reason of the sale or use of such articles, and agrees that it will pay all costs, damages, and profits recoverable in any such suit.

21.0 SAFETY REQUIREMENTS: All materials, equipment, and supplies provided to the State of Wisconsin must comply fully with all safety requirements as set forth by the Wisconsin Administrative Code and all applicable OSHA Standards.

22.0 WARRANTY: Unless otherwise specifically stated by the bidder/proposer, equipment purchased as a result of this request shall be warranted against defects by the bidder/proposer for one (1) year from date of receipt. The equipment manufacturer's standard warranty shall apply as a minimum and must be honored by the contractor.

23.0 INSURANCE RESPONSIBILITY: The contractor performing services for the State of Wisconsin shall:

23.1 Maintain worker's compensation insurance as required by Wisconsin Statutes, for all employees engaged in the work.

23.2 Maintain commercial liability, bodily injury and property damage insurance against any claim(s) which might occur in carrying out this agreement/contract. Minimum coverage shall be one million dollars ($1,000,000) liability for bodily injury and property damage including products liability and completed operations. Provide motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out this contract. Minimum coverage shall be one million dollars ($1,000,000) per occurrence combined single limit for automobile liability and property damage.

23.3 The state reserves the right to require higher or lower limits where warranted.

24.0 CANCELLATION: The State of Wisconsin reserves the right to cancel any contract in whole or in part without penalty due to nonappropriation of funds or for failure of the contractor to comply with terms, conditions, and specifications of this contract.

25.0 VENDOR TAX DELINQUENCY: Vendors who have a delinquent Wisconsin tax liability may have their payments offset by the State of Wisconsin.

26.0 PUBLIC RECORDS ACCESS: It is the intention of the state to maintain an open and public process in the solicitation, submission, review, and approval of procurement activities. Bid/proposal openings are public unless otherwise specified. Records may not be available for public inspection prior to issuance of the notice of intent to award or the award of the contract. Pursuant to §19.36 (3), Wis. Stats., all records of the contractor that are produced or collected under this contract are subject to disclosure pursuant to a public records request. Upon receipt of notice from the State of Wisconsin of a public records request for records produced or collected under this contract, the contractor shall provide the requested records to the contracting agency. The contractor, following final payment, shall retain all records produced or collected under this contract for six (6) years.

27.0 PROPRIETARY INFORMATION: Any restrictions on the use of data contained within a request, must be clearly stated in the bid/proposal itself. Proprietary information submitted in response to a request will be handled in accordance with applicable State of Wisconsin procurement regulations and the Wisconsin public records law. Proprietary restrictions normally are not accepted. However, when accepted, it is the vendor's responsibility to defend the determination in the event of an appeal or litigation.

27.1 Data contained in a bid/proposal, all documentation provided therein, and innovations developed as a result of the contracted commodities or services cannot be copyrighted or patented. All data, documentation, and innovations become the property of the State of Wisconsin.

27.2 Any material submitted by the vendor in response to this request that the vendor considers confidential and proprietary information, and which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or material which can be kept confidential under the Wisconsin public records law, must be identified on a Designation of Confidential and Proprietary Information form (DOA-3027). Bidders/proposers may request the form if it is not part of the Request for Bid/Request for Proposal package. Bid/proposal prices cannot be held confidential.

28.0 DISCLOSURE: If a state public official (s. 19.42, Wis. Stats.), a member of a state public official's immediate family, or any organization in which a state public official or a member of the official's immediate family owns or controls a ten percent (10%) interest, is a party to this agreement, and if this agreement involves payment of more than three thousand dollars ($3,000) within a twelve (12) month period, this contract is voidable by the state unless appropriate disclosure is made according to s. 19.45(6), Wis. Stats., before signing the contract. Disclosure must be made to the State of Wisconsin Ethics Board, 44 East Mifflin Street, Suite 601, Madison, Wisconsin 53703 (Telephone 608-266-8123).

State classified and former employees and certain University of Wisconsin faculty/staff are subject to separate disclosure requirements, s. 16.417, Wis. Stats.

29.0 RECYCLED MATERIALS: The State of Wisconsin is required to purchase products incorporating recycled materials whenever technically and economically feasible. Bidders are encouraged to bid products with recycled content which meet specifications.

30.0 MATERIAL SAFETY DATA SHEET: If any item(s) on an order(s) resulting from this award(s) is a hazardous chemical, as defined under 29CFR 1910.1200, provide one (1) copy of a Material Safety Data Sheet for each item with the shipped container(s) and one (1) copy with the invoice(s).

