

EXTENDED EMPLOYMENT SHELTERED WORKSHOPS



NEW MANAGER ORIENTATION Volume 1

**Missouri Department of Elementary and Secondary Education
Office of Special Education, Sheltered Workshops
PO Box 480
205 Jefferson Street
Jefferson City, MO 65102**

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INTRODUCTION/OVERVIEW

What is a sheltered workshop?

Missouri sheltered workshops are different from shops in many other states because they depend heavily on contracted work and the revenue from that work to maintain operations. They are actually small businesses who hire individuals with disabilities. On the average, a workshop's contract revenue account for 70-80% of workshop revenue, government assistance 10-24%, and the balance from other grants. Because of the dependency on contract revenue, Missouri workshops readily respond to customer needs relating to quality, and turn-around time. Jobs performed include packaging (bagging, shrink wrapping, blister packaging, skin packaging, boxing), assembly (simple to complex), marketing and public relations services (collating, stuffing, and sorting mailings), products (pallets, wire spools, first aid kits, poultry watering systems, office products, furniture items, etc.). Services are also provided by workshops including, janitorial work, grounds maintenance, commercial laundry operations, microfilming, to mention a few. Workshops also provide work crews that work in customer facilities.

How are workshops run?

Each workshop is a private not-for-profit corporation overseen by a volunteer board of directors. Board members include local business people, educators, lawyers, accountants, and family members of employees. The board outlines the general course for a given shop and hires an operational manager for the day to day operations.

How are people paid?

Each workshop has a special certificate from the Department of Labor that allows it to pay sub- minimum wages. Workshop employees are paid based on their ability to perform in relation to the performance of a person without a disability. If an employee produces 50% of what a non-disabled person produces, then they receive 50% of what that person is paid (i.e., if the prevailing wage for that job is \$8 per hour, the employee receives \$4.00 per hour). These procedures are checked frequently by the Department of Labor.

Because workshops pay less, can they do work for less?

No, not necessarily. Workshops do not receive the same production per hour as a business hiring non-disabled would receive. For example, in the comparison above a person that works at the 50% level takes 2 hours to produce what a non-disabled person would produce in 1 hour, so the cost for the same amount of work is still \$8.00 no matter who is doing the work. Overhead costs may actually be higher for workshops than normal businesses because of the increased supervision needed. Workshops must depend on quality, flexibility, and a large workforce to sell their services. What workshops can offer for their customers is a dependable workforce without the headaches of personnel management.

How do workshops obtain business?

Some workshops have their own sales representative(s) who call on local businesses to make them aware of the services the workshop can provide. Other workshops have joined together in cooperative arrangements to share sales people, and still others depend on the manager to do the sales work. Much of a workshop's business is repeat business, or word of mouth, from satisfied customers.

How many people with disabilities are employed in workshops?

There are 90 workshop corporations located around the state of Missouri. These shops provide employment for approximately 7500 people with disabilities and approximately 900 non-disabled staff.

What kind of disabilities do workshop employees have?

The majority of workshop employees have been diagnosed with mental retardation or other developmental disabilities. Other common disabilities include mental illness, head injury, blindness, deafness, seizure disorders, and physical disabilities. Prior to being hired for employment in the workshop, people must be assessed by a department designee to determine whether or not they are capable of working in a competitive environment at this time. If it is determined they cannot work competitively at this time, he/she will certify them for employment in the workshop.

What role does the state play in the operation of the workshops?

Other than the fact that the state (Department of Elementary and Secondary Education) provides some funding, regulations, and guidelines for the establishment of sheltered workshops, and some technical assistance when requested, it's role is minor in the day to day operation of the shops.

What do the workshops do for the community?

Besides the obvious, providing employment, especially for people with disabilities, workshops also put money back into the community. Payroll, purchase of goods and services, and participation in community affairs are a few ways that workshops contribute to the community. In FY09, Missouri workshops paid approximately \$80,000,000.00 back into their communities, providing a significant contribution to the commerce of those communities.

What can a workshop do for your business?

Workshops can provide a ready and capable workforce, production space, equipment, and transportation of product. Some businesses turn over their entire operations, from receipt of inventory to customer shipping, to the workshop. This provides definite benefits to those businesses in that they are able to concentrate on selling, and not be burdened with a lot of issues like facilities, personnel, and overhead (utilities, insurance, etc.). Can one of Missouri's shops help your business? Without a doubt they could.

For more information, contact the Sheltered Workshop section at the Missouri Department of Elementary and Secondary Education.

**PO Box 480
Jefferson City, MO 65102
(573) 751-0622
sesw@dese.mo.gov
<http://dese.mo.gov/se/sw/>**

ACRONYMS

Department of Elementary and Secondary Education.....	DESE
Department of Labor.....	DOL
Occupational Safety and Health Administration.....	OSHA
Social Security Administration.....	SSA
Supplemental Social Security.....	SSI
Vocational Rehabilitation.....	VR
Department of Mental Health.....	DMH
County Boards.....	SB40
Missouri Association for County Developmental Disabilities Services.....	MACDDS
Department of Natural Resources.....	DNR
Missouri Department of Transportation.....	MODOT
Protection and Advocacy.....	P&A
Equal Employment Opportunity Commission.....	EEOC
Small Business Administration.....	SBA
Americans with Disabilities Act.....	ADA
Affordable Care Act or "Obamacare".....	ACA
Missouri Propane Gas Commission.....	MPGC
Missouri Department of Labor and Industrial Relations.....	MODOLIR
National Fire Protection Association.....	NFPA
American National Standards Institute.....	ANSI
Missouri Association of Sheltered Workshops Managers.....	MASWM

Missouri Revised Statutes

Chapter 178 **Special Schools and Instruction and Special Districts** **Section 178.900**

August 28, 2013

Definitions.

178.900. For the purposes of sections 178.900 to 178.960 the following words mean:

- (1) "Department", the department of elementary and secondary education;
- (2) "Disabled persons", a lower range educable or upper range trainable developmentally disabled or other disabled person sixteen years of age or over who has had school training and has a productive work capacity in a sheltered environment adapted to the abilities of persons with a developmental disability but whose limited capabilities make him or her nonemployable in competitive business and industry and unsuited for vocational rehabilitation training;
- (3) "Sheltered workshop", an occupation-oriented facility operated by a not-for-profit corporation, which, except for its staff, employs only persons with disabilities and has a minimum enrollment of at least fifteen employable persons with disabilities;
- (4) "Staff", employees of a sheltered workshop engaged in management, work procurement, purchasing, supervision, sales, bookkeeping, and secretarial and clerical functions.

(L. 1965 p. 309 § 1, A.L. 2011 H.B. 555 merged with H.B. 648)

CROSS REFERENCE:

Transportation for sheltered workshop employees and residents of facilities or social center for the disabled, 162.755

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Missouri Revised Statutes

Chapter 178 **Special Schools and Instruction and Special Districts** **Section 178.910**

August 28, 2013

Purposes of sheltered workshops.

178.910. 1. A sheltered workshop shall provide a controlled work environment and a program designed toward enabling the handicapped person enrolled to progress toward normal living and to develop, as far as possible, his capacity, performance and relationship with other persons.

2. A sheltered workshop shall, so far as possible, provide work experience sufficiently diverse to accommodate the needs of each of the handicapped persons enrolled.

3. A sheltered workshop shall coordinate and integrate its services with all community agencies for the benefit of its employees, and whenever practicable make use of the services available from these agencies.

(L. 1965 p. 309 § 2)

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Missouri Revised Statutes

Chapter 178 **Special Schools and Instruction and Special Districts** **Section 178.920**

August 28, 2013

Procedure for establishing sheltered workshops--hearing--certificate--revocation.

178.920. 1. Any group of persons desiring to establish a sheltered workshop which will be eligible for state aid shall request a certificate of approval from the department. The request shall be in writing on forms provided by the department, and shall contain such information as the department may reasonably require.

2. Within sixty days after receipt of the request, the department shall hold a hearing to determine suitability of the proposed sheltered workshop to provide appropriate supervised employment and rehabilitation for handicapped persons.

3. If, after hearing, the department determines that the proposed sheltered workshop will be a proper agent of the state for the purpose of employment and rehabilitation of handicapped persons, it shall notify the persons requesting the certificate that they will be issued a certificate of approval upon filing with the department the applicant's certificate of incorporation as a not-for-profit corporation and a copy of its charter and bylaws. No provision of the charter or bylaws shall conflict with the rules and regulations of the department.

4. The department may refuse to issue a certificate of authority if it finds that a proposed sheltered workshop will not be a proper agency of the state for the purpose of employment and rehabilitation of handicapped persons and it may, after notice and hearing, revoke the certificate of authority of any sheltered workshop which is no longer qualified because the need for the workshop no longer exists or for violation of any rule or regulation of the department.

(L. 1965 p. 309 § 3)

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Missouri Revised Statutes

Chapter 178

Special Schools and Instruction and Special Districts

Section 178.930

August 28, 2013

State aid, computation of--records, kept on premises--sheltered workshop per diem revolving fund created.

178.930. 1. (1) Beginning July 1, 2009, and until June 30, 2010, the department of elementary and secondary education shall pay monthly, out of the funds appropriated to it for that purpose, to each sheltered workshop a sum equal to ninety dollars for each standard workweek (Monday through Friday) of up to and including thirty hours worked during the preceding calendar month. Eighteen dollars shall be paid for each six-hour or longer day worked by a handicapped employee on Saturdays or Sundays. For each handicapped worker employed by a sheltered workshop for less than a thirty-hour week or a six-hour day on Saturdays or Sundays, the workshop shall receive a percentage of the corresponding amount normally paid based on the percentage of time worked by the handicapped employee.

(2) Beginning July 1, 2010, and thereafter, the department of elementary and secondary education shall pay monthly, out of the funds appropriated to it for that purpose, to each sheltered workshop a sum equal to ninety-five dollars for each standard workweek (Monday through Friday) of up to and including thirty hours worked during the preceding calendar month. Nineteen dollars shall be paid for each six-hour or longer day worked by a handicapped employee on Saturdays or Sundays. For each handicapped worker employed by a sheltered workshop for less than a thirty-hour week or a six-hour day on Saturdays or Sundays, the workshop shall receive a percentage of the corresponding amount normally paid based on the percentage of time worked by the handicapped employee.

