



Business Enterprise Program

*Changing Lives
Since 1936!*



APPROVED BY SLA AND ECBV ON 01/13/2016

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INTRODUCTION

Welcome to the Wisconsin Business Enterprise Program (BEP). Our mission is to establish, maintain and provide the best in vending and food service across Wisconsin through our statewide small business program. Our food service partnership combines the resources of both the public and private sectors, with a goal of matching qualified blind business operators with facilities that need vending and food services.

This document is comprised of three chapters. The first chapter provides information about the BEP and outlines a detailed description of the process a person would go through in order to become trained in the BEP and eventually be a Licensed Operator. Understanding the process and the commitment that it takes to become a Licensed Operator will afford an individual the ability to make an informed choice before pursuing an opportunity with the BEP.

The second chapter outlines the process for the selection of suitable locations, notification of vacancies, order of preference and selection of best suited licensees for State and Federal facilities. Understanding the process will afford a licensee and operator the ability to make an informed choice before pursuing the opportunities of available businesses while applying to fulfill a notification of vacancies.

The third chapter outlines the ongoing operations within the BEP. It provides information on the process for requesting new equipment, establishing new locations, the process for site reviews and cure plans, standard reporting requirements, and Wisconsin sales tax exemptions.

DEFINITIONS

BEP Licensed Operator / Licensed Operator / Operator - a blind licensee who is operating a supervised business enterprise on a federal or other property.

BEP Graduated Trainee - an individual eligible for consideration to manage a retail facility

Nominee Agency – organization designated by the SLA through a written agreement to act as its agent in the provision of services to blind licensees under the BEP program.

Business Enterprise – a vending facility or other small for-profit enterprise operated by or to be operated by one or more blind persons supervised by the department.

Department or State Licensing Agency (SLA) – Department of Workforce Development (DWD), Division of Vocational Rehabilitation (DVR)

Internship / Temporary Work - Time-limited paid work experience. There is no expectation that the participant will be hired permanently at that site.

Licensee / Trainee – A person eligible to become an operator of a Business Enterprise

Business Enterprise Facility / Location – a vending facility or other small for-profit enterprise operated by or to be operated by one or more blind persons supervised by the department.

CHAPTER ONE – THE PROCESS TO BECOME A BEP OPERATOR

This chapter is composed of three sections. Each section must be reviewed and completed in sequential order. The first section is an introduction to the BEP. It provides a brief explanation of the BEP and answers common questions people ask when first exploring an opportunity with the BEP. If, after the initial exploration of the BEP, an individual decides to pursue an opportunity in the BEP, they would continue to section two.

The second section provides an opportunity for the individual to learn more about the BEP and to speak with and work with current BEP Operators. After the extensive exploration of the BEP in sections one and two, the BEP believes the consumer and their counselor will have the information they need to determine if pursuing a career as a Licensed Operator is the best choice for them. If the decision is yes, the individual would proceed to the third section of this document.

The third section details the training portion of the process to become a Licensed Operator in the BEP. This section consists of four separate steps. Each step in the process must be completed before the individual proceeds to the subsequent step with the exception of preplanning for step #4. After successful completion of the first step, the applicant becomes eligible to be a trainee in the BEP for the remainder of their training.

After successfully completing steps two and three the trainee receives a graduation certificate from the BEP and is eligible to bid on current available sites. This entire process is designed to produce qualified and informed BEP Licensed Operators that are

fully capable and competent to operate their own business, and will result in optimal profitability. A person's progress and success will ultimately be determined based on that person's motivation and desire to succeed.

The consumer's counselor reserves the right to request that the prospective applicant have additional assessments or obtain specific training as needed at any time during the prospective applicant's pursuit to become a BEP Operator.

I. THE BUSINESS ENTERPRISE PROGRAM

A. What is the Business Enterprise Program and what is its purpose?

The purpose of the Wisconsin Business Enterprise Program (BEP) is to enlarge economic opportunities for the legally blind. We establish, maintain and provide vending and food services across Wisconsin through our statewide small business program. Our partnership combines the resources of both public and private sectors, with a focus on matching qualified blind business operators with the private and public facilities that need vending and food services.

The Wisconsin BEP strives to enhance the program in order to provide more and better employment opportunities for blind individuals across Wisconsin.

B. What are the minimum requirements to becoming a Licensed Operator in the BEP?

To become a Licensed Operator in the BEP, a person must meet the requirements mandated in Wisconsin Statute Chapter 47 and Chapter DWD 60, Wis. Adm. Code.

C. What types of businesses does the BEP develop and support?

The types of businesses developed and administered include:

1. Vending Machine Businesses
 - a. Stationary locations
 - b. Routes
2. Cafeteria and Snack bar/Deli
3. Other alternate business plans will be reviewed as needed

D. Where does the BEP receive its funding?

The funding for the program derives from federal and state governments, set aside assessments on BEP blind vendor operations, and unassigned commissions received from private parties.

E. What authority does the BEP operate under?

The legal basis for the BEP is derived from the Randolph-Sheppard Act 20 USC 107, Wisconsin Statute Chapter 47 and Chapter DWD 60, Wis. Adm. Code.

The Randolph-Sheppard Act provides the authority for the State Licensing Agency (SLA) to carry out the provisions of

the act. The Division of Vocational Rehabilitation is the designated SLA in Wisconsin. Currently the SLA has designated through a written agreement for nominee agency services with Randolph-Sheppard Vendors of Wisconsin (RSVW).

The provisions of the Randolph-Sheppard Act, Wisconsin Statute Chapter 47, Department of Administration Chapter 2.12 provides the SLA with an exclusive authority to develop vending, cafeteria and snack bar/deli businesses in all federal and state owned and leased buildings and properties. The SLA is authorized under the federal law to select, train and license persons who are eligible to operate these vending businesses.

F. Once I am licensed, how quickly can I expect to go to work?

This depends on a number of factors since there is no way to predict when or where vacancies will occur. Entrepreneurs preparing for business success know the power of networking. Individuals are encouraged to identify, build relationships and develop partnerships with private businesses to increase your opportunities for building a successful business. A person's chances of being placed are greatly enhanced if he or she is willing to relocate. There are often longer delays for those individuals who have very restricted geographical preferences.

II. DVR CONSUMER REVIEW PROCESS

To be accepted as a trainee in the BEP, you must complete the following requirements in the order listed below. A detailed explanation of the requirements is provided in this section.