31.0 PROMOTIONAL ADVERTISING / NEWS RELEASES: Reference to or use of the State of Wisconsin, any of its departments, agencies or other subunits, or any state official or employee for commercial promotion is prohibited. News releases pertaining to this procurement shall not be made without prior approval of the State of Wisconsin. Release of broadcast e-mails pertaining to this procurement shall not be made without prior written authorization of the contracting agency.

32.0 HOLD HARMLESS: The contractor will indemnify and save harmless the State of Wisconsin and all of its officers, agents and employees from all suits, actions, or claims of any character brought for or on account of any injuries or damages received by any persons or property resulting from the operations of the contractor, or of any of its contractors, in prosecuting work under this agreement.

33.0 FOREIGN CORPORATION: A foreign corporation (any corporation other than a Wisconsin corporation) which becomes a party to this Agreement is required to conform to all the requirements of Chapter 180, Wis. Stats., relating to a foreign corporation and must possess a certificate of authority from the Wisconsin Department of Financial Institutions, unless the corporation is transacting business in interstate commerce or is otherwise exempt from the requirement of obtaining a certificate of authority. Any foreign corporation which desires to apply for a certificate of authority should contact the Department of Financial Institutions, Division of Corporation, P. O. Box 7846, Madison, WI 53707-7846; telephone (608) 261-7577.

34.0 WORK CENTER PROGRAM: The successful bidder/proposer shall agree to implement processes that allow the State agencies, including the University of Wisconsin System, to satisfy the State's obligation to purchase goods and services produced by work centers certified under the State Use Law, s.16.752, Wis. Stat. This shall result in requiring the successful bidder/proposer to include products provided by work centers in its catalog for State agencies and campuses or to block the sale of comparable items to State agencies and campuses.

35.0 FORCE MAJEURE: Neither party shall be in default by reason of any failure in performance of this Agreement in accordance with reasonable control and without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence of the party.

State of Wisconsin
Department of Administration
Division of Enterprise Operations
DOA-3681 (1/2017)
ss. 16, 19 and 51, Wis. Stats.

State Bureau of Procurement
101 East Wilson Street, 6th Floor
Post Office Box 7867
Madison, WI 53707-7867
FAX (608) 267-0600
http://vendornet.state.wi.us

Supplemental Standard Terms and Conditions for Procurements for Services

1.0 ACCEPTANCE OF BID/PROPOSAL CONTENT: The contents of the bid/proposal of the successful contractor will become contractual obligations if procurement action ensues.

2.0 CERTIFICATION OF INDEPENDENT PRICE DETERMINATION: By signing this bid/proposal, the bidder/proposer certifies, and in the case of a joint bid/proposal, each party thereto certifies as to its own organization, that in connection with this procurement:

2.1 The prices in this bid/proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other bidder/proposer or with any competitor;

2.2 Unless otherwise required by law, the prices which have been quoted in this bid/proposal have not been knowingly disclosed by the bidder/proposer and will not knowingly be disclosed by the bidder/proposer prior to opening in the case of an advertised procurement or prior to award in the case of a negotiated procurement, directly or indirectly to any other bidder/proposer or to any competitor; and

2.3 No attempt has been made or will be made by the bidder/proposer to induce any other person or firm to submit or not to submit a bid/proposal for the purpose of restricting competition.

2.4 Each person signing this bid/proposal certifies that: He/she is the person in the bidder's/proposer's organization responsible within that organization for the decision as to the prices being offered herein and that he/she has not participated, and will not participate, in any action contrary to 2.1 through 2.3 above; (or)

He/she is not the person in the bidder's/proposer's organization responsible within that organization for the decision as to the prices being offered herein, but that he/she has been authorized in writing to act as agent for the persons responsible for such decisions in certifying that such persons have not participated, and will not participate in any action contrary to 2.1 through 2.3 above, and as their agent does hereby so certify; and he/she has not participated, and will not participate, in any action contrary to 2.1 through 2.3 above.

3.0 DISCLOSURE OF INDEPENDENCE AND RELATIONSHIP:

3.1 Prior to award of any contract, a potential contractor shall certify in writing to the procuring agency that no relationship exists between the potential contractor and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the contractor and another person or organization that constitutes a conflict of interest with respect to a state contract. The Department of Administration may waive this provision, in writing, if those activities of the potential contractor will not be adverse to the interests of the state.