2. The department shall accept, as prima facie proof of payment due to a sheltered workshop, information as designated by the department, either in paper or electronic format. A statement signed by the president, secretary, and manager of the sheltered workshop, setting forth the dates worked and the number of hours worked each day by each handicapped person employed by that sheltered workshop during the preceding calendar month, together with any other information required by the rules or regulations of the department, shall be maintained at the workshop location.

3. There is hereby created in the state treasury the "Sheltered Workshop Per Diem Revolving Fund" which shall be administered by the commissioner of the department of elementary and

secondary education. All moneys appropriated pursuant to subsection 1 of this section shall be deposited in the fund and expended as described in subsection 1 of this section.

4. The balance of the sheltered workshop per diem revolving fund shall not exceed five hundred thousand dollars at the end of each fiscal year and shall be exempt from the provisions of section 33.080 relating to the transfer of unexpended balances to the general revenue fund. Any unexpended balance in the sheltered workshop per diem revolving fund at the end of each fiscal year exceeding five hundred thousand dollars shall be deposited in the general revenue fund.

(L. 1965 p. 309 § 4, A.L. 1972 S.B. 463, A.L. 1973 H.B. 796, A.L. 1975 S.B. 269, A.L. 1979 S.B. 4, A.L. 1987 H.B. 25 & 120 merged with S.B. 145, A.L. 1993 H.B. 639, A.L. 1994 S.B. 601, A.L. 1997 S.B. 264, A.L. 1998 S.B. 781, A.L. 2001 S.B. 321, A.L. 2007 H.B. 352, A.L. 2010 H.B. 1965)

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Missouri Revised Statutes

Chapter 178

Special Schools and Instruction and Special Districts

Section 178.940

August 28, 2013

Department designated to accept and disburse federal funds.

178.940. The department shall be the official agency of this state for the acceptance and disbursement of funds of the United States government made available to the states for rehabilitation or employment related services to handicapped persons as defined in section 178.900.

(L. 1965 p. 309 § 5)

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Chapter 178 **Special Schools and Instruction and Special Districts** **Section 178.950**

August 28, 2013

Board of education to appoint necessary staff.

178.950. In order to implement and effectuate the provisions of sections 178.900 to 178.970, the state board of education shall appoint a section head and such other personnel, including administrative, professional and technical persons, within the department as may be required to implement and supervise the program, including assisting shops with operative problems and other activities contemplated by sections 178.900 to 178.970.

(L. 1965 p. 309 § 6, A.L. 1971 S.B. 463)

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Missouri Revised Statutes

Chapter 178 **Special Schools and Instruction and Special Districts** **Section 178.960**

August 28, 2013

Judicial review.

178.960. Any order, rule or regulation of the department is subject to review under the provisions of chapter 536.

(L. 1965 p. 309 § 7)

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served in the State Schools for Severely Handicapped. This rule sets forth certain policies which will aid the development of administrative cooperation and program continuity.

(1) The private agency shall submit to the superintendent of the state schools for severely handicapped, not later than October 31 of each year, an annual audit verification of the accuracy of attendance of the children for whom educational services were provided the previous year through contractual agreement with the Department of Elementary and Secondary Education (DESE). The following format is recommended for use by the auditor: "The pupil attendance records are so maintained as to disclose with substantial accuracy the daily attendance of pupils, which for the year ending June 30, 19_____, was _____ days."

(2) The private agency shall submit to the superintendent of the state schools for severely handicapped, not later than August 31 of each year, a school calendar showing the opening and closing date of school, the days in session and the days school will be dismissed for holidays, vacations and teachers' meetings.

(3) The private agency shall submit to the superintendent of the state schools for severely handicapped immediately following the end of each school month an attendance report on those children for whom educational services are provided through contractual agreements with the DESE. The format of this report shall be determined by the superintendent of the State Schools for Severely Handicapped.

(4) Immediately following the end of the school month, the private agency shall submit to the superintendent of the State Schools for Severely Handicapped an invoice for the cost for the educational services provided through contractual agreement with the DESE.

(5) The superintendent of the State Schools for Severely Handicapped shall determine the days the transportation system will operate for those children for whom educational services are provided through contractual agreements with the DESE. The transportation system will operate the same number of days for these children as for the children attending state-operated schools.

(6) The superintendent shall approve the routes and time schedules for the transportation system providing service for children attending private agencies through contractu-

al agreements with the DESE as s/he approves the routes and time schedules for the transportation system providing services for children attending state-operated schools.

*AUTHORITY: section 162.735, RSMo 1986. * This rule previously filed as 5 CSR 70-760.070. Original rule filed Dec. 23, 1975, effective Jan. 2, 1976. Amended: Filed June 4, 1979, effective Sept. 14, 1979. Amended: Filed July 23, 1993, effective Jan. 31, 1994. Moved to 5 CSR 20-300.150, effective Aug. 16, 2011.*

**Original authority: 162.735, RSMo 1973.*

5 CSR 20-300.160 Establishment of Sheltered Workshops

PURPOSE: The Department of Elementary and Secondary Education, Division of Special Education shall issue a certificate of authority to a not-for-profit corporation that meets the requirements listed in this regulation to operate a workshop which offers but does not entitle employment to persons with disabilities who have been approved by the department for such employment. Corporations seeking a certificate of authority shall file documents prescribed by statute and regulation.

(1) For the purpose of this rule, the following terms shall mean:

(A) "Employee"—a person with a disability ("disabled persons" as defined in section 178.900, RSMo) employed in a workshop. All persons employed by a sheltered workshop shall demonstrate productive capacity and their behavior shall contribute to the work environment of that shop. These regulations shall neither mandate nor prohibit employment of individuals who require personal supports which go beyond reasonable accommodations;

(B) "Staff"—persons employed by a workshop as defined in section 178.900, RSMo;

(C) "Workshop"—an extended employment sheltered workshop as defined in section 178.900, RSMo;

(D) "Department"—the Missouri Department of Elementary and Secondary Education;

(E) "Disability"—those conditions as defined in section 178.900, RSMo;

(F) "Gross revenue"—income from all sources;

(G) "Accrual accounting system"—a system of accounting based on recognition of income and expenses when incurred;

(H) "Productive capacity"—the amount of work accomplished by an employee with a disability, with reasonable accommodations, in proportion to that accomplished on the

same or similar task by an experienced non-disabled employee. A minimum productive capacity level may be specified by the board of directors;

(I) "Full-time equivalent (FTE)"—equals six (6) person hours per day worked by an approved employee or combination of employees; and

(J) "Reimbursable time"—time or activity that is related to production, training, and/or reasonable wait time, which must be paid in accordance to United States Department of Labor regulations, that occurs normally as a part of the production process. After wait time exceeds twelve (12) consecutive hours, state aid can only be claimed if training is provided.

(2) A not-for-profit corporation, registered with the Missouri secretary of state, founded for the purpose of administering a workshop, and engaged in the employment and rehabilitation of people with disabilities, as defined in section 178.900, RSMo, shall be a corporation engaged in the business of operating a workshop. The department only has authority to monitor activity associated with the business of operating a sheltered workshop or related to funding provided for operating a sheltered workshop. The workshop may enter into a written agreement for the purposes of sharing the purchasing of materials or services, sharing personnel, or sharing buildings and equipment. The agreement shall provide the responsibilities of each party. The agreement or any renewal or extension of the agreement shall be approved by the governing board of directors of the sheltered workshop who will ensure that the agreement does not violate any state or federal laws. The corporation shall apply for and be granted a certificate of authority from the department in order to qualify for the receipt of state funds. To make application for a certificate of authority, a corporation shall file form FP-100-1 (Application for Extended Employment Sheltered Workshop Certificate), together with each of the following documents with the department for its review and approval:

(A) An authorization from the Wage and Hour Division of the United States Department of Labor to pay subminimum wages;

(B) Evidence of exempt status under section 501(c)(3) of the *United States Internal Revenue Tax Code*;

(C) A copy of the first year's proposed budget which contains the following:

1. Budget message;
2. Estimated revenue;
3. Proposed expenditures;
4. Amount required for interest payments on debt;



5. Amount required for principal payments on debt; and

6. Budget summary.

In addition to the proposed budget, incorporation papers and bylaws for the workshop shall be provided to the department;

(D) Evidence of Workers' Compensation insurance, as well as sufficient other insurance coverage to adequately protect its employees, the general public having access to workshop property, and all real and personal property for which the workshop is responsible from loss and liability. Workshops shall consider the recommendations of all local, state and federal monitoring agencies when designing insurance coverage and safety programs;

(E) A list of any approved grants, the funds from which would be used in the operation of the workshop;

(F) A copy of one (1) or more income-producing contract for the workshop, which is or together are sufficient, in the judgment of the department, to provide work for at least fifteen (15) full-time employees for at least a three (3)-month period;

(G) Organizations that have been in existence for more than one (1) year prior to application shall supply a certified audit of the previous fiscal year's operation;

(H) Evidence of an active work force of not fewer than fifteen (15) eligible employees;

(I) Evidence of exemption from sales/use taxes from the Missouri Department of Revenue;

(J) Evidence the corporation has use of an appropriate facility or facilities in which to operate a workshop which substantially complies with all applicable federal, state, and local laws and regulations relating to safety, health, and accessibility; and

(K) A description of the proposed administrative and supervisory staffing to be employed to conduct daily operations of the workshop.