- **Be determined eligible for DVR services.**
- **Provide documentation to your counselor that you are legally blind.**
- **Provide documentation to your counselor that you are a United States citizen.**

A. Attributes a PROSPECTIVE CONSUMER should possess to become a successful Licensed Operator

Please review EXHIBIT A of this document. EXHIBIT A contains several of the essential attributes that current successful BEP Licensed Operators possess. *Do you possess these attributes?* You and your counselor should discuss these prior to scheduling an interview with the BEP and/or nominee agency. **In addition, an exam may be given by your counselor to help you see if you have what it takes to succeed as an ENTREPRENEUR.**

B. BEP Informational Session

The Informational Session (Schedule a 2-hour time frame)

As a result of your discussion with your counselor about the attributes an individual should possess, the counselor may

set up an informational session with the BEP and/or nominee agency staff.

This session will be an opportunity for the BEP and/or nominee agency to meet with the PROSPECTIVE consumer. The BEP and/or nominee agency will provide a detailed description of the BEP, the expectations of trainees and BEP Licensed Operators, options for employment, timelines for training and employment, etc. This is an opportunity for the PROSPECTIVE consumer to obtain comprehensive information about the BEP so that the decision to pursue this opportunity is an informed choice.

If the counselor and PROSPECTIVE consumer continue to agree that becoming a BEP Licensed Operator is a realistic career goal, the process continues to *Step “C”, Onsite Interviews and Job Shadowing*.

C. Onsite Interview and Job Shadowing

After the completion of *Step “B”*, the BEP and/or nominee agency will provide the PROSPECTIVE consumer with the contact information of current BEP Licensed Operators who have agreed to be a part of this process. The PROSPECTIVE consumer will provide the BEP and/or nominee agency with a list of questions to ask the BEP Licensed Operators.

The PROSPECTIVE consumer will choose from the list of BEP Licensed Operators and complete at least three separate onsite interviews and at least one job shadowing.

After the PROSPECTIVE consumer completes the interviews and job shadowing, the PROSPECTIVE consumer will meet with their counselor and discuss the results of their interactions. If the counselor and PROSPECTIVE consumer continue to agree that becoming a BEP Licensed Operator is a realistic career goal, the counselor contacts the BEP or nominee agency staff. The PROSPECTIVE consumer and BEP and/or nominee agency staff meets to discuss the next steps.

NOTE TO COUNSELORS: *The Vocational Rehabilitation Counselor (VRC) is responsible for the identification and referral of individuals to the Business Enterprise Training Program. The VRC is also responsible for service coordination in consultation with BEP and/or nominee agency staff.*

- 1. Exhibit A is a list of those attributes that current and former BEP Operators and BEP and/or nominee agency staff have identified as being essential to a person's success as a business owner/operator. This list is not intended to be used to prohibit individuals from pursuing the BEP as a career choice.***
- 2. The Interview and the Job shadowing is an assignment to be completed by the prospective consumer. Counselors should not conduct interviews or schedule the job shadowing for the prospective consumer.***

III. TRAINING TO BECOME A BEP OPERATOR

NOTE TO COUNSELORS: *At this point, an Individual Plan for Employment (IPE) should be developed with the BEP Licensed Operator as the job goal. Services required to reach this goal are contained in the remainder of this document. Many of the training requirements can be completed anywhere in the state.*

Training is the final component of the process for the PROSPECTIVE consumer to become a BEP Operator. There are four steps to the training section that must be completed in the order that they are listed below, with the exception of location development.

- A. BEP Course Work Training
- B. BEP Vending Machine Training.
- C. Internship / Temporary Work
- D. Location Development

A. STEP #1 – BEP Course Work Training

#1 Business Plan:

Are you interested in starting a business? Creating a business plan is one of the most important steps you will take. The development of a business plan is the key for a successful business. It requires the evaluation of your entire business and the business plan is considered a road map of your business. The business plan generally projects 3-5 years ahead and outlines the direction a company intends to take to reach its yearly milestones including revenue projections. A well thought out plan also helps you to step-back and think objectively about the key elements of your

business venture and drives your future decision-making process.

The vending industry is highly competitive. To be a successful business owner in this industry a person must be able to manage every aspect of their business efficiently and effectively. BEP businesses typically have several vending machines at several different locations. The BEP Licensed Operator must be able to provide their customers with the products they want, in the quantity they want, and when they want it. The BEP and/or the nominee agency will make suggestions for consultants, classes and information that may be helpful for completion of the business plan. However, the business plan must be completed by the trainee.

Example Business Plan Outline:

1.0 Executive Summary

1.1 Objectives

1.2 Mission

1.3 Keys to Success

2.0 Products and Services

2.1 Product and Service Description

2.2 Competitive Comparison

2.3 Supplier Contact Information

3.0 Market Analysis Summary

3.1 Market Trends

3.2 Market Growth

3.3 Industry Analysis

3.4 Main Competitors

4.0 Management Summary

4.1 Organizational Structure

4.2 Management Team

4.3 Personnel Plan

5.0 Financial Plan

5.1 Important Assumptions

5.2 Break-even Analysis

5.3 Projected Profit and Loss

5.4 Projected Cash Flow

5.5 Long-term Plan

The business plan demonstrates the ability of individuals to communicate effectively and understand the financial details of their business while possessing the ability to use a computer including email, spreadsheets and word processing.

BEP Licensed Operators must be able to count their money, make deposits, and make change for customers. They must be able to keep a thorough record of their business transactions, review and understand their profit and loss statements, implement marketing strategies, and understand legal correspondences. They must be able to communicate both verbally and in writing with customers and colleagues. They will need to conduct inventories, place and receive product orders, hire and fire staff and stay current with all industry change. It is important that they stay current with the existing and future requirements mandated by law governing the activities of all small business owners. The BEP Licensed Operator must also be able to perform the physical

demanding aspects of the job and at times the difficult working conditions of the job.

BEP Licensed Operators can employ staff to help them with some of these tasks however; the BEP Licensed Operator must understand that they are ultimately held responsible for the operation of their Business Enterprise. For example, if a business owner employs an accountant to handle the businesses financials, the business owner still needs to be able to review the financial records and determine if the information is accurate. If the accountant breaks the law, the business owner can be held liable.

Once completed, all business plans need to be reviewed and approved by the Workforce Development Area (WDA) Business Plan Review Committee utilizing the “Customized Self Employment Business Plan checklist” provided by the counselor.

#2 – BEP Laws and Regulations

During this training, the BEP and/or nominee agency staff will provide the trainee with copies of all laws and rules that govern the BEP. The BEP and/or nominee agency staff will also provide copies of all BEP policy and procedure documents. The trainee will take a series of tests during the training to verify their understanding of the BEP and the laws, rules, policies and procedures that govern the BEP and the Licensed Operators in the BEP. The trainee must achieve a score of 85% correct or better on every test in order to advance to the next course. Trainees that do not successfully pass a test will be allowed to retake the test

weekly as long as their test scores improve. If the score continues to be less than 85%, the BEP and/or nominee agency, counselor and trainee will determine how to proceed.

