# ALABAMA DEPARTMENT OF REHABILITATION SERVICES BUSINESS ENTERPRISE PROGRAM ADMINISTRATIVE CODE

## CHAPTER 795-7-10 VENDOR OPERATING POLICIES

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### 795-7-10-.01 Duties And Responsibilities.

As a condition of participation in the program, each BEP vendor shall agree, in writing, to perform in addition to duties and responsibilities stated in other sections of these rules, the following:

(a) To perform faithfully and to the best of his/her ability the necessary duties and requirements to operate his/her facility in accordance with BEP rules and regulations, terms of the facility permit or contract, and the vendor agreement.

(b) To pay for any and all merchandise for resale, overhead expenses, and operational costs of the facility, including utilities which may be required of the vendor in his/her permit and or operating agreement.

(c) To pay, at the vendor's cost, for items removed or used from the facility for personal reasons.

(d) To retain all receipts and invoices for review by the SLA or its designated representative.

(e) To be on duty and maintain hours of operation as established by the SLA and grantor. All planned absences must be communicated in advance to the BEP representative. Vendors will report unplanned absences as soon as possible.

(f) To comply with all federal, state, county, and municipal taxes, and other laws such as social security, employment, retirement, workmen's compensation, and minimum wage laws.

(g) To maintain, at all times, inventory levels or cash equivalent that equals the original investment of the SLA. A vendor may, at any time, return the cash equivalent of initial stocks or merchandise to the SLA. The return of any cash amount for initial stocks or merchandise will be appropriately noted and a written receipt will be provided.

(h) To submit written inventories of facility merchandise upon request. All inventories will be priced at cost or market value, whichever is lower.

(i) To provide and furnish housekeeping, cleaning, janitorial, and exterminating services for the facility as are necessary to present a safe, clean, and attractive business.

(j) To complete and submit "Facility Monthly Sales & Escrow Report" (BEP-1E), set-aside and escrow payments in accordance with BEP-1E instructions.

(k) To set-aside and pay the Program Asset Fund each month the designated percent of net proceeds from a facility's total sales.

(l) To refer all matters of policy to the SLA, abide by these rules and decisions reached in the event there are no rules or regulations covering the issue.

(m) To release and hold harmless the SLA, its agents, assigns, and employees from liability for damages or any personal injuries the vendor or his/her employee(s), agent(s), assignee(s), guest(s), or invitee(s) may sustain during the operation of the facility.

(n) To receive approval from the SLA prior to the purchase of equipment or construction of fixtures for use in the facility.

(o) To make no effort to sell, sublease or otherwise dispose of the facility. Exiting vendors shall leave all equipment, fixtures, merchandise, and supplies owned by the SLA.

(p) To promptly report any complaints or comments of the grantor, property owner, vendor, or person in charge of the facility or its location(s) to the BEP representative.

(q) To cooperate with officials and representatives of the SLA and grantor in association with their official responsibilities.

(r) To permit access to the facility by all SLA representatives at any time.

(s) To operate as an independent businessperson, subject to BEP Rules and not as an employee, agent, or representative of the SLA.

(t) To demonstrate the capability to operate a facility, service and maintain vending machines, and other equipment, maintain actual control of facility operations, retrieve money, control cash, products, and personnel when applicable.

(u) To compile and furnish a copy of reports documents, or materials as requested by the SLA.

**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors
**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.
**History:** **New Rule:** Filed January 19, 2000; effective February 23, 2000.

**795-7-10-.02 Appearance And Housekeeping.**

(1) All vendors and their employees shall, at all times, maintain the highest standards of good grooming and personal cleanliness.

(2) Vendors shall take all necessary steps required to provide a clean facility, including equipment, counters, stock, etc., as well as area(s) occupied by vending machines.

(3) Vendors shall comply with all federal, state or local health and sanitation laws, rules or regulations.

**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors
**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.
**History:** **New Rule:** Filed January 19, 2000; effective February 23, 2000.

**795-7-10-.03 Operating Continuity And Leave Of Absence.**

(1) It shall be the policy of the SLA to require vendors to provide service to their clientele at all facilities on prevailing work days where the facility is housed.

(2) Hours of operation will be established based on grantor requirements, the operating agreement and/or permit, and the vendor's standards of performance.

(3) Vendors may take vacation time in reasonable amounts that conform to accepted business practices. Vendors planning to take vacation time should select a substitute, preferably a qualified blind person, to assume responsibility for facility operations. While the SLA will assist by suggesting any available or known candidate for selection as a substitute, the responsibility for continuing facility operations is the vendors. The BEP representative must be notified in advance of the vacation period selected. Leave, or short-term absence, should be used with discretion by the vendor and communicated to his/her BEP representative. Advance notice of any absence from a vendor's facility should be communicated to the BEP representative.

(4) While it is recognized that vendor absence due to illness, medical care, maternity leave or other reason(s) may be unavoidable, it remains his/her sole responsibility to provide facility coverage during such periods. Absence due to extended illness shall be supported by proper medical documentation from the vendor's treating physician to include estimates of time required for adequate rehabilitation. Each vendor's case will be reviewed on an individualized basis protecting the interest of the vendor and the SLA's responsibility for BEP.

(5) It shall be the responsibility of the vendor to designate one or more of his/her employees to be in charge during any period when not on duty.

(6) In the event a vendor is unable to fulfill his/her responsibility for any reason, the SLA may assume the operation of the facility. If the circumstances warrant, the vendor may be temporarily removed subject to review and recommendation by the BEP representative and approved by the BEP director. In the event of a vendor's death, the SLA shall retain all rights to, responsibility for, and may assume operation of the facility.
**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors
**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.
**History: New Rule:** Filed January 19, 2000; effective February 23, 2000.