(3) Within fifteen (15) days of receipt of an application, the department shall notify the applicant whether the application is considered complete, and if not, what deficiencies exist. The omission of any of the documents specified in section (1) from the application or the failure of the applicant to complete the form FP-100-1 (Application for Extended Employment Sheltered Workshop Certificate) may result in the review and approval of the application being delayed or rejected. Applicants submitting incomplete materials shall have forty-five (45) days from the date of receipt of a notice from the department of the application being incomplete to complete all materials and to respond to any questions or file with the department additional docu-

ments which it may require. Applications which are not complete, as determined by the department, within sixty (60) days of their original receipt shall be rejected and notification of such rejection sent to the applicant. Any subsequent submittal by the same applicant shall be treated as a new application for the purpose of review and approval.

(4) Within thirty (30) days of the department's notification of the applicant that its application is complete, the department shall schedule a public hearing in the local community in which the workshop is proposed to be located. The time and place of the public hearing shall be determined by the department, in consultation with the applicant. The department shall file all notices required by law to conduct a public hearing.

(5) The department shall notify the applicant in writing within ten (10) days following the hearing of its decision whether or not to grant a certificate of authority. If the application is approved, the department shall issue a certificate of authority within thirty (30) days of the hearing. If the department decides not to grant a certificate of authority, it shall notify the applicant in writing stating the specific reasons for its decision to deny a request to grant a certificate of authority. Applicants for whom a certificate of authority is not granted may appeal the decision pursuant to Chapter 536, RSMo.

*AUTHORITY: section 178.920, RSMo 2000. * This rule previously filed as 5 CSR 70-770.010. Original rule filed Dec. 23, 1975, effective Jan. 2, 1976. Amended: Filed Nov. 23, 1998, effective July 30, 1999. Moved to 5 CSR 20-300.160, effective Aug. 16, 2011. Amended: Filed Aug. 27, 2013, effective March 30, 2014.*

**Original authority: 178.920, RSMo 1965.*

5 CSR 20-300.170 Operation of Extended Employment Sheltered Workshops

PURPOSE: This rule specifies minimum operating standards for a workshop which has been granted a certificate of authority.

(1) Continued operation of a workshop must be evidenced by the availability and eligibility of not fewer than fifteen (15) employees.

(2) The not-for-profit corporation which operates a workshop shall maintain substantial compliance with all federal or state statutes or regulations, or local ordinances at all times.

(3) A copy of any notification of noncompliance with federal or state laws or regulations shall be provided to the Department of Elementary and Secondary Education (department) by the workshop receiving such notice. This includes, but is not limited to, the United States Department of Labor, Wage and Hour Division; Occupational Safety and Health Administration; Department of the Treasury; Internal Revenue Service; and the Social Security Administration. Such notice shall be provided within twenty (20) calendar days of its initial receipt by the workshop. Failure to do so may result in the suspension of state aid payments.

(4) Gross revenues from the operations of a workshop shall be used first to support current operating expenses, including paying employees commensurate wages for comparable work in industry, in accordance with the regulations of the Wage and Hour Division, United States Department of Labor. Remaining revenue may be used for capital expenditures for equipment, buildings, or expansion of activities as determined by the workshop board.

(5) A workshop shall maintain sufficient insurance coverage to adequately protect its employees, the general public having access to workshop property and all real and personal property for which the workshop is responsible from loss and liability. Workshops shall consider the recommendations of all local, state, and federal monitoring agencies when designing insurance coverage and safety programs.

(6) The corporate board of directors and workshop manager shall observe sound business and financial practice in all areas including but not limited to subcontracting, purchasing of materials, sale of products and services, budget and accounting control and safeguarding of property and material. The workshop shall maintain a comprehensive accrual or modified accrual accounting system which accurately represents the financial condition of the corporation. Separate and accurate financial accounting shall be provided for each major program provided by the workshop.

(7) No fees shall be charged to employees approved by the department to work in a workshop.

(8) Hourly wages paid approved employees shall not be less than ten percent (10%) of the minimum wage standard as determined by the United States Department of Labor. The average income per hour for each approved



employee working at piece rates shall be not less than ten percent (10%) of the minimum wage standard as determined by the United States Department of Labor during any work week.

(9) Approved employees of a workshop shall be engaged in production work, or vocational-related training at all times during which state aid is claimed. Vocational-related training shall be paid at ten percent (10%) of the current federal minimum. During any fiscal quarter, a workshop should have no less than eighty percent (80%) of its reimbursable time in income producing work. State aid shall be paid for vocational-related training time up to a maximum of twenty percent (20%) of a workshop's quarterly reimbursable time. The department may waive this requirement for workshops located in an area declared by the governor to be a state of emergency for up to one (1) year after the declaration. Documentation of the time per employee and content of vocational-related training provided shall be maintained for inspection by department staff.

(10) The board of directors of workshop shall notify the department of any change in the employment status of the workshop manager, (e.g., hire, release, placed on leave, etc.); the notification shall be made in writing within five (5) days of the change.

(11) The maximum work day for state aid purposes shall be as set forth in section 178.930, RSMo.

(12) Monitoring may be done periodically by the department to ensure compliance with these regulations. If the department determines there is evidence of a violation of regulation, the department shall notify the manager and board of the determination. The workshop shall prepare a corrective action plan to achieve compliance as required. The corrective action plan, with a time frame for completion, shall be submitted within ninety (90) days of receipt of the monitoring findings by the workshop. Failure to do so may result in the suspension of state aid payments.

(13) Every workshop shall have in effect written policies and procedures for investigating and resolving complaints of abuse and neglect.

(14) Every workshop shall have in effect policies and procedures for resolving employee grievances.

AUTHORITY: sections 178.900 and 178.930, RSMo Supp. 2013, and sections 178.910 and 178.920, RSMo 2000.* *This rule previously*

filed as 5 CSR 70-770.020. Original rule filed Dec. 23, 1975, effective Jan. 2, 1976. Amended: Filed Oct. 2, 1981, effective Jan. 18, 1982. Amended: Filed Nov. 23, 1998, effective July 30, 1999. Moved to 5 CSR 20-300.170, effective Aug. 16, 2011. Amended: Filed Aug. 27, 2013, effective March 30, 2014.

**Original authority: 178.900, RSMo 1965, 2011; 178.910, RSMo 1965; 178.920, RSMo 1965; 178.930, RSMo 1965, amended 1972, 1973, 1975, 1979, 1987, 1993, 1994, 1997, 1998, 2001, 2007, 2010.*

Op. Atty. Gen. No. 21, Millan, 11-22-71. *Neither special funds from levies authorized by section 205.971, RSMo (1969) pertaining to county sheltered workshops nor funds from general revenue may be used by the directors of a county sheltered workshop or by a court to pay for the support, care or upkeep of county residents in a county sheltered workshop facility of another county. Persons living at a county residence workshop facility must come within the definition of "handicapped persons" in section 178.900, RSMo (1969) and be employed at the facility or in the community.*

5 CSR 20-300.180 Renewal or Revocation of a Certificate of Authority

PURPOSE: Renewal of a certificate of authority is required annually and revocation may occur under certain conditions.

(1) Workshops which are current grantees of a certificate of authority shall apply to the Department of Elementary and Secondary Education (department) each year to seek renewal of the certificate. Renewal of the certificate of authority is based on the submission of an annual report by the board of directors of the workshop corporation four (4) months after the end of the workshop's fiscal year. Failure to provide the necessary information by the due date may result in the suspension of state aid payments. The annual report should include, but not be limited to, the following items:

(A) The proposed budget for the current fiscal year;

(B) An audit prepared by an independent certified public accountant for the fiscal year just ended;

(C) A listing of the board's membership, including the name, address, office held and expiration date of each member's term;

(D) An original copy of a signature sheet showing the official signatures of the officers of the corporation;

(E) A list of all management and supervisory staff, indicating the position, normal

work location and length of service with the workshop corporation; and

(F) An original copy of the assurance of compliance form signed by the president and secretary of the workshop corporation board.

(2) If the department determines the workshop board of directors is not in substantial compliance with these regulations, and depending on the nature and severity of the situation, the department may—

(A) Notify the workshop board of directors and manager that the workshop is not in substantial compliance with these regulations; and

(B) Require a corrective action plan within ten (10) business days; or

(C) Issue a temporary certificate of authority; or

(D) Suspend state aid payments until it is determined that the workshop is again in substantial compliance with these regulations; or

(E) If the workshop does not return to substantial compliance within ninety (90) days the state may proceed to revoke the workshop's certificate of authority pursuant to section 178.920(4), RSMo.

(3) Applicants which have been found by the department not to be in substantial compliance with federal or state laws or regulations may appeal the decision pursuant to Chapter 536, RSMo.

AUTHORITY: section 178.920, RSMo 2000. This rule previously filed as 5 CSR 70-770.030. Original rule filed Dec. 23, 1975, effective Jan. 2, 1976. Amended: Filed Nov. 23, 1998, effective July 30, 1999. Moved to 5 CSR 20-300.180, effective Aug. 16, 2011. Amended: Filed Aug. 27, 2013, effective March 30, 2014.*

Original authority: 178.920, RSMo 1965.

5 CSR 20-300.190 Approval of Eligible Employees

PURPOSE: The department shall determine the eligibility of applicants as persons with disabilities. This rule provides the process for determining eligibility of non-staff persons applying for employment in workshops. Workshops may receive state aid only on persons with disabilities who have been approved by the department. Department approval is not required for the employment of workshop staff.

(1) A workshop provides employment for individuals with disabilities. If the workshop is certified by the United States Department of Labor, Wage and Hour Division, employees



with disabilities working in the workshop may be paid subminimum wages. The application for certification of a person with a disability is initially submitted by the workshop manager to the agency designated by the Department of Elementary and Secondary Education (department) or the department's representative for certification. The agency to which an application is submitted shall conduct an evaluation. If the agency determines the existence of a disability, it shall certify such. The evaluating agency shall advise the workshop of this certification and the workshop may submit the certification to the department. The department may approve the applicant for workshop employment.

(2) A workshop shall notify the department prior to or concurrent with the employment of any disabled person previously approved by the department. The department shall not pay state aid for workers with disabilities who have not been approved by the department for employment. Department approval is not required for the employment of workshop staff.