#3 – *BEP Reporting Requirements*

During this training, the BEP and/or nominee agency staff will provide the trainee with copies of the required monthly reporting requirements. The trainee will take a test during the training to demonstrate their understanding of the BEP monthly reporting requirements. The trainee must achieve a score of 85% correct or better on every test in order to advance to the next course. Trainees that do not successfully pass a test will be allowed to retake the test weekly as long as their test scores improve. If the score continues to be less than 85%, the BEP and/or nominee agency, counselor and trainee will determine how to proceed.

BEP COURSE WORK TRAINING RATIONALE

There are many responsibilities DVR has as the State Licensing Agency for the BEP. One of these is to adequately train qualified candidates to be successful BEP Licensed Operators of profitable businesses.

The BEP was created by law. There are many obligations that are mandated by law with which the SLA and the BEP Licensed Operator are required to comply. To be a successful BEP Licensed Operator and a good steward of

the BEP, the SLA believes a trainee must understand their responsibilities and obligations as a BEP Licensed Operator.

B. STEP #2 –Vending Machine Training

NOTE TO COUNSELORS: *Counselors need to be prepared for additional costs associated with this training as deemed necessary or appropriate to achieve the consumer goal. Training will be provided by a Licensed BEP Operator, BEP and/or nominee agency staff, and local providers.*

Upon successful completion of the BEP Course Work Training, the BEP and/or nominee agency staff will schedule a meeting with the counselor and trainee to review the trainee performance during the BEP Course Work Training and to schedule a time for the trainee to start BEP Vending Machine Training.

BEP Vending Machine Training will last 40 hours. During this course the trainees will learn how all vending equipment used in the BEP works and how these machines are cleaned, maintained and filled. The trainee will also learn how to troubleshoot common vending machine error messages and how to make common repairs to vending machines.

BEP VENDING MACHINE TRAINING RATIONALE

In order to be effective and efficient in all areas of one's business, a business owner must understand how to operate every aspect of their business. In the vending industry this means keeping your equipment clean, full and working.

Every BEP Licensed Operator must be able to work with vending machines. They must be able to recognize the different machines that are a part of their business, understand how these machines function and know how to fill, service and clean each machine. Achieving this will result in satisfied customers, maximized sales and maximized profits for the BEP Licensed Operator.

Though the vending machines are owned by the State of Wisconsin, the BEP Licensed Operator has an obligation to maintain this equipment as if they owned it themselves. The BEP is a limited funded program and it is essential to the longevity of the program that the life of all vending machines is maximized. The BEP developed the Vending Machine Training portion of the process to try and meet this objective and to educate each individual on their responsibility as it relates to the vending machines and how their commitment in this area will lead to maximizing their profitability.

C. STEP #3 –Internship / Temporary Work

NOTE TO COUNSELORS: *Internship/Temporary Work is defined as time-limited paid work experience. There is no expectation that the participant will be hired permanently at that site. The Internship can be conducted in a variety of locations throughout Wisconsin. The BEP and/or nominee agency will discuss any additional costs that counselors will need to plan for associated with the Internship as needed. Wages paid to a consumer for an I/TW must follow the employer of record process used for all DVR consumers.*

After the trainee successfully passes the BEP Vending Machine Training final exam, the BEP and/or nominee agency staff will schedule a meeting with the trainee and counselor to discuss the Internship.

The Internship will be conducted by either a BEP Licensed Operator at their place of business or at the BEP training facility in Madison. The BEP makes every effort to individualize the Internship to ensure that the trainees' potential is maximized.

During the training, a trainee does everything that they would be expected to do as a BEP Licensed Operator, from filling, cleaning and maintenance of vending machines to completing business ledgers and working with customers.

During the Internship, the trainee will have the opportunity to ask questions and apply all that they have learned to this point in their training.

The trainee will have weekly reports on his or her performance. At the completion of the Internship, the BEP and/or nominee agency staff will schedule a meeting with the trainee, counselor and BEP Trainer (Licensed Operator) to discuss the results of the Internship. At this meeting, the BEP Trainer and the BEP and/or nominee agency staff will provide a final detailed report to the counselor on the trainees' performance during the training.

Based on the results of the training, one of the following will occur:

1. If the BEP and/or nominee agency staff and counselor agree that the trainee is ready to become a BEP Licensed Operator, the trainee will be issued a BEP graduation certificate. A graduated trainee of the BEP is considered as qualified and is eligible to receive “*notification of vacancies*” on any BEP business as businesses become available for bid.

OR

2. If the BEP and/or nominee agency staff and counselor believe that further temporary training is needed for the trainee to become a BEP Operator, *Step #3* will be repeated until such time that the trainee is determined to be qualified or the BEP and/or nominee agency, counselor and trainee determine that a different career goal is more appropriate.

D. STEP #4 –Location Development

NOTE TO COUNSELORS: *Location development is an additional way to provide employment opportunities for trainees. Counselors should be prepared to generate an authorization for capital assets (vending machines), startup inventory and the BEP will provide a small business loan to the consumer for the coin mechanism.*

**Any assets, miscellaneous equipment, and/or supplies purchased through an IPE or through the BEP program are considered BEP assets and will remain with the BEP program. Any items purchased that are disability related and not for direct use within the BEP program will not remain with the BEP.*

The BEP and/or nominee agency staff will work with the graduated trainee and counselor to determine applicable

locations to develop new business opportunities. Opportunities may be created in either public or private locations throughout Wisconsin. Graduated trainees are encouraged to be entrepreneurs and to seek out local businesses to create new opportunities for services.

Entrepreneurs preparing for business success know the power of networking. Individuals are encouraged to identify, build relationships and develop partnerships with private businesses to increase your opportunities for building a successful business. The Licensed Operator in the BEP must have a desire to be a business owner with the ability to grow a business. Preplanning for this step shall be discussed during both the initial interview with the consumer and counselor and throughout steps #1, #2 and #3 of the training process.

After Graduation

While awaiting an opportunity to become a BEP Licensed Operator, it is the expectation of the BEP that the graduated trainees seek out new business opportunities in their communities and make themselves available to all BEP Operators as a potential employee or relief worker. This experience will afford the graduated trainee the opportunity to maintain their vending skills and their knowledge of the vending industry.

The BEP expects that current BEP Licensed Operators will support these graduated trainees as these will be the future leaders and operators of BEP.

Once a graduated trainee is awarded a BEP Business and signs an OPERATOR'S AGREEMENT, they become a BEP Licensed Operator and start accruing seniority.

- The Graduate Trainee's license will need to be renewed and revised yearly.
- Being licensed as a BEP Operator does not guarantee placement as an Operator or as an employee of an Operator. Placement is subject to availability of positions.