3.2 Contractors shall agree as part of the contract for services that during performance of the contract, the contractor will neither provide contractual services nor enter into any agreement to provide services to a person or organization that is regulated or funded by the contracting agency or has interests that are adverse to the contracting agency. The Department of Administration may waive this provision, in writing, if those activities of the contractor will not be adverse to the interests of the state.

4.0 DUAL EMPLOYMENT: Section 16.417, Wis. Stats., prohibits an individual who is a State of Wisconsin employee or who is retained as a contractor full-time by a State of Wisconsin agency from being retained as a contractor by the same or another State of Wisconsin agency where the individual receives more than $12,000 as compensation for the individual's services during the same year. This prohibition does not apply to individuals who have full-time appointments for less than twelve (12) months during any period of time that is not included in the appointment. It does not include corporations or partnerships.

5.0 EMPLOYMENT: The contractor will not engage the services of any person or persons now employed by the State of Wisconsin, including any department, commission or board thereof, to provide services relating to this agreement without the written consent of the employing agency of such person or persons and of the contracting agency.

6.0 CONFLICT OF INTEREST: Private and non-profit corporations are bound by ss. 180.0831, 180.1911(1), and 181.0831 Wis. Stats., regarding conflicts of interests by directors in the conduct of state contracts.

7.0 RECORDKEEPING AND RECORD RETENTION: The contractor shall establish and maintain adequate records of all expenditures incurred under the contract. All records must be kept in accordance with generally accepted accounting procedures. All procedures must be in accordance with federal, state and local ordinances.

The contracting agency shall have the right to audit, review, examine, copy, and transcribe any pertinent records or documents relating to any contract resulting from this bid/proposal held by the contractor.

It is the intention of the state to maintain an open and public process in the solicitation, submission, review, and approval of procurement activities. Bid/proposal openings are public unless otherwise specified. Records may not be available for public inspection prior to issuance of the notice of intent to award or the award of the contract. Pursuant to §19.36 (3), Wis. Stats., all records of the contractor that are produced or collected under this contract are subject to disclosure pursuant to a public records request. Upon receipt of notice from the State of Wisconsin of a public records request for records produced or collected under this contract, the contractor shall provide the requested records to the contracting agency. The contractor, following final payment, shall retain all records produced or collected under this contract for six (6) years.

8.0 **INDEPENDENT CAPACITY OF CONTRACTOR:** The parties hereto agree that the contractor, its officers, agents, and employees, in the performance of this agreement shall act in the capacity of an independent contractor and not as an officer, employee, or agent of the state. The contractor agrees to take such steps as may be necessary to ensure that each subcontractor of the contractor will be deemed to be an independent contractor and will not be considered or permitted to be an agent, servant, joint venturer, or partner of the state.

Exhibit 1
Program Goals

2018-2019

- New locations at the Middleton VA, USPS Oak Creek, Mendota Mental Health/Central Wisconsin Center *RESULTS: Middleton VA and USPS Oak Creek opened. Mendota and CWC will take more research on logistics and expansiveness of the site for an operator in 2019-2020.*
- Estimating one to two new operators entering the program per year with zero to one operator leaving the program per year. *RESULTS: One Operator announced an August retirement, 3 new Operators in training.*
- Micro market launch at Middleton VA and conversions at Madison DOA, DATCP. *RESULTS: All complete.*
- With operator growth, RSVW managed sites should diminish by two to three each year when combined with new sites for incoming operators. *RESULTS:* Due to new locations and establishment of new DOA sites, RSVW has maintained the sites.
- The BEP expects to maintain the same amount of state DOC locations. *RESULT: Same.*
- The BEP expects to maintain the same amount of state rest area locations. *RESULT: Same.*
- BEP to add telemetry to an additional 380 machines. *RESULTS: Provided on some and telemetry additions will slow due to technology and connectivity issues.*

2019-2020

- With operator growth, new locations should increase by two each year when combined with conversion of RSVW managed sites for incoming operators.
- Estimating one to two new operators entering the program per year with zero to one operator leaving the program per year.
- DOA has cafeteria locations at the DOR and DHS. DOR is being serviced by a private contractor and DOA is working with RSVW and BEP to transition to site to a BEP location in 2019-2020. The cafeteria at DHS is vacant and DOA is working with facilities to remodel the location for a cafeteria site. The timeframe for the site opening is unknown but would likely be in the 2020-2021 timeframe. DOA has no concrete plans for additional micro market conversions in the coming years, but based on past numbers and industry trends, we expect micro markets to grow at the rate of one-two per year.
- With operator growth, the 6 RSVW managed sites should diminish by two to three each year when combined with new locations for incoming or existing operators.
- The BEP expects to maintain the same amount of state DOC locations. Updating of DOC machines will continue in 2019-2020.
- The BEP expects to maintain the same amount of state rest area locations.
- The BEP is expecting to bring on at least 2 new USPS locations and put these locations out for bid.
- BEP will survey current operators and identify if replacement coin changers are needed. This feature on vending machines is prone to breakdown and typically needs replacement before the whole machine.
- BEP to add telemetry to any machines at sites where it is useful and where internet connectivity is consistent.