(3) The certification of eligibility for employment in an extended employment sheltered workshop shall be terminated one (1) year after a worker has obtained supported and/or competitive employment in an integrated and community-based business or industry. A person may reapply to the department for a certification of eligibility should the supported and/or competitive employment status change. The person must meet the eligibility requirements to receive a new certificate of eligibility.

AUTHORITY: sections 178.900 and 178.930, RSMo Supp. 2013. This rule previously filed as 5 CSR 70-770.040. Original rule filed Dec. 23, 1975, effective Jan. 2, 1976. Amended: Filed Nov. 23, 1998, effective July 30, 1999. Moved to 5 CSR 20-300.190, effective Aug. 16, 2011. Amended: Filed Aug. 27, 2013, effective March 30, 2014.*

**Original authority: 178.900, RSMo 1965, 2011 and 178.930, RSMo 1965, amended 1972, 1973, 1975, 1979, 1987, 1993, 1994, 1997, 1998, 2001, 2007, 2010.*

Op. Atty. Gen. No. 21, Millan, 11-22-71. Neither special funds from levies authorized by section 205.971, RSMo (1969), pertaining to county sheltered workshops nor funds from general revenue may be used by the directors of a county sheltered workshop or by a county court to pay for the support, care or upkeep of county residents in a county sheltered workshop facility of another county. Persons living at a county residence work-

shop facility must come within the definition of "handicapped persons" in section 178.900 RSMo (1969) and be employed at the facility or in the community.

5 CSR 20-300.200 Disbursement of Funds

PURPOSE: The department shall disburse state aid to each certified workshop based on the full-time equivalents (FTE) of approved employees who worked during the month. This rule specifies the disbursement process.

(1) After approval of a certificate of authority for a workshop, the Department of Elementary and Secondary Education (department) shall pay monthly, out of funds allotted to it for that purpose, to each workshop corporation pursuant to section 178.930.1(2), RSMo. Monthly state aid requests shall be submitted by the due date and time designated by the department. The department shall accept as proof of payment due a workshop, a statement signed by the president or vice president, acting in the absence of the president, and secretary, or treasurer acting in the absence of the secretary, of the workshop board and the workshop manager setting forth the dates worked and the number of hours worked each day for each approved employee with productive capacity employed by the workshop during the preceding month. These detailed records of work history by employee shall be maintained by the workshop for at least five (5) years following the year to which they apply and be made available for department inspection.

(2) Each workshop shall provide the department annually with a properly authenticated statement to permit the department to accept electronic submissions of invoices seeking the payment of state aid and electronically transfer state aid payments to workshop account(s).

(3) If it is determined by the department or by certified audit that a workshop has received state aid in excess of that which was permitted by statute and regulation, the workshop shall submit in writing to the department a repayment plan within thirty (30) days of determination of the overpayment. The department shall approve or deny the repayment plan and provide written notice of such to the workshop within thirty (30) days of its submission of the repayment plan. Repayment plans shall propose the return of all excess state aid over a period of time as determined by the department. The department may withhold state aid for the failure of a workshop to submit a repayment plan.

AUTHORITY: section 178.930, RSMo Supp. 2013. This rule previously filed as 5 CSR 70-770.050. Original rule filed Dec. 23, 1975, effective Jan. 2, 1976. Amended: Filed Oct. 2, 1981, effective Jan. 18, 1982. Amended: Filed Nov. 23, 1998, effective July 30, 1999. Moved to 5 CSR 20-300.200, effective Aug. 16, 2011. Amended: Filed Aug. 27, 2013, effective March 30, 2014.*

**Original authority: 178.930, RSMo 1965, amended 1972, 1973, 1975, 1979, 1987, 1993, 1994, 1997, 1998, 2001, 2007, 2010.*



Office of Special Education

Extended Employment Sheltered Workshops

Manager List by Workshop Name

205 Jefferson Street
PO Box 480
Jefferson City, MO 65102-0480

573-751-0622
Fax #1: 573-526-6898
Fax #2: 573-526-4404

Dr. Stephen Barr, Assistant Commissioner
Shelley Woods, Coordinator
Fulvio Franzi, Director

573-751-4444
573-751-3561
573-751-3547
Fulvio.Franzi@dese.mo.gov

Lindsay Thomas, Administrative Assistant

573-751-0622
Lindsay.Thomas@dese.mo.gov

Dan Gier, Regional Field Technician

106 Arrowhead Drive
Lake Ozark, MO 65049

573-365-9417
Fax: 573-365-9614
Dan.Gier@dese.mo.gov

Steve Coffman, Regional Field Technician

2018 Legend Court
Jefferson City, MO 65101

573-616-1861
Fax: 573-526-6898
Steve.Coffman@dese.mo.gov

DESE Sheltered Workshop Web Page

<http://dese.mo.gov/se/sw/>

Missouri Association of Sheltered Workshop Managers

Officers

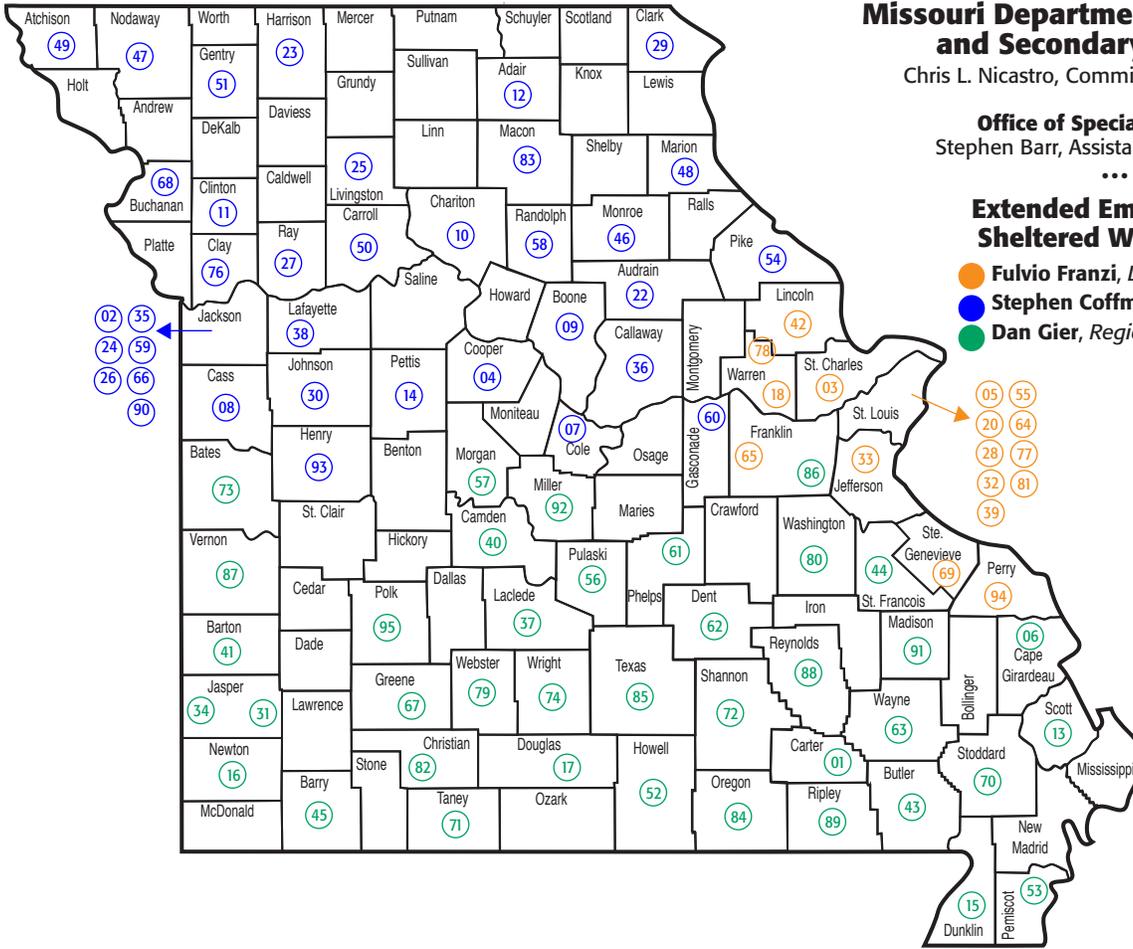
President
Vice President
Secretary
Treasurer

Bob Koch, EMPAC Industrial Resources
Brent Blackwell, Lafayette County Enterprises
Robert Engemann, TEMCO, Inc.
Dee Froneyberger, Heartland Industries

Board of Directors

Area I
Area II
Area III
Area IV
Area V
Area VI
Area VII
Area VIII
Area IX
Area X
Legislative Chair

Mary McAdams, Northwest Missouri Industries
Aaron Martin, JobOne
Peggy Kutchback, Casco Area Workshop
Judd Chestnut, Lamar Sheltered Workshop
Tom Thompson, Pike County Sheltered Workshop
Bruce Young, Central Missouri Subcontracting
Enterprises Lon Little, Kingdom Projects
Sharon Tyger, Opportunity Sheltered Industries
Jim Guyre, Valley Industries
Harvey Cooper, Community Sheltered Workshop
Randy Hylton, Vocational Services, Inc.