EXHIBIT A

CHARACTERISTICS OF A SUCCESSFUL BEP LICENSED OPERATOR

1. **Entrepreneurship:** The ability of someone to organize a business venture and assume the responsibility for its continuing success and growth. To new and experienced entrepreneurs, getting help with your small business is very crucial to your success. Knowing the right resources available will help you to avoid costly mistakes, and can also help you to save a lot of time, money and energy. You will need to understand the legal structure of the business, financial management, marketing, pricing products, preparing a business plan, and more.
2. **Self-Promotion:** The ability to market one's business effectively. Self-Promotion is one of the most beneficial, yet most underutilized, marketing tools that the majority of business owners have at their immediate disposal.
3. **Positive Personality:** A Licensed Operator in the BEP must have the ability to work well with others. A Licensed Operator's success depends on the Licensed Operator's ability to satisfy the needs of customers and business associates. A Licensed Operator must be friendly, approachable and be a problem solver. A Licensed Operator must develop positive working relationships to ensure success in their business.

4. **Focus on Customer Satisfaction:** Business success requires an unwavering commitment to the customer. This commitment encompasses a mindset of understanding the customers' world. Understanding the customer's wants and needs provides the business with a greater opportunity to earn a loyal customer base. A Licensed Operator in the BEP must know who their customers are and focus on providing the service and the products customers want. Doing this will result in a more successful business for the Licensed Operator and increased sales/profits.

5. **Communication:** Effective communication is about more than just exchanging information. Effective communication requires you to also understand the emotion behind the information. It can improve relationships at home, work, and in social situations by deepening your connections to others and improving teamwork, decision-making, caring, and problem solving. It enables you to communicate even negative or difficult messages without creating conflict or destroying trust. Effective communication combines a set of skills including nonverbal communication, attentive listening, the ability to manage stress in the moment, and the capacity to recognize and understand your own emotions and those of the person you're communicating with.

6. **Charisma:** Entrepreneurs practicing the art of business success know the power of networking. They take the time to identify and build relationships with key peers,

mentors, and advisors. A Licensed Operator in the BEP must be able to use their positive personality to build relationships with others. This inner network provides support, direction, and an increased number of people that can assist the business owner in achieving success.

7. **Focus on Motivation and Opportunity:** The Licensed Operator in the BEP must have a desire to be a business owner. They must be willing to accept responsibility for all aspects of their business and be willing to hold themselves accountable. There is a high probability that a BEP graduate's first opportunity will not be the business or in the location that they desire the most. BEP graduates must be motivated to take any opportunity that provides them future opportunities. Problems are a regular part of business life. To achieve business success one must look at both sides of the coin. Every problem has an opportunity. A Licensed Operator in the BEP must be opportunity focused in order to continually improve the quality of service they are providing to their customers.

8. **Self-Starter/Self Reliant:** A Licensed Operator in the BEP is expected to set schedules for themselves, place orders, keep vending machines clean, full and working at all times, submit information to the BEP on time and keep their customers satisfied. Often the expectations are not at the convenience of the Licensed Operator and can interrupt the Licensed Operator's personal time. The Licensed Operator will need to be able to prioritize these work duties in order to meet their responsibility as a Licensed Operator in the BEP.

A career in the BEP is not a Monday through Friday, 8 to 5 job. It is not uncommon for a Licensed Operator to work an odd schedule that includes nights and weekends.

9. **Adaptability:** Business success requires the ability to adapt to changing situations. Nothing ever goes as planned. The world of business is full of surprises and unforeseen events. A Licensed Operator in the BEP must possess the ability to adapt to change. A Licensed Operator may have a plan; however unknown circumstances may alter those plans. Understanding this potential and being able to change course and act swiftly can be the difference between success and failure. Being flexible gives Licensed Operators the ability to respond to changes without being paralyzed with fear and uncertainty.

10. **Stress Management:** We all feel pressure and stress. How a Licensed Operator handles stressful situations could be the difference between success and failure. Customers, colleagues and employees can sometimes be difficult to work with. Business success requires the ability to adapt to changing situations. Nothing ever goes as planned. A Licensed Operator in the BEP is a representative of not only their business, but of the entire program.

11. **Productivity and the ability to Multi –Task:** Productivity is the cornerstone of business success. A Licensed Operator in the BEP must formulate the habit of

continually looking for a better way to make their business more productive. This attribute will create more time to focus on the critical issues that drive sales and profit. Productivity can be enhanced by technology, automation, outsourcing, and improving business processes.

CHAPTER TWO – SELECTION OF THE BEST SUITED OPERATOR

IV. SELECTION OF THE BEST SUITED OPERATOR

A. Overview

This chapter provides information about the BEP and outlines the process for the selection of suitable locations, notification of vacancies, order of preference and selection of best suited licensees for State and Federal facilities. Understanding the process will afford a licensee and operator the ability to make an informed choice before pursuing the opportunities of available businesses while applying to fulfill a notification of vacancies. Ongoing training is available to all licensees or new consumers as needed. This document is composed of three sections:

The first section provides the general purpose and an overview of the State and Federal laws as they relate to the selection of suitable locations, notification of vacancies, and selection of best suited licensees and order of preference.

The second section provides details on profit and loss projections. The profit and loss projection is the heart of a business as it summarizes the revenues, costs and expenses incurred during a specific period of time, usually a fiscal quarter or year. These records provide information that shows the ability of a business enterprise operator to generate income.

The third section provides details on operating the business enterprise performance standards. Performance standards appraise a particular level of performance and should be objective, measurable and realistic.

B. Purpose

The Elected Committee of Blind Vendors proposes a policy for active participation with the SLA to enlarge the economic opportunities for Wisconsin's blind and visually impaired, to ensure all licensees achieve an adequate income level and stimulating the blind to greater efforts in striving to make themselves self-supporting.

C. Federal and State Laws and Rules Background

Federal Act:

20 U.S.C. Sec 107 – Operation of vending facilities

(a) Authorization

For the purpose of providing blind persons with remunerative employment, enlarge the economic opportunities of the blind, and stimulating the blind to greater efforts in striving to make themselves self-supporting, blind persons licensed under the provision of this chapter shall be authorized to operate vending facilities on any Federal property.

20 U.S.C Sec 107a – Federal and State responsibilities

- (b) Duty of State Licensing Agencies to prefer blind
The State Licensing Agency shall, in issuing each such license for the operation of a vending facility, give preference to blind persons who are in need of employment. Each such license shall be issued for an indefinite period but may be terminated by the State Licensing Agency if it is satisfied that the facility is not being operated in accordance with the rules and

regulations prescribed by such licensing agency. Such licenses shall be issued only to applicants who are blind within the meaning of section 107e of this title.

State Law: Chapter 47.03 (4)

- (a) The department shall establish a supervised business enterprise program for blind persons in which the department owns, leases, manages, supervises, provides consulting services to or operates businesses for the benefit of blind persons, with the ultimate objective of enabling blind persons to operate their own businesses. The department shall offer blind persons first right to operate these businesses.