2020-2021

- With operator growth, new locations should increase by two each year when combined with conversion of RSVW managed sites for incoming operators.
- Estimating one to two new operators entering the program per year with zero to one operator leaving the program per year.
- DOA has cafeteria locations at the DOR and DHS. The DOR location will be monitored and will likely be used as a training site. The cafeteria at DHS is vacant and DOA is working with facilities to remodel the location for a cafeteria site. The timeframe for the site opening is unknown but would likely be in the 2020-2021 timeframe. DOA has no concrete plans for additional micro market conversions in the coming years, but based on past numbers and industry trends, we expect micro markets to grow at the rate of three per year.

- With operator growth, RSVW managed sites should diminish by two to three each year when combined with new locations for incoming operators.
- Lincoln Hills is scheduled to be closed in 2021; it is unclear at this time if new DOC facility would be opened to replace it.
- The BEP expects to maintain the same amount of state rest area locations.
- BEP to monitor use of telemetry.

2021-2022

- With operator growth, new locations should increase by two each year when combined with conversion of RSVW managed sites for incoming operators.
- Estimating one to two new operators entering the program per year with zero to one operator leaving the program per year.
- DOA has no concrete plans for additional micro market conversions in the coming years, but based on past numbers and industry trends, we expect micro markets to grow at the rate of three per year.
- With operator growth, RSVW managed sites should diminish by two to three each year when combined with new locations for incoming operators.
- Lincoln Hills is scheduled to be closed in 2021; it is unclear at this time if new DOC facility would be opened to replace it.
- The BEP expects to maintain the same amount of state rest area locations.

2022-2023

- With operator growth, new locations should increase by two each year when combined with conversion of RSVW managed sites for incoming operators.
- Estimating one to two new operators entering the program per year with zero to one operator leaving the program per year.
- DOA has no concrete plans for additional micro market conversions in the coming years, but based on past numbers and industry trends, we expect micro markets to grow at the rate of three per year.
- With operator growth, RSVW managed sites should diminish by two to three each year when combined with new locations for incoming operators.
- Lincoln Hills is scheduled to be closed in 2021...it is unclear at this time if new DOC facility would be opened to replace it.
- The BEP expects to maintain the same amount of state rest area locations.

Exhibit 2
Program Budget

BEP Management Service Budget Comparison SFY 17/18 thru 19/20

	SFY 17/18	SFY 18/19	**SFY 19/20**	Difference
Travel	$10,057	$10,057	**$10,278**	$221
Payroll	$165,078	$210,420	**$218,165**	$7,745
Operations	$12,716	$15,051	**$27,355**	$12,304
Office/Warehouse	$16,162	$32,268	**$32,318**	$50
Accounting	$4,000	$4,000	**$4,000**	$0
Training /Site Development	$1,640	$2,600	**$2,600**	$0
	$209,653	**$274,396**	**$294,716**	**$20,320**
			% of Change	7.41%

Travel increase due to increase in mileage rate

Payroll increase due to cost-of-living increase for full-time employees

Operations increase due to additional $10,000* for CRM/Database development as well as inflation increase to normal operation costs

**approximately $3000 would be a one-time development fee while the database would cost approximately $7000 annually for subscription and maintenance ongoing*

Database would be used for asset management, sales analysis, point of contact storage and tracking of other important machine, site and operator data.
Having all of this info in one powerful database will make running ROI for repair/replacement info based on sales much easier than using the multiple spreadsheets, Access files and calculators currently used.