Missouri Department of Elementary and Secondary Education

Chris L. Nicastro, Commissioner of Education

Office of Special Education
Stephen Barr, Assistant Commissioner

Extended Employment Sheltered Workshops

- Fulvio Franzi, Director
- Stephen Coffman, Regional Field Technician
- Dan Gier, Regional Field Technician

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> 90 Alphapointe 73 Bates County Industries 01 Big Springs Sheltered Workshop, Inc. 02 Blue Valley Industries 03 Boone Center, Inc. 04 Boonslick Industries, Inc. 05 Canterbury Enterprises 06 Cape Girardeau Community Sheltered Workshop 07 Capitol Projects, Inc. 08 Casco Area Workshop 09 Central Missouri Subcontracting Enterprises 10 Chariton County E.E. Sheltered Workshop 82 Christian County Enterprises, Inc. 11 Clinco Sheltered Industries, Inc. 12 Community Opportunities, Inc. 13 Community Sheltered Workshop 14 Cooperative Workshops, Inc. 15 Cotton Boll Sheltered Workshop 16 Crowder Industries 89 Current River Sheltered Workshop 17 Doco, Inc. 42 Earthwise Industries 80 Enhancements 92 Gateway Industries 22 Handi-Shop, Inc. 24 The Helping Hand of Goodwill Industries-EESW 93 Henry County Sheltered Workshop 25 Hope Haven Industries, Inc. 26 Job1One 27 Ideal Industries 28 Industrial Aid, Inc. | <ul style="list-style-type: none"> 29 Industrial Opportunities, Inc. 31 Innovative Industries, Inc. 33 Jeffco Subcontracting 30 Johnson County Sheltered Workshop 34 Joplin Workshops, Inc. 35 JVS Workshop 36 Kingdom Projects, Inc. 37 Laclède Industries 38 Lafayette County Enterprises, Inc. 32 Lafayette Industries North 39 Lafayette Industries West 40 Lake Area Industries 41 Lamar Sheltered Workshop 83 Macon Diversified Industries 91 Madison County Sheltered Workshop 43 Manufacturers Assistance Group (MAG) 64 MERS Goodwill 44 MO Community Improvement Industries, Inc. 45 Monett Area E.E. Workshop, Inc. 46 Monroe City Sheltered Workshop 48 Northeast MO Sheltered Workshop, Inc. 49 Northwest Missouri Industries, Inc. 47 Nocomo Industries, Inc. 50 Opportunity Enterprises, Inc. 85 Opportunity Sheltered Industries 51 Opportunity Workshop, Inc. 84 Oregon County Sheltered Workshop 52 Ozark Sheltered Industries, Inc. 53 Pemiscol Progressive Industries 94 Perry County Sheltered Workshop 54 Pike County Sheltered Workshop | <ul style="list-style-type: none"> 55 Project Workshop, Inc. 56 Pulaski County Sheltered Workshop 57 Quality Industries of the Lake of the Ozarks 87 Quality Products, Inc. 58 Randolph County Sheltered Industries, Inc. 59 Rehabilitation Institute Industries, Inc. 88 Reynolds County Sheltered Workshop, Inc. 60 River Bluff Industries 61 Rolla Area Sheltered Workshop 62 Scenic Rivers Sheltered Industries 63 Services for Extended Employment (SEE) 86 Sheltered Industries of the Meramec Valley, Inc. 65 Sheltered Workshops, Inc. 66 Southeast Enterprises 67 Springfield Workshop 68 Specialty Industries of St. Joseph, Inc. 69 Ste. Genevieve County Sheltered Workshop 70 Stoddard County Sheltered Workshop 71 Tantone Industries, Inc. 18 Temco, Inc. 72 Three Rivers Sheltered Industries 23 Unified Services 74 Unique Services, Inc. 20 Valley Industries 76 Vocational Services, Inc. 77 W.A.C. Industries, Inc. 78 Warren County Sheltered Workshop, Inc. 79 Web-Co Custom Industries, Inc. 81 Worth Industries, Inc. 95 Burrell Working Solutions |
|---|---|--|

EXTENDED EMPLOYMENT CERTIFICATION SPECIALISTS

NORTHWEST and NORTHEAST REGIONS

Jim Pawlowski jcp1234@stjoelive.com

3301 Chris Hessler Rd. (816) 232-9749
Saint Joseph, MO 64506

Northwest Counties: Andrew, Atchison, Buchanan, Caldwell, Carroll, Cass, Clay, Clinton, Daviess, DeKalb, Gentry, Grundy, Harrison, Holt, Jackson, Johnson, Lafayette, Livingston, Mercer, Nodaway, Platte, Ray, Saline, Worth

Northeast Counties: Adair, Audrain, Chariton, Clark, Knox, Lewis, Linn, Macon, Marion, Monroe, Pike, Putnam, Ralls, Randolph, Schuyler, Scotland, Shelby, Sullivan

SOUTHWEST and CENTRAL REGIONS

Jim Terrill jjterrell2@centurytel.net

16951 N. Route U (573) 696-5523/Fax: (573) 696-0556
Centralia, MO 65240

Southwest Counties: Barry, Barton, Bates, Benton, Cedar, Christian, Dade, Dallas, Douglas, Greene, Henry, Hickory, Jasper, Laclede, Lawrence, McDonald, Newton, Pettis, Polk, St. Clair, Stone, Taney, Vernon, Webster, Wright

Central Counties: Boone, Callaway, Camden, Cole, Cooper, Crawford, Dent, Gasconade, Howard, Howell, Maries, Moniteau, Morgan, Oregon, Osage, Ozark, Phelps, Pulaski, Shannon, Texas

SOUTHEAST REGION

Marty Haselhorst marty.haselhorst@att.net

10046 Grant Meadow Ln. (314) 544-0948
Saint Louis, Mo 63123

Counties: Bollinger, Butler, Cape Girardeau, Carter, Dunklin, Franklin, Iron, Jefferson, Lincoln, Madison, Mississippi, Montgomery, New Madrid, Pemiscot, Perry, Reynolds, Ripley, Scott, St. Charles, St. Francois, St. Louis City, St. Louis County, Ste. Genevieve, Stoddard, Warren, Washington, Wayne

Vocational Rehabilitation Offices

Central Office VR

3024 Dupont Circle
Jefferson City, MO 65109
Phone: (573) 751-3251
Fax: (573) 751-1441
Toll free: (877) 222-8963
C. Jeanne Loyd, Assistant Commissioner

Cape Girardeau VR

3102 Blattner Drive, Ste 103
P.O. Box 1087
Cape Girardeau, MO 63702-1087
Phone: (573) 290-5788
Fax: (573) 290-5921
Toll free: (877) 702-9883
Janet Childers, Supervisor

Chillicothe VR

603 W. Mohawk Road
Chillicothe, MO 64601-3919
Phone: (660) 646-1542
Fax: (660) 646-9741
Toll free: (866) 572-4049
Robert Zirfas, Supervisor

Columbia VR

1500 Vandiver Drive, Ste 111
Columbia, MO 65202-1563
Phone: (573) 441-6327
Fax: (573) 884-5250
Toll free: (877) 222-8961
Rebecca Largent, Supervisor

Farmington VR

901 Progress Dr, Ste 100
P.O. Box 230 (63640-0230)
Farmington, MO 63640-9157
Phone: (573) 218-6100
Fax: (573) 218-6107
Toll free: (800) 640-7110
Jesse Sitzes, Supervisor

Nevada VR

621 E. Highland, Ste 2
Nevada, MO 64772-3971
Phone: (417) 448-1332
Fax: (417) 448-1351
Toll free: (800) 598-3471
Raymond Drake, Supervisor

Poplar Bluff VR

1903 Northwood Drive, Ste 3
Poplar Bluff, MO 63901
Phone: (573) 840-9550
Fax: (573) 840-9551
Toll free: (800) 281-9894
Jesse Sitzes, Supervisor

Rolla VR

1101 Kingshighway
P.O. Box 550 (65402-0550)
Rolla, MO 65401-2922
Phone: (573) 368-2266
Fax: (573) 368-2382
Toll free: (800) 890-2867
Clarissa White, Supervisor

Sedalia VR

2115 W. Broadway
Sedalia, MO 65301-2114
Phone: (660) 530-5560
Fax: (660) 530-5567
Toll free: (800) 924-0419
Laura Wallen, Supervisor

Springfield North VR

613 E. Kearney
Springfield, MO 65803
Phone: (417) 895-5863
Fax: (417) 895-5869
Toll free: (877) 222-8965
Anita Michel, Supervisor

Hannibal VR

112 Jaycee Drive
Hannibal, MO 63401-2275
Phone: (573) 248-2410
Fax: (573) 248-2409
Toll free: (877) 222-8960
Jo Moncrief, Supervisor

Jefferson City VR

1500 Southridge Dr., Ste 200
Jefferson City, MO 65109-1135
Phone: (573) 751-2343
Fax: (573) 526-4474
Toll Free: (866) 661-9106
DeeAnn Fuller, Supervisor

Joplin VR

801 E. 15th Street
Joplin, MO 64804-0804
Phone: (417) 629-3067
Fax: (417) 629-3148
Toll free: (877) 222-8964
Keith White, Supervisor

Kansas City Downtown VR

615 E. 13th Street, Suite G-3
Kansas City, MO 64106-2870
Phone: (816) 889-2581
Fax: (816) 889-2586
Toll Free: (866) 971-8568
Teresa King, Supervisor

Kansas City East VR

243 N.W. Executive Way
Lee's Summit, MO 64063
Phone: (816) 251-0600
Fax: (816) 622-0610
Toll Free: (866) 831-1363
Jay Robertson, Supervisor

Kansas City North VR

310 N.W. Englewood Road, Ste 300
Gladstone, MO 64118-0040
Phone: (816) 467-7900
Fax: (816) 467-7924
Toll free: (877) 270-0198
James Ankrom, Supervisor

Springfield South VR

1735 W. Catalpa, Ste C
Springfield, MO 65807
Phone: (417) 895-5720
Fax: (417) 895-5725
Toll free: (877) 222-8967
Kimberly Conrad, Supervisor

St. Charles VR

3737 Harry S. Truman Blvd., Ste 400
St. Charles, MO 63301-4052
Phone: (636) 940-3300
Fax: (636) 940-3313
Toll Free: (855) 283-2681
Janis Miller, Supervisor

St. Joseph VR

525 Jules, Room 201
State Office Building
St. Joseph, MO 64501-1990
Phone: (816) 387-2280
Fax: (816) 387-2089
Toll Free: (877) 702-9876
John Arellin, Supervisor

St. Louis Downtown VR

220 S Jefferson St, Ste 110
St. Louis, MO 63103
Phone: (314) 877-2940
Fax: (314) 877-2959
Toll Free: (866) 971-8569
Jeather Smith, Supervisor

St. Louis North VR

4040 Seven Hills Drive, Ste 257
Florissant, MO 63033
Phone: (314) 475-7999
Fax: (314) 877-3201
Lydia Mitchell, Supervisor

St. Louis South VR

3248 Laclede Station Rd
St. Louis, MO 63143
Phone: (314) 877-1900
Fax: (314) 877-1920
Toll Free: (877) 222-8968
Claire Beck, Dist. Supervisor

Kansas City Transition VR

243 N.W. Executive Way
Lee's Summit, MO 64063
Phone: (816) 251-0611
Fax: (816) 622-0618
Toll Free: (866) 831-1363
Tamara Marshall, Supervisor

Kirksville VR

1612 N. Osteopathy, Ste B
Kirksville, MO 63501-2759
Phone: (660) 785-2550
Fax: (660) 785-2552
Toll free: (877) 222-8962
James Higgins, Supervisor

St. Louis West VR

9900 Page Ave Ste 104
St. Louis, MO 63132
Phone: (314) 587-4877
Fax: (314) 877-1530
Karen Klenke, Supervisor

West Plains VR

3417 Division Drive, Ste 2
West Plains, MO 65775
Phone: (417) 256-8294
Fax: (417) 256-8479
Toll free: (877) 222-8959
Gwen Jackson, District Supervisor

GOVERNMENT AGENCIES

Workshops have contact and interaction with a lot of governmental agencies. This section is included to help acquaint shop boards and management with some of these agencies and how they related to the workshop.