State Administrative Code:

DWD 60.08 Selection of operators.

(1) DEPARTMENT RESPONSIBILITY. The department shall select operators for business enterprises from among persons licensed to operate business enterprises. The licensee deemed to be best suited for an available business enterprise shall be selected. The department may appoint a committee of operators and department staff to make a recommendation about the best-suited licensee for the available business enterprise.

(2) NOTIFICATION OF VACANCIES. The department shall notify all licensees in writing of vacancies in business enterprises throughout the state with instruction for applying to fill the vacancies.

(3) ORDER OF PREFERENCE. In selecting an operator for a vacancy, the department shall first consider applicants who are currently operators and thereafter applicants who are licensees but not currently operators, except that preference shall be given to a licensee who was an operator and has requested transfer to a new location in accordance with s. [DWD 60.07 \(2\) \(b\)](#).

V. SELECTION OF BEST SUITED LICENSEE

A. Profit and Loss Projection Overview

For most business owners, the 12-month profit and loss projection is the heart of their financial plan. This is where you crunch all the numbers and get an idea of what it is required to make your business profitable and successful.

Section VI gives a described narrative of elements included on most profit and loss projection such as vending sales, sales tax, commissions, cost of goods sold and other operating expenses.

Section VI, E is a profit and loss projection statement (excel spreadsheet) to prepare a month-by-month projection including the ability to make assumption based on number of employees and average sale per customer. For existing BEP locations, base the forecast on the notification of vacancies historical sales or projected sales, when available. With both historical and projected sales, each licensee and operator should consider both a "best assumption" which is what you really expect, and a "worst case" low estimate that you are confident you can reach no matter what happens in the process of creating a profit and loss projection. The nominee and SLA will be reviewing your forecast assumptions for

mathematical plausibility in the determination of best suited licensee.

You should include a narrative explaining the major assumptions used to estimate company income and expenses, along with your business profit projections. Always keep your research notes and assumptions, so that if you need to later explain them, and you'll have the sources on hand, especially if you later need to revise your plan. Relate the forecast to your sales history, explaining the major differences between past and projected sales. This is critical should you disagree with any point deduction taken during the best suited licensee determination described in the next section. Training is available should any operator need assistance based on available staff time and resources.

B. Projected Profit and Loss Review (40 Points)

The total points available are forty with one point being awarded for each percent of net income. Example: An operator submits a profit and loss projections that indicates a 40% net income, the highest possible points to be awarded prior to any possible deduction shall be 40 points.

The projected profit and loss statement will be reviewed for accuracy. A one-point deduction will be taken for each element that is mathematically questionable. Example: Location A is 122 miles roundtrip from licensee or operators warehouse. The facility requires service twice a month. Current mileage deduction is \$0.51 per mile. The operator indicates a monthly mileage expense of \$72.00. Nominee and SLA review find the following the actual monthly mileage expense should be \$124.44 ($244 * \0.51)

The licensee will have the ability to review the deduction and provide written explanation should the licensee disagree with

any deduction. An adjustment in points shall be considered. The department shall review the deduction/adjustment and make final determination. Each licensee will receive the final point's determination from the SLA upon the notification of the successful applicant.

Projected profit and loss statement

1. Review factors to determine the location is likely to contribute to the development of significant economic opportunities for the licensee.
2. Review factors to determine the location is likely to provide the most productive use of program assets.
3. Evaluate the potential return on investment.
4. Evaluate relevant factors with the ultimate objective of enabling blind persons to operator their own business.
5. Evaluate the operational efficiencies.

C. Performance Standards Overview

A performance standard is a management-approved expression of the performance threshold(s), requirement(s), or expectation(s) that must be met to be appraised at a particular level of performance. While performance elements (DWD 60.10 Operating the business enterprise) tell operators and new licensee what they have to do, the standards tell them how well they have to do it.

Performance Standards (40 Points):

Performance Standards:

1. Have all reports been received on time and are completed.

2. Have all set-aside payment been received on time.
3. Reports submitted electronically.
4. Have any late penalties been assessed in the past twelve months.
5. Average cost of goods sold over the last twelve months.
6. Operator net profit prior to commissions and/or rents to state agencies.
7. A site review of existing facilities based on measurable standards
8. Attended the entire mandatory fall meeting.

D. Performance Standard Review

Performance review – 40 points

1. Did the operator turn in monthly reports on time? 1 point will be awarded for each month the report was turned in on time during the previous 12-month period. “Extra 2 points” will be awarded if all reports for the previous 12-month period were turned in on time.

Process for determination:

- If operators submit reports in person, the report is date stamped when presented to RSVW.
- If operators submit reports via US mail, postmark on envelope will be retained and report will be date stamped.
- If operator submits reports via email, email will be retained and report will be date stamped.

- If operator submit reports via email and attachments are not accessible (won't open), operator must resubmit with accessible reports prior to the 15th of the month or no points will be awarded.
 - If reports are presented incomplete, operator will be sent email notification of requirements for compliance. No points will be awarded if compliance is not achieved prior to the 15th of the month. Email notification will be retained in operator file if compliance is achieved after the 15th of the month.
 - Licensee no reporting history will be awarded 12 points.
 - For each 40 hours working for an existing operator a licensee will earn one point for a maximum of an "extra 2 points".
 - Operators with less than 12 months history will be awarded one point for each month of no history and are subject to the above compliance requirements for those months with history but will not receive "Extra 2 points".
2. Did the operator pay set aside on time? 1 point will be awarded for each month set aside was paid on time during the previous 12-month period. Extra 2 points will be awarded if all payments for the previous 12-month period were submitted on time.

Process for determination:

- If operators submit checks in person, the checks will be photocopied with date stamp placed on photocopy.
- If operators submit checks via US mail, the check will be photocopied with date stamp placed on photocopy.
- Licensee with no history will be awarded 12 Points.

- For each 40 hours working for an existing operator a licensee will earn one point for a maximum of an “extra 2 points”.
 - Operators with less than 12 months history will be awarded one point for each month of no history and are subject to the above compliance requirements for those months with history but will not receive “Extra 2 points”.
3. Does the operator submit monthly reports electronically?
(4 points if reports are submitted electronically)
- Licensee with no history will be awarded 4 points.
 - For Operators with less than 12 months of history, the amount of time they have with history are subject to the same compliance requirements for those operators with 12 months of history.
 - If an Operator submits monthly reports electronically at least 50% of the previous 12 months, 4 points will be awarded
 - If an Operator fails to submit their monthly reports electronically at least 50% of the previous 12 months, no points will be awarded.
4. If an Operator is assessed a penalty fee in the previous 12 months, 2 Points will be deducted for each occurrence.
5. Operator average cost of goods sold percentage for the last twelve months.
- a. 0% - 40% - 3 points
 - b. 40.01% - 50% - 2 points
 - c. Greater than 50.01% - 1 points

- Calculation based on the previous 12 months or the Operator's reporting history if less than 12 months.
 - Licensee with no history will receive 2 points.
6. Operator net profit percentage prior to commissions and/or rents to state agencies. (Vending only)
- a. Greater than 25% - 6 points
 - b. 20% - 24.99% - 4 points
 - c. 0% - 19.99% - 2 points

Cafeteria and Vending

- a. Greater than 15% - 6 points
 - b. 10% - 14.99% - 4 points
 - c. 0% - 9.99% - 2 points
- Calculation based on the previous 12 months or the Operator's reporting history if less than 12 months
 - Licensee with no history will receive 4 points.
7. Attended the entire mandatory fall meeting.
- a. Yes – 2 Points
 - b. No – 0 Points
- Licensee will receive 2 points.