Office/Warehouse increase due to inflation increase to cleaning/utilities costs

2019-20 Wisconsin BEP Program Budget Summary

New Equipment	126,258
Equipment Replacement	211,415
Micro Markets	36,000
Telemetry	46,473
Repairs	34,164
Parts	35,267
Equipment Replacement DOC	110,679
Warehouse Equipment Replacement	(46,288)
Bill and Coin Counter Replacement	45,583
Total Operating Expenses	599,551
Projected Revenue	231,358
Additional Funding Request	**(368,193)**

Set aside funds will generate:
$854,829.79 in federal match

2018-19 Wisconsin BEP Program Budget Summary (Comparison)

New Equipment	126,258
Equipment Replacement	220,941
Micro Markets	46,676
Telemetry	60,000
Repairs	31,785
Parts	32,519
Equipment Replacement DOC	79,610
Warehouse Equipment Replacement	(83,945)
Bill and Coin Counter Replacement	0
Total Operating Expenses	513,844
Projected Revenue	229,578
Additional Funding Request	**(284,266)**

2017-18 Wisconsin BEP Program Budget Summary (Comparison)

New Equipment	0
Equipment Replacement	205,870
Micro Markets	0
Telemetry	0
Repairs	34,088
Parts	33,493
Equipment Replacement DOC	0
Warehouse Equipment Replacement	-32,933
Bill and Coin Counter Replacement	0
Total Operating Expenses	240,518
Projected Revenue	228,190
Additional Funding Request	-12,328

BEP Fall19 or Spring20 Conference	2019	(2018 #s)
Food (break item and lunch item)	650	540
Hotel	800	410
Speaker/Trainer fee	1000	412
Total cost for Conference (estimated)	2450	(actual)1362
	2019	(2018 #s)
Marketing and Outreach		
8 1/2" x 5 1/2" brochures (private sector outreach)	500	0
generating a "leads list"	500	0
Total for Marketing and Outreach	1000	0

Wisconsin Business Enterprise Program Budget Breakdown 2019/20:

New Location Equipment:

- Mendota Mental Health Estimated Cost of Equipment: 15 snack - $62,277, 3 fresh food - $14,723 and 19 beverage - $49,258 = **$126,258**

Equipment Replacement:

- Program assets: 604 units with a replacement value of $2,536,980
- Commercial assets: $1,242,248
- Based on a 12 year replacement cycle, annual cost of program assets: **$211,415**

Micro Markets:

- Ag-Lab: 2 Habco coolers with lock - $3280, All State 49" Kiosk Fixture - $1327, Labor - $400 = $5007
- **$36,000** budget based on average install cost of prior markets ($12,000) x 3 possible installs in 19/20*

**This budget would also be used for any commissary/cafeteria projects*

Telemetry

- Projected cost of equipment and installation cost to complete telemetry for operators who have requested to have their routes be completed (Fisher, Jeray, Papapetru, Seivert and Young): **$46,473**

Parts and Repair Budget

- Based on average of prior years, **$34,164** is budgeted for repairs and **$35,267** is budgeted for parts

Equipment Replacement DOC

- Year two of three in the DOC advanced equipment project
- $23,913 (RCI), $25,362 (Kettle Morraine), $18,421 (Sandridge), $42,983 (FCI) = **$110,679**

Bill and Coin Counter Replacement

- Year One of a 5 year plan to replace operator bill and coin counters: **$45,583**

BEP Equipment Warehouse Replacement Value

- The current value of the BEP asset inventory is $50,896. Subtracting an estimated $4,608 for storage, total value = **$46,288**

Projected Revenue for SFY 19/20 is **$231,358** leaving an additional funding request of **$336,137**

Wisconsin Business Enterprise Program 5 Year Coin/Bill Counter Replacement Proposal:

Each of our operators use coin and bill counters in order to count the sales generated by their vending machines before deposit into their financial institutions.
The age of these machines are progressing and the repair and maintenance of these machines has been eating into the annual parts and repair budgets of some operators.
Requests for new counting machines are becoming more and more common.

Some of our operators need counting machines that are equipped with speech technology while some of them do not.
Based on a recent poll conducted by RSVW, about half of the respondents cited speech technology as being necessary while the other half did not.

Below is pricing for speech and non-speech machines:

Type	Cost	Qty	Total	
Data Financial Glory MACH3 Non-Speech Coin Counter	$3,599.00	11	$39,589.00	
Captek Glory MACH6 Speech Coin Counter	$7,265.00	12	$87,180.00	
FSC Billcon D551 Non-Speech Bill Counter	$3,135.00	11	$34,485.00	
Captek Currency Speech Bill Counter	$5,555.00	12	$66,660.00	
			$227,914.00	Total
			$45,582.80	Per year based on a 5 year plan to have all units replaced

Would the SLA like to have $45,583 added to this year's program budget to begin the replacement project?