FEDERAL

U.S. Department of Labor (Wage and Hour Division)-DOL

This agency provides a certificate to workshops which allows them to pay sub-minimum wages. Initial contact with DOL will be to request an application for a special certificate. Contacts for the state of Missouri should be made with the DOL office in Chicago. The contact person is Nicole Howard (312) 353-7247. This special certificate, of course, entails a great deal of scrutiny by this agency. The certificate must be renewed every two years. One should be provided with a packet of forms to complete prior to each renewal date. It is imperative that you submit this renewal in a timely manner. It may be prudent to send this renewal by registered mail to assure it arrives prior to the date required. It is critical that a shop pay wages in accordance with the rules set forth by DOL. Assistance relating to proper procedures can be obtained through the Section of Sheltered Workshops in Jefferson City. Shops are subject to labor department audits and a number of shops have been subject to sizable findings for back wages and fines. Keep in mind that non-disabled staff are subject to the Fair Labor Standards Act (FLSA) as well as the certified employees. Web Page: http://www.dol.gov/whd/specialemployment/workers_with_disabilities.htm

U.S. Department of Labor (Occupational Safety and Health Administration)-OSHA

Sheltered Workshops are subject to the very same safety and health rules as any other business. Maintaining a safe work environment for your employees is a critical responsibility of the board and management of a shop. Failure to maintain a safe work environment can lead to hefty fines and increased worker's compensation premiums. The section of Sheltered Workshops can provide mock OSHA inspections and assist in compliance with OSHA rules and regulations. It is the responsibility of management, however, to make sure that the shop maintains this compliance. Web Page: <https://www.osha.gov/index.html>

Social Security Administration-SSA

The Social Security Administration provides many employees in the workshop with supplemental security income (SSI) and Medicaid coverage. As employees' progress and their productivity improve, their SSI and medical coverage may be jeopardized because they are earning too much money. There are options for the employees to maintain Medicaid coverage even if they lose their SSI payments. This is provided through Section 1916b. Questions regarding this procedure can be answered by calling Gary Seaworht. Your shop will be asked by the local social security office to provide them with pay records on employees who are receiving SSI benefits. Web Page: http://www.ssa.gov/SSA_Home.html

Internal Revenue Service –IRS

Initial contact with this agency will be when the corporation applies for exemption from paying income taxes under section 501c3 of the Internal Revenue Service Act. This application takes approximately six months to obtain and is necessary for workshop certification so it is important that it be applied for in a timely manner. This exemption only provides that the workshop will not have to pay income tax on profits made and does not exempt shops from other requirements, i.e. payroll withholding, filing of tax returns (Form 990), etc. Sheltered Workshops are subject to payment of income tax withholding and FICA as is any other business. It is critical that these be paid in a timely manner. Penalties on late payments are quite high and failure to pay these can become a personal liability for board members. It is also critical that you file a not-for-profit income tax return (Form 990) each year on your operations. Failure to do so may result in loss of your 501c3 not-for-profit status and loss of your state certification. Web Page: <http://www.irs.ustreas.gov/>

State

Department of Elementary and Secondary Education Sheltered Workshops-DESE EESW

This is the office which drafted this manual and provides the shop with state aid each month. We provide oversight to assure that workshops are providing employment to people with disabilities and complying with federal and state rules and regulations. We do this by offering technical assistance and advice. Technical assistance and advice from this section can range from safety inspections and training, to personal consultation on numerous issues.

Web Page: <http://dese.mo.gov/se/sw/>

Department of Elementary and Secondary Education Vocation Rehabilitation-DESE VR

Vocational Rehabilitation has numerous offices around that state and the office that would serve you depends on your location. Applicants seeking work at the workshop can be certified by a VR counselor as not being able to work in a competitive environment prior to receiving state aid on that individual.

Web Page: <http://dese.mo.gov/vr/vocrehab.htm>

Missouri Department of Transportation-MODOT

This department provides some funding to assist shops to recover the cost of locally transporting employees to and from work. They also have funds available to assist shops in obtaining transportation vehicles (vans and busses).

Web Page: <http://www.modot.org/>

Department of Economic Development-DED

This department can be a resource for a shop in providing possible marketing information and also grant funds are available through the Neighborhood Assistance Program (NAP) to assist shops in raising money for capital campaigns. Web Page: <https://www.ded.mo.gov/home.aspx>

Department of Natural Resources-DNR

Shops that do recycling have found this department to be a good source of grant funds. Generally, each year DNR disperses a lot of funds relating to recycling projects. Web Page: <https://www.dnr.mo.gov/>

Department of Revenue-DOR

Shops should obtain an exemption from sales/use tax from DOR when they initially receive their 501c3 exemption from the IRS. Purchases and infrequent sales to the public made by the shop would be exempt from sales tax under this exemption. Any on-going sales efforts to the general public would not be exempt under this authority however. This is renewable every five years. Just as with the IRS, workshops are subject to all of the regular state withholding and reporting requirements. Web Page: <http://dor.mo.gov/>

Missouri State Agency for Surplus Property (OA Surplus Property)-MOSASP

This agency provides government surplus to not-for-profits at a greatly reduces price. This surplus usually includes everything from equipment and vehicles, to tables and chairs. Shops must register with and get approval from this agency to purchase from them. Many shops have found this to be an excellent source for needed assets.

Web Page: <http://content.ia.mo.gov/purchasing/surplus-property>

Missouri Department of Labor and Industrial Relations-MODOLIR

The Missouri Labor Department is comprised of five divisions, one of which is the Division of Labor Standards. Within the division is the On-Site Safety and Health Consultation Program, which can assist you in making your workplace safer and help avoid costly penalties imposed by OSHA. The safety and health consultants provide an OSHA-type “mock” inspection at the workplace, for free and without assessing any fines or penalties (OSHA fines for serious hazards found in the workplace increased from \$849 to \$2,014 per hazard). The employer always sets the scope of the visit, so the consultation can include the entire workplace or it can be limited to a specific area or phase of the workplace. Your only obligation is to correct the hazards identified by the consultant.

Web Page: <https://www.labor.mo.gov/>

Department of Mental Health-DMH

This agency provides assistance and case management to many of the employees of Sheltered Workshops. Quite often local regional centers can provide assistance in a number of matters such as behavior problems to personal living assistance for employees. Web Page: <http://dmh.mo.gov/>

County

SB40 (Developmental Disabilities) Board

This is a local funding board made up of individuals named by the county commissioners to determine how the local tax levy approved by the voters will be disseminated. Some county boards meet monthly or quarterly and simply review requests for funding from various agencies and determine how the tax money will be allocated. Other county boards have begun providing services to individuals with disabilities on their own and account for a large share of the expenditure of these tax funds. Web Page: <http://macdds.org/>

Planning and Zoning Commission

Most counties will have a planning and zoning commission which shops will need to apply to when building a new building or renovating an old facility. Shops should make sure that they are in compliance with local building codes.

OTHER ORGANIZATIONS (NON-GOVERNMENTAL)

Missouri Association of Sheltered Workshop Managers-MASWM

This is an association of workshop managers. They generally meet quarterly to discuss issues pertinent to sheltered workshops and have training sessions. The association contracts the services of a legislative consultant to monitor legislation pertinent to sheltered workshops. Web Page: <http://www.moworkshops.org/>

Sheltered Workshop Insurance Management-SWIM

This is a pool of workshops who have joined together to provide worker's compensation insurance to it's members at a reasonable rate.

Missouri Consolidated Health Care Plan-MCHCP

This is the organization that provides health insurance to state employees and to a large number of not-for-profits around the state. Many shops have found this insurance to be reasonably priced. Web Page: <https://www.mchcp.org/>

Quality Marketing Group of Missouri

A group of 30 workshops who have joined together to look at the marketing and sales strategy, and ways to increase market share.

Missouri Department of Mental Health

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[Developmental Disabilities](#)

[Home](#) » [Human Resources](#) » [Caregiver Background Screening](#)

- [Background Screening Services](#)
- [Screening Request Form](#)

Welcome to Missouri's Caregiver Background Screening Service webpage.

The late Governor Carnahan created this service through an executive order to assist Missouri citizens in making more informed healthcare and daycare choices for family members. This webpage provides general information and links about the various services available to the public to check the backgrounds of caregivers that serve children, the elderly and persons with disabilities.

Families face difficult decisions when selecting a person to care for a family member. One of the fears these families face is that the caregiver they hire has a history of abuse.

This service allows families to receive background information on potential caregivers. While this service is not intended to be a foolproof way to avoid abusive situations, the service does give families valuable information to determine if a caregiver has a history of abuse or neglect.