E. Best Suited Licensee Testing (20 points)

The testing will be general business knowledge questions in an open book format. General business knowledge is an important component as in today's business environment as

we must be able to understand every element of our business to be successful.

The test will consist of 10 questions with 2 points awarded for each correct answer. A total of 20 points is possible.

Example: A product costs your business \$0.32 per unit, what is your selling price to achieve a 50% profit including sales tax of 5.5%?

Breaking a Tie Procedure:

Should the total points for two or more licensees end with equal scores, the following points system will be used for breaking the tie.

1. Number of new facilities surveyed in the last twelve months. 1 point for each facility surveyed. (Exhibit Five: New Location Request Form must be completed and submitted to SLA or designee within 14 days of location surveyed.)
2. Number of new facilities added in the last twelve months. 5 points for each new facility.

F. Notification of Vacancy

General Information

In accordance with Federal Regulation and State Rules and Laws, all licensees shall be notified of vacancies within the Wisconsin Business Enterprise Program. In selecting an operator for a vacancy, the SLA shall first consider applicants who are currently operators and thereafter applicants who are licenses but not currently operators except that preference shall be given to a licensee who was an operator

and has requested transfer to a new location in accordance with s. [DWD 60.07 \(2\) \(b\)](#).

The information contained in the Notification of Vacancy Announcement is either annualized based on a projection for new facilities or on available sales history for existing facilities. Please remember that a previous operator's management practice may have impacted the sales figures provided in the Notification of Vacancy. Business conditions may increase or decrease the sales projections after an announcement is posted. Interested licensees need to carefully evaluate the potential benefits and risks of each business opportunity for which they apply.

To ensure each licensee has analyzed the information as it is related to your current business practices, a twelve-month projected profit and loss statement shall be provided as part of the instruction for applying to fill the vacancy. The projected profit and loss will determine to whom the location is likely to contribute to the development of significant economic opportunities for the licensee. In accordance with s. DWD 60.08 (6), all operators shall serve a probationary period of six months, including operators who have been promoted or transferred. The department may shorten the probationary period to 3 months following an operator's satisfactory management of the business enterprise during that period, or the department may lengthen the probationary period to one year. Each Notification of Vacancy shall have unique instructions required to fulfill the vacancy.

G. Notification of Vacancy Example

DATE: 1/1/11
TO: All BEP Licensees
FROM: SLA
RE: BEP Location XYZ

The Wisconsin Business Enterprise Program is now accepting applicants to fill a vacancy in the (Blank) region of the State of Wisconsin. The State Licensing Agency (SLA) and the Elected Committee of Blind Vendors (ECBV) are committed to expanding business opportunities for all business enterprise program (BEP) licensees.

Facility Vacancy Announcement Information:

Facility Location: 1234 Blue Sky Lane, Madison, WI 53704

Reported Sales or Projected Gross Sales (July, 2014 to June 2015): \$123,000

Rent or Commissions: \$280.00 per month

Hours of operations: 7:00 to 5:00, Monday – Friday

Population (if applicable): 1234 full-time employees

Storage: onsite storage 144 square feet

Annual equipment replacement costs: \$1,221

Annual Equipment Repair and Maintenance Budget: \$1,520

Accessibility: The facility is located near a public transportation station. The licensee must complete a background check for the facility.

Current Operator Contact Information:

Operator XYX Phone: 608-555-1234

Operator XYZ Email: xyz@gmail.com

Equipment type and manufacture date:

1 – Automatic Products 133 snack machine (7/1/14)

1 – National Crane Merchant snack machine (8/2/14)

1 – AMS combo machine (1/14/14)

Availability Projection: June 30, 2015

Instructions for applying to fill vacancy (will vary for each location):

1. Licensee must be current on all BEP reports and have no past due set-aside and rent payments before the notification of vacancy due date.
2. Submit a twelve month projected profit and loss report including a written narrative outlining how your business will fulfill the facilities expectations.
3. Is your business requesting additional program equipment infrastructure such as freezers, metro shelving, totes, coin or bill counters, hand trucks etc.?
4. Any accommodation and or accessibility needs or other assistance necessary to provide the services required?
5. Written confirmation that your business is requesting a small business loan for initial stock, supplies and operating capital to begin operation or your business has adequate initial stock, supplies and operating initial stock and supplies. (This is for planning purposes only, no deduction shall be taken if a licensee request a small business loan)

6. Licensee selected must complete a probationary period of six-month, including operators who have been promoted or transferred. The department may shorten the probationary period to three months following an operator's satisfactory management of the business enterprise during that period, or the department may lengthen the probationary period to one year.
7. If the licensee selected fails to conduct the business enterprise in compliance with the operator's agreement (additional attachments outlining performance expectations will be included) or maintain reasonable performance levels as outlined in the projected profit and loss statement, a corrective action review will take place in accordance with DWD 60.12. Should the licensee fail to adhere to a written corrective action plan, discipline including removal from site may occur.

VI. PROJECTED PROFIT AND LOSS

A. Narrative

The BEP believes the 12-month profit and loss projection is the centerpiece of your business. This is where you put it all together in numbers and get an idea of what it will take to make a profit and be successful. Your profit and loss projections are your best assumptions as it relates to your business operations. The Wisconsin Business Enterprise Program requires that all operators shall conduct all business on a 30 calendar cash basis and shall pay all obligations promptly when due. Your profit and loss statement should include all potential business income (revenue) and business cash disbursements (expenses). While it is very difficult to

outline and define all possible expenses, below is a list of some of the most common.

B. Projected Profit and Loss Definitions

Income: Gross income includes all income received from an operator's operation of a Business Enterprise Program Facility.

Vending Machine Income: This income includes all cash receipts, sometimes called cash inflow or simply sales, is the amount of cash that a business acquires from the sale of goods and services for a certain time period in vending machines. All business receipts are reported on a month-by-month bases.

Retail Income: This income includes all cash receipts that a business acquires from the sale of goods and services for a certain time period in retail environment such as a cafeteria or snack bar. All business receipts are reported on a month-by-month bases.