**795-7-10-.04 Merchandising.**

(1) Vendors will provide adequate merchandise, given facility requirements, to ensure customer satisfaction and maximum return. It is required that vendors maintain, at all times, an inventory of approved merchandise for sale that is sufficient in quantity and variety appropriate to their facility.

(2) Merchandise, services, or articles to be provided shall be in conformity with those specified by the SLA and building management

including lottery tickets or services authorized by state law. Under no circumstances shall vendors sell any item that is prohibited by law, ordinance, or grantor instruction.

(3) Vendors shall use only signs and insignia provided or approved by the SLA. Only displays for merchandise that are necessary for the item being dispensed shall be permitted and such may not detract from the attractiveness of the facility.

(4) Vendors will promote maximum sanitation and cleanliness in the facility. Food and confections sold shall be only those which are suitably wrapped and/or packaged before delivery to the facility. Exceptions may be made to this rule in facility locations where food items of necessity must be prepared on premises and for which the SLA makes specific provision.

(5) Vendors may establish their own prices in accordance with any applicable terms of the grantor agreement or permit. The SLA shall negotiate permits so as to provide maximum pricing flexibility for each vendor. Where differences arise between the vendor and property officials or employees, the SLA shall intervene to assist in resolving such differences. When the vendor and property-managing officials are unable to resolve differences over pricing, the SLA may intervene to reconcile.

(6) Containers, utensils and accessories used in serving, dispensing, and consuming food and drink items shall be provided in the form of sanitary, properly wrapped, containers, and utensils. Said items are necessary operating expenses of the facility and shall conform to local ordinances, laws, and health department regulations.

(7) At the close of each calendar year, the vendor shall perform a complete inventory of all facility merchandise priced at wholesale costs. Said inventory shall be filed with the SLA no later than 30 days following the close of each calendar year.
**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors
**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.
**History: New Rule:** Filed January 19, 2000; effective February 23, 2000.

**795-7-10-.05 Public Relations.**

(1) Vendors shall have the responsibility for locating suitable suppliers who are capable of providing merchandise necessary for successful operation of the vending facility. Vendors shall serve the best interests of their customers. It shall be SLA policy that each vendor and his/her employees provide prompt, cheerful, and courteous service to all customers.

(2) Vendor and/or grantor disputes or differences shall be brought to the attention of their BEP representative as soon as possible.

(3) The SLA shall notify vendors if a complaint is received concerning the operation of the facility or his/her conduct. The BEP representative shall investigate all complaints to determine their validity and document the findings in the vendor's file. All written complaints received by the SLA shall become a part of the vendor's file. Vendors shall be provided a copy of the complaint(s) and afforded an opportunity to respond in writing. All written responses from vendors will also become a part of the file. If the BEP representative has validated the complaint, the vendor and representative shall determine the solution. The vendor will take immediate action to eliminate identified problem(s).
**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors
**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.
**History:** **New Rule:** Filed January 19, 2000; effective February 23, 2000.

**795-7-10-.06 Insurance Coverage.**

(1) Permanently assigned vendors shall obtain and maintain general liability and product liability insurance coverage with limits as specified by the facility operating agreement. In addition, if required by state law as a consequence of the number of employees, vendors shall be required to obtain worker's compensation insurance. All expenses for insurance coverage are deductible as a business expense. Each vendor is required to provide the SLA with evidence of insurance validating that required protection is in force.

(2) Vendors shall report immediately to the SLA and appropriate law enforcement personnel any incident of theft or defacement of equipment. Vendors may claim theft-related expenses as an operational expense given proper documentation and evidence that a theft occurred. Proper documentation shall be attached to the BEP-1E for the month in which such a claim is made.
**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors
**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.
**History:** **New Rule:** Filed January 19, 2000; effective February 23, 2000. **Amended:** Filed March 6, 2017; effective April 20, 2017.

**795-7-10-.07 Taxes, Permits, And Licenses.**

(1) The SLA shall purchase the initial business license as necessary for new locations.

(2) Vendors shall be responsible for paying all applicable state, federal, and local taxes in a timely manner and acquiring all permits and certificates.
**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors
**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.
**History:** **New Rule:** Filed January 19, 2000; effective February 23, 2000.

**795-7-10-.08 Record Keeping And Reporting.**

(1) It is the responsibility of each vendor to establish, retain, and maintain, financial, payroll, personnel, and operational records as required by the law and/or the SLA. Vendors are required to maintain all such records for a minimum of three years.

(2) Reports required by program policies shall be filed promptly with the SLA. The SLA will periodically review facility reports and supporting documentation. These reports will be subject to examination, analysis, and/or audit at any time by the BEP state office, ADRS internal audit staff, or others. All examinations, analysis, and audits will be conducted in accordance with generally accepted auditing procedures. This provision shall not be construed to restrict any audit required by other entities of government and authorized by federal or state laws.

(3) Vendors must immediately report to the SLA, in writing, any findings resulting from a governmental audit, or any citation for violation of health regulations or any state law effecting the assets or operations of the facility. This requirement excludes audits of the Internal Revenue Service.

(4) Any bankruptcy action filed by a vendor, which involves assets of BEP, must be reported to the SLA, in writing, within five days of filing.
**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors
**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.
**History:** **New Rule:** Filed January 19, 2000; effective February 23, 2000.

**795-7-10-.09 Operating Agreement.**

The SLA and vendor will execute a standard operating agreement. The effective date of operating agreements shall be the first business day of the facility to which the vendor is permanently assigned or the day an agreement is revised. The operating agreement will clearly define the responsibilities of both the SLA and vendor regarding the terms and conditions governing the effective and efficient operation of the facility. An inventory of merchandise will be provided to the vendor.
**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors
**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.
**History: New Rule:** Filed January 19, 2000; effective February 23, 2000.