Human Resources

[Job Opportunities](#)

[Employee Benefits](#)

[Disqualification Registry](#)

[Caregiver Background Screening](#)

[Employment Resources](#)

[Union Agreements](#)

About Mental Health

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- [Contact Information / Facilities](#)
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- [Contact Us](#)

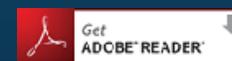
Mental Health Services

- [Deaf Services](#)
- [Children's Office](#)
- [Employment Services](#)
- [Housing](#)
- [Disaster Services](#)
- [Resources for Libraries](#)
- [Suicide Prevention Lifeline](#)
- [1-800-273-\(TALK\) 8255](#)
- [Civil Involuntary Detention](#)
- [Constituent Services](#)

For Your Information

- [Alcohol & Drug Abuse Fact Sheets](#)
- [Developmental Disabilities Publications](#)
- [Mental Illness Fact Sheets](#)
- [Frequently Asked Questions](#)
- [Employee Disqualification Information](#)
- [Department Operating Regulations \(DORS\)](#)
- [HIPAA Security Training](#)
- [HIPAA Notice of Privacy Practice](#)
- [HIPAA Notice of Privacy Practice - Spanish](#)
- [Abbreviations & Acronyms](#)
- [Budget Information](#)
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Missouri Department of Health & Senior Services

Licensing &
Regulations

Abuse, Neglect, and Exploitation of the Elderly and Disabled

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- [What is Abuse?](#)
- [Who can Report Abuse?](#)
- [What Information Do I Have to Report?](#)
- [What Happens After I Make a Report?](#)
- [What about my rights?](#)
- [Adult Protective Services](#)

The Missouri Department of Health and Senior Services (DHSS) investigates abuse, neglect, and exploitation of vulnerable individuals 60 and older and people with disabilities between 18 and 59. These individuals may live in the community or in long-term care facilities. Either way, they are unable to protect their own interests or adequately perform or obtain services necessary to meet their essential human needs (660.250, RSMo).

Missouri's Elder Abuse and Neglect Hotline responds to reports of abuse, neglect, or financial exploitation. If you suspect someone is being abused, neglected or exploited, call the hotline at 800-392-0210. The hotline operates 365 days per year from 7 a.m. to 12 a.m. Hearing-impaired persons may call the Telecommunications Device for the Deaf (TDD), at 800-735-2466 or 800-735-2966 to utilize Relay Missouri. Due to the possible need for mandated reporters to report a concern to the Central Registry Unit (CRU) during the hours of 12:00 a.m. and 7:00 a.m. (when the hotline is not in operation), a [Mandated Reporter Form](#)  is available for use.

What is Abuse?

Abuse happens to people of all ethnicities and income levels and can be physical, sexual or emotional in nature. For information on abuse statistics in Missouri, see *Elder Abuse- It is a Crime*.

[FY11](#)  [FY10](#)  [FY09](#)  [FY08](#) 

- Abuse – the infliction of physical, sexual, or emotional injury or harm including financial exploitation by any person, firm, or corporation ([660.250, RSMo](#)).
- Neglect – the failure to provide services to an eligible adult by any person, firm or corporation with a legal or contractual duty to do so, when such failure presents either an imminent danger to the health, safety, or welfare of the client or a substantial probability that death or serious physical harm would result (660.250, RSMo).
- Financial Exploitation - A person commits the crime of financial exploitation of an elderly or disabled person if such person knowingly and by deception, intimidation, or force obtains control over the elderly or disabled person's property with the intent to permanently deprive the elderly or disabled person of the use, benefit or possession of his or her property thereby benefiting such person or detrimentally affecting the elderly or disabled person ([570.145, RSMo](#)).

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Who can Report Abuse?

Anyone who suspects someone is being abused, neglected, or exploited can make a report. Certain professionals, however, are mandated by law to report. A complete list of mandated reporters and mandated reporting laws is found in [Elder Abuse- It is a Crime](#), page 1.

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[Show Me Long Term Care in Missouri](#)

Missouri Department of Health and
Senior Services
PO Box 570
Jefferson City, MO 65102-0570

Phone: 573-751-4842
Elder Abuse and Neglect Hotline 800-
392-0210
TDD 800-735-2466 or through Relay
Missouri 800-735-2966

What Information Do I Have to Report?

See [Elder Abuse-It is a Crime](#), page 1, for information on what to report.

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What Happens After I Make a Report?

If the alleged victim lives in his or her own home or community, an investigator will help the alleged victim determine the services or interventions needed to stop or alleviate the abuse. The services may include:

- **community supportive services**, such as personal care, respite, or chore services;
- home-delivered nutrition services;
- financial or legal assistance and protections, such as representative payee, direct deposit, trusts, protective services, civil suit or criminal charges;
- counseling for the victim;
- referral to other community resources, and;
- when needed, guardianship proceedings or nursing home placement.

If the alleged victim lives in a long-term care facility, the department's Division of Regulation and Licensure staff conducts an investigation. Complaint investigations are handled in accordance with state statute. Reports or complaints are generally initiated within 24 hours. **For more information, contact us** or email info@health.mo.gov.

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What about my rights?

A competent older person may refuse all services and interventions. No decisions are made about a competent adult without her or her involvement and consent.

A facility resident has the right to:

- be free from mental and physical abuse;
- be informed of their medical condition;
- select their own physician;
- participate in planning their care;
- refuse treatment;
- voice grievances;
- be treated with respect and dignity; and
- have treatments provided in privacy.

For adults participating in the Protective Services Program, consideration is given to the following inherent rights:

- self-determination
- protection
- confidentiality
- participate in care planning
- receive assistance
- refuse services
- refuse medical treatment

All programs stress the competent adult's right to make decisions regarding care.

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Adult Protective Services

For community-dwelling adults and persons with disabilities, the Department of Health and Senior Services provides Adult Protective Services (APS). Protective services are provided on behalf of eligible adults who are

unable to:

- manage their own affairs;
- carry out the activities of daily living; or,
- protect themselves from abuse, neglect, or exploitation which may result in harm or a hazard to themselves or others.

The purpose of Adult Protective Services is to:

- promote independence;
- maximize client choice and provide for meaningful client input for preferences;
- keep the adult at home by providing quality alternatives to institutional care; and,
- empower the older adult to attain or maintain optimal self-determination.

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Surplus Property

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The **Missouri State Agency for Surplus Property (MOSASP)** program is the Materials Management area of the Division of Purchasing and Materials Management.

- **State Surplus Property** (Not Available to the General Public)
- **Federal Surplus Property** (Not Available to the General Public)
- **Fixed Price Vehicle Program** (Not Available to the General Public) updated 2/19/14
- **Public Auctions & Sealed Bids**
- **Public Sale Notification Application**

Other Links of Interest

- **Success Stories**
- **Top Donees of 2012**

The Missouri State Surplus Property (MoSASP) agency prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program.

Agency Closed

- No closing dates at this time.

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- **Cooperative Procurement Services**
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- **Surplus Property**
 - **About Surplus Property Program**
 - **Directions and Hours of Operation**
 - **Federal Surplus Property Program**
 - **Public Auctions and Sealed Bids**
 - **State Surplus Property Program**

Contact Information

Surplus Property
2846 Highway 179
Jefferson City, MO 65109
surplusmail@oa.mo.gov
Phone: (573) 751-3415
Fax: (573) 751-1264
Toll Free: (888) 295-7796

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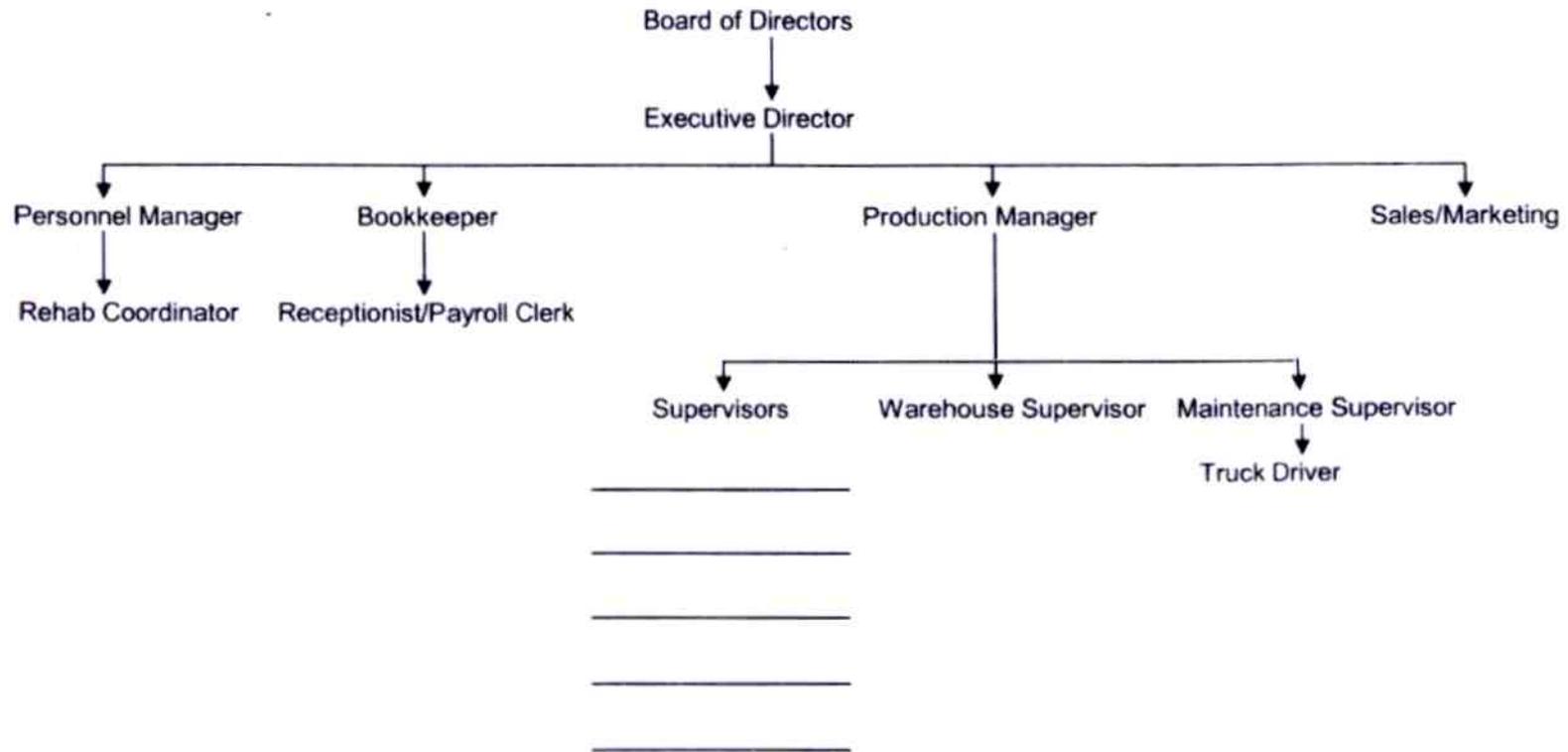
Governor
Jay Nixon



Commissioner
Doug Nelson

BOARD OF DIRECTORS

ORGANIZATIONAL CHART



BOARD OF DIRECTORS

GENERAL INTRODUCTION

One of the greatest challenges in the volunteer field today is the stewardship of the nation's non-profit organizations (NPO). The profit motive is unimportant in most of these community agencies, except sheltered workshops. The need for efficient and effective management is becoming increasingly important to the survival of sheltered workshops.