Other Income: All other cash receipts that a business acquires such as rebates from suppliers, slotting fees or advertising revenue.

Total Income: This is the sum of vending machine, retail and other income.

Net Proceeds Deductions:

Sales Tax: The amount of cash paid during the reporting period for sales tax. The Wisconsin sales tax is a 5% tax imposed on the sales price of retailers who sell, license,

lease, or rent tangible personal property. 62 Wisconsin counties who have adopted a county tax, the county tax is a 0.5%. While most counties total tax rate is 5.5%, contact the State of Wisconsin Department of Revenue with the physical address of the facility where the product are sold to find the current sales tax rate.

Sales Tax Exemptions: The Wisconsin Department of Revenue Publication 220

(<https://www.revenue.wi.gov/DOR%20Publications/pb220.pdf>

) provides details on exemptions related to food products.

Exhibit three provides details on vending related products.

The nominee agency or SLA staff can provide additional training as needed.

Commissions: The amount of cash paid during the reporting period as part of an operating agreement with a vending facilities provider. Most common is a straight-line commission structure that an operator pays a certain percent on each product sold. An example: Operator A agrees to pay a 10% commission on each can of soda sold. During the month, operator A sells \$200 of can soda, total commission to be paid to the vending facility provider is \$20.00 ($\$200 \times 10\%$).

Department of Transportation Rent: The amount of cash paid during the reporting period for the general cleaning and garbage collection for the vending machines located on Wisconsin's rest areas. The current rate is \$280.00 per vending machine annually.

Cost of Goods Sold: The amount of cash paid for merchandise purchased for the cost of the sale during the reporting period.

Net Proceeds: Means the amount remaining from the sale of articles or services of business enterprise and any vending machine or other income accruing to an operator, after deducting the cost of sales, sales tax, rent or commissions to state agencies.

Set-aside: The amount of cash paid during the reporting period for set-aside. Set-aside means the money collected by the department from operators, based on a percentage of net proceeds, to be used for the purposes stated in s. DWD 60.11 (4). The current set-aside rate for all BEP operators is 8%.

Operating Expenses: While the number of possible operating expenses is too long to list, below are some common types. Should you have specific question related to business expenses, please contact the SLA or the designee.

Employee Wages: The amount of cash paid during the reporting period for employee payroll expenses. Salaries paid to blind vendors who may or may not be incorporated should not be reported here.

Employee Benefits: This figure should reflect the amount of cash paid for fringe benefits of employees of vending facilities during the reporting period.

Employment Taxes: The amount of cash paid during a reporting period for all employment taxes including all

employer taxes such as Federal, State, Social Security, Medicare, worker compensation and unemployment taxes.

Total Labor Expense: The sum of cash paid during the reporting period for employee wages, benefits and employment taxes.

Mileage Expense: Vehicle mileage deduction is for miles driven solely for business activities. Review the Internal Revenue Service Publication's should you have questions. The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile, including depreciation, insurance, repairs, tires, maintenance, gas and oil. The 2016 allowable rate is \$0.54 per mile.

Insurance Expense: Premium paid for commercial general liability insurance. The general liability policy is billed annual to each operator in July. The current mill rate is \$0.0018776 for every \$1.00 in sales. Example: Operator A has sales of \$100,000 annual general liability premium is \$187.76.

Utilities Expense: The sum of cash paid for utilities for warehouse and office space for your business.

Office Supplies: The sum of cash paid for business supplies such as paper, toner cartridges, computer monitors etc.

Telecom: Monthly payment for business phone, telemetry and internet.

C. Projected Profit and Loss Cover Page

Name of Business: XYZ Vending

Reporting Period Dates: January 1, 2015 to January 31, 2015

Location A Sales:

Location B Sales:

Location C Sales:

Total Gross Sales:

Sales Tax:

Merchandise Purchases (Cost of Goods Sold):

Rent to State Agencies:

Net Proceeds:

Payroll Expense:

Other Operating Expenses:

Operating Profit:

Levied Set-Aside:

Net Profit to Operator:

D. Projected Profit and Loss Supporting Information

Sales: Each operator must submit monthly sales by asset number for each location including meter readings and cash collected.

Sales Tax: Each operator must provide the amount of cash paid to the Wisconsin Department of Revenue for that reporting period.

Merchandise Purchased (Cost of Goods Sold) Each operator must submit monthly detailed supporting information including the date, purveyor and amount of purchase.

Rent to State Agencies: Each operator must provide the amount of cash paid a state agency for that reporting period.

Payroll Expense: Each operator must provide the amount of cash paid for payroll expenses for that reporting period. This figure should reflect the amount of salaries and fringe benefits (all labor costs) paid to employees. Salaries paid to you the operator should not be reported here.

Other Operating Expenses: Each operator must submit monthly detailed supporting information including the date, purveyor and amount of purchase.

E. Projected Profit and Loss Example

Projected profit and loss report example is attached below. We are working to make it screen reader accessible.



Projected Profit &
Loss Report Sample.x

CHAPTER THREE – OPERATIONS

VII. WISCONSIN SALES TAX EXEMPTIONS

Wisconsin Publication 220: Grocers

Food and Food Ingredients for Human Consumption

Exempt Food and Food Ingredients and Beverages: An exemption from Wisconsin sales and use tax is provided for all “food and food ingredients except “candy,” “dietary supplements,” “prepared food,” and “soft drinks.” The following examples of food and food ingredients are exempt from Wisconsin sales tax, ***provided they do not meet the definition of “candy,” “dietary supplements,” “soft drinks,” or “prepared foods.”***

Apple cider, sweet
Baby food
Bakery goods
Baking powder and soda
Barbecue sauces
Berries
Beverage powders
Beverages that contain milk
Biscuit mix
Bottled water, unsweetened
Bouillon cubes
Bread and rolls
Breakfast pastries
Brownies

Butter
Cake mixes
Cakes, prepared, mixes, and snack-type
Canned foods
Catsup
Cereal and cereal products
Cheese
Chicken
Chip dip
Chips, potato, corn, and similar items
Chocolate, unsweetened or not sold in form of bars, drops, or pieces
Citrus fruits
Cocoa
Coffee beans, grounds, freeze dried, and coffee substitutes
Coffee drinks that contain no sweeteners or that contain a milk or milk product
Condiments
Cones and ice cream cups
Cookies and crackers
Cooking oils
Cream
Dairy products
Deli items
Desserts and toppings
Dinners, frozen
Donuts
Dressings
Dried fruits, unsweetened
Dried milk products

Eggs
Fish and fish products
Flavoring extracts
Flour
Food coloring
Frosting not sold in the form of bars, drops, or pieces
Frozen desserts
Frozen fruit juices
Frozen fruits and vegetables
Frozen pizza
Frozen TV dinners
Fruit
Fruit juices that contain more than 50% fruit juice by volume
Garlic
Gelatin
Granola bars that contain flour
Gravy extracts and mixes
Grits
Hash
Honey
Ice cream bars and similar products
Ice cream in cones
Ice cubes
Jams
Jellies
Juices that contain more than 50% fruit or vegetable juice by volume
Ketchup
Lobster
Luncheon meats

Macaroni
Malted milk powder
Maraschino cherries
Margarine
Marshmallow creme
Marshmallows that contain flour
Mayonnaise
Meal
Meat and meat products
Meat extracts and tenderizers
Melons
Milk and milk products
Mustard
Noodles
Nuts
Oil, cooking, salad
Oleomargarine
Olives
Pancake mix
Pasta
Peanuts
Peanut butter
Pectins
Pepper
Pickles
Pie and pie fillings
Pie crust and mixes
Popcorn, popped or unpopped
Popsicles
Potato chips

Potato salad
Poultry and poultry products
Powdered drink mixes
Preserves
Pretzels
Puddings
Raisins
Ravioli
Relishes
Rice
Rolls and biscuits
Salad dressing
Salt and salt substitutes
Salted nuts
Sardines
Seafood
Seasonings
Sherbet
Shortening
Soup
Spaghetti products
Spices
Spreads
Sugar
Sweeteners
Syrup
Tea bags, leaves or instant
Tea and ice tea beverages that are not sweetened
Turkey
Vanilla and vanilla extract

Vegetable juices that contain more than 50% juice by volume
Vegetables
Vinegar
Waffle mix
Water, carbonated, unsweetened
Water, flavored, unsweetened
Water, unsweetened
Yeast
Yogurt and yogurt bars, cones, and sundaes

Taxable Food and Food Ingredients and Beverages:

There are many foods, food ingredients, and beverages sold in grocery stores that are subject to Wisconsin sales tax. The following examples of products (including sales from vending machines) are subject to Wisconsin sales and use tax:

Alcoholic beverages
Anti-acid products
Aspirin
Baking chips, sweetened
Baking chocolate in the form of a bar, drop, or piece that contains a sweetener
Beer
Beverage powders that are dietary supplements
Bottled water, sweetened
Breath mints
Cake decorations that are candy
Candied fruits
Candy
Candy apples

Caramel apples
Caramel corn
Chewing gum
Chocolate covered raisins and nuts
Chocolate chips and other flavored chips, if sweetened
Cocktail mixes containing 50% or less fruit or vegetable juice
Cod liver oil
Coffee drinks that contain sweeteners, unless it also contains milk or a milk product
Confections that are candy
Cough drops
Deli items that are prepared food
Dietary supplements
Distilled spirits
Dried fruit with sweeteners
Fermented malt beverages
Flowers
Fruit drinks that contain a sweetener and have 50 % or less fruit juice by volume
Fruit snacks that contain a sweetener
Ginseng sold as a dietary supplement
Granola bars that are sweetened, unless they contain flour
Gum
Heated foods and beverages
Honey roasted and honey coated nuts
Ice blocks
Intoxicating liquor
Juices that contain sweeteners and 50 % or less fruit or vegetable juice by volume
Lozenges

VIII. OPERATOR EQUIPMENT REPLACEMENT REQUEST

A. Return on Asset/Investment Definition

Return on Asset (ROA) / Return on Investment (ROI) – The program reviews indicators on the overall sustainability of the program relative to the generation of earning and cost of program assets. An ROA/ROI gives an idea as to how efficient management is at using assets to generate earnings for BEP operators.

B. Equipment Replacement Request Form and Procedure

Operator Equipment Replacement Request:

Twelve Months Gross Sales:

Twelve Months Sales Tax:

Twelve Months Cost of Goods Sold:

Annual Net Proceeds:

Requested Equipment Replacement Cost:

Annual Replacement Cost (Cost / 12 Years):

Annual Surplus or Deficit:

Other Relative Information:

SLA or Designee Decision:

1. Review information provided by operator to determine the ROA/ROI and is the request a productive use of program assets.

2. Review existing equipment inventory for suitable replacement.

Operator Review:

1. Agree with decision.
2. Disagree with the decision, operator to provide information for the review committee.

Review Committee (Three member operator panel)

1. Review the SLA or Designee decision.
2. Review additional relative information.
3. Interview the operator requesting the equipment if necessary.
4. Make determination.

Six-month Asset Performance Evaluate:

1. Work with operator and facility management to develop additional conditions if necessary to improve the Return on Investment and ensure the most productive use of program assets including the possibility of removal or replacement.

IX. NEW LOCATION REQUEST FORM

New Location Request Form:

Date:

Location Type (office, manufacturing, government etc.):

Site Address:

Contact:

Contact Phone Number:

Number of Persons in Building:

Hours of Operation:

Number and Type of Vending Equipment:

Twelve Months Projected Gross Sales:

Twelve Months Projected Sales Tax:

Twelve Months Projected Cost of Goods Sold:

Annual Net Proceeds:

Requested Equipment Replacement Cost:

Annual Replacement Cost (Cost / 12 Years):

Annual Surplus or Deficit:

Other Relative Information:

SLA or Designee Decision:

1. Review information provided by operator to determine the ROA/ROI and is the request a productive use of program assets.
2. Review existing equipment inventory for suitable replacement.

Operator Review:

1. Agree with decision.
2. Disagree with the decision, operator to provide information for the review committee.

Review Committee (Three member operator panel)

1. Review the SLA or Designee decision.
2. Review additional relative information.
3. Interview the operator requesting the location if necessary.
4. Make determination.

Six-month Asset Performance Evaluate:

1. Work with operator and facility management to develop additional conditions if necessary to improve the Return on Investment and ensure the most productive use of program assets including the possibility of removal or replacement.

X. FIELD REPORT AND SITE REVIEW/CURE PLAN

BEP Field Report:

Date:

Operator's Name:

Facility Location:

Facility POC Name (s):

POC Phone Numbers:

POC E-mail:

Evaluation

Health Department Tags on Required Machines:

Do All Machines Have BEP Asset Tags:

General Observations

Building Management Feedback on BEP service:

General Cleanliness/Sanitation:

Product Selection:

Product Placement:

Product Pricing:

Product Labeling:

Percent of Healthy Options:

Product Displayed Properly:

Legible Expiration Dates:

Other Equipment Condition:

Care of Equipment:

Equipment Out of Service:

Asset Management Database Report Verified:

Comments:

Area Inspected:

Recommendations:

Follow Up Action Required:

DVR / RSVW Representative:

The operator is required to review and provide a written response to all follow-up actions listed within seven calendar days. Failure to submit a response by the due date will result in a penalty of \$100.00.

XI. STANDARD REPORTING REQUIREMENTS

RSVW is in the process of drafting standard reporting requirements