The voluntary board of directors of the workshops is the key to the programmatic and financial success of these organizations and may well determine their future.

Yet, in spite of the board's importance in the management of community programs and services, many board members are inadequately trained and, often not selected for the time, interest and the expertise they must bring to the workshops. Because of the increasing importance of the role of the board in providing leadership to sheltered workshops, many Board members are finding that they must spend more time in this volunteer activity. A recent survey by Touche Ross of 308 businessmen and businesswomen who serve on non-profit boards revealed that half of them said their duties required five to ten hours a month. Twenty-five percent indicated that the demands on their time averaged eleven to twenty hours a month. A few served more than twenty hours a month. "One reason for this expenditure of time is the increasing complexity of fiscal responsibility...as inflation sends the bills soaring, better budgeting and fiscal management have become a necessity."¹

Certainly, if a candidate for Board membership does not have adequate time to commit to the affairs of the workshop, he or she should decline to accept membership. Likewise, existing directors who do not have enough time to devote, should seriously consider resigning.

Many boards are beset with problems they find difficult to resolve. Many do not receive, nor ask for, the detailed information needed to understand what is happening within their agency. Some, who are receiving good information, do not take the time to study and understand the material. Without obtaining this information or absorbing it when they get it, development of policy, establishment of goals and objectives, good decision-making and overall management becomes difficult, if not impossible.

Much of the fault lies with those recruiting for their board. Prospective members are often told, "You won't have much to do. All you have to do is attend a short meeting every month, etc." Realistically, when they get into it, they find that it takes much more time than they were led to believe. When this happens, what should they do? Usually, they stay on that board and do what they can with the amount of time they can spare, which is often not enough.

Another problem is the unusual nature of workshops and the amount of time it takes to learn about them, and the increasing flow of information that must be absorbed and digested. You might think that any intelligent person, especially one experienced in the business world, would be able to make good decisions about the management of a workshop, even if he doesn't know much about it. This is not true. Workshops, though they have a manufacturing or business component, are not like another business. They are non-profit and use State and County tax dollars.

¹ The Touche Ross Survey of Business Executives on Non-Profit Boards. Touche Ross & Company, 1633 Broadway, New York, New York, 10019

The problem of many non-profit boards are that the board often does not know what it should have or can reasonably expect from the top management of the workshop. A member of the board of a small community agency, when told that the board should have an income/expenditure report monthly said, "Oh, can we ask for that?" That may seem a bit extreme to some more sophisticated board members, but there are people serving on community boards who don't know what they can have, or should expect. Isador Salkind said, "...we have discovered that an alarmingly high portion of board members don't really know what their jobs are, or how they are supposed to function as board members."²

What is a Board

The board is the legal representative, the trustee of the community. It is organized to guarantee that the agency continues to meet the needs of the handicapped in the community and that the purpose and mission of the agency is continued. The board is also mandated by the community to see that the financial base remains intact and secure enough to meet the continuing and changing needs of the handicapped. In order to do this they must operate efficiently. It may seem to some that they could operate less efficiently because they are serving on a non-profit board. In actuality, they should operate more effectively because of their responsibility to the community, since some tax dollars (about 25% of total income) are involved and the management of the workshop is very difficult. "The assumption made by many board members that inefficiency and ineffectiveness can and should be tolerated to a greater degree in not-for profit settings....can be very damaging. If people are to be served effectively, then boards of directors must operate efficiently".³

Responsibilities of the Board of Directors

In previous sections, we have mentioned briefly some of the general responsibilities of the board such as commitment to and knowledge of the workshop and its operations.

It is important at the outset to accept the premise that the management of any non-profit agency (NPO) is similar to operating a profit-making business. That is, it can be managed in such a way that it can make a profit. There is a general misconception that a non-profit organization cannot, legally, make a profit. This is not the case at all. There is no reason why a non-profit agency cannot make a profit if that profit is used to enhance and further the mission and purpose of the organization, and does not directly benefit the board or top management. There are many reasons why an NPO should make a profit if at all possible, if for no other reason than to accumulate operating or working capital. This means that the conduct of all aspects of the agency's finances and services should be performed in an efficient, orderly and businesslike way. The financial records must be complete and accurate. Information systems for decision making must be established and maintained. Productive expectations for employees must be spelled out. Services provided to handicapped people must be work oriented.

² Isador Salkind, "How to Improve the Management of the Rehabilitation Workshop, Introduction to "Board of Directors". Pg. 30, University of San Francisco, 1977.

³ Joseph Weber, "Managing the Board of Directors" The Greater New York Fund, Inc. Pg. 6.

The Mission and the Purpose

The board must also determine the mission and purpose of the sheltered workshop, to evaluate it frequently and to change it if necessary. This ties in, somewhat with the need determination in looking at the available markets. "Marketing plans...must start with a definition of the mission of the organization. What is the organization in business to accomplish? What benefits does it seek? The Mission must define the overall need..."

Where is this mission statement found? It is usually a part of the articles of incorporation which must be filed with and certified by the Secretary of State of your respective State. Generally, it is also found in the bylaws of your corporation. These documents are necessary for tax exempt status from IRS and frequently required by other Federal and State regulatory agencies. It is found in your original file when you began operating.

Development of Policies

One of the most important duties of the board is to establish, evaluate, maintain and change the policies that will accomplish the purposes of the organization. Webster says that a policy is, "a definite course or method of action selected from among alternatives and in light of given conditions to guide and determine present and future decisions." Since a non-profit organization is constantly changing, policies must be reviewed and changed frequently. As John Gardner wrote several years ago, "Organizations must have some means of combating the process by which they become prisoners of their own procedures. The ideas grow fewer as the workshop grows."

There are some good reasons for the emphasis on policy development:

1. Policies aid management by providing guidelines for applying control measures.
2. Policies aid management in coordinating and integrating management functions and promote continuity in management performance.
3. Policies simplify and facilitate consistent decision making.

It should be stated emphatically that all policies should be in writing, dated and made available to all workshop staff.

Basically, there are two types of policies:

1. Management: These are concerned with planning and controlling; delineating responsibility and authority for all management functions; guidelines for delegation; developing the organization structure; guidelines for the preparation, review and approval of budgets.
2. Personnel: These policies deal with the selection, hiring, evaluation, discipline, grievances and the firing of employees; development of compensation schedules and fringe benefits; the training and development of staff.

Hiring the Manager

The selection and hiring of a general manager is without a doubt the most important single task the board will undertake and it seems to be one of the most difficult for most boards. Because of the importance of this responsibility, it should be done carefully and without haste.

The manager must provide leadership and have the ability to make sound judgments and effective decisions in a multitude of areas. The manager must know how to utilize the workshop's resources, i.e., staff, buildings, money and reputation to efficiently carry out the purposes and goals of the organization, and must be able to achieve results through the utilization of those resources. The selection of an individual with these capabilities is not an easy task. While there may be some guidelines for the board to follow there are no hard and fast rules for selection. Perhaps the best single rule to follow is to check out carefully the success in management in similar workshops or in other management experiences.

There are two very important tasks for the board to do during this process:

1. Establish performance standards. What do you expect the manager to accomplish and within what time frame?

Be specific.

2. Monitor performance against these standards frequently during the first few months. Develop both short and long term goals with your new manager. This will give the board and the manager an idea of what has been accomplished.

A good manager will prove invaluable to the board, if accepted and trusted by the board. If the manager is good, he or she, will save the board valuable time by moving ahead and getting things done.

Insuring Financial Success

The board must work diligently in order to guarantee the continued stability and financial success of the organization. In order to do this, it is imperative that sufficient time be spent by all members of the board to understand the operation of the workshop and to deal in depth with any financial problems. As directors, board members have a legal and moral obligation to keep themselves fully informed about the organization, its finances, and its total operations. The budget is always at the center of the workshop's financial structure. While a budget is usually recognized as a guideline, it is important that it be as accurate as possible, and be carefully reviewed by the board before approval. During the review process several questions should be asked:

1. Are expenses in any line item unusually high when compared to last year? If so, why?
2. Are income projections fairly consistent with last year's actual income? (Get a breakdown of sources and amounts of income).
3. How accurate are employee projections? How do they compare with last year?
4. Are customers satisfied with the quality of the work being performed? (Will they use the workshop next year?)

The board should be sure that the budget is consistent with the goals and objectives of the organization. This is also the time to pay attention to trends noticed during the past year, and take action accordingly. Since the budget is a flexible instrument, it is necessary that the board examines, throughout the year, how actual income and expenses compare with the budgeted figures. This should usually be done monthly.

Since salaries and benefits comprise roughly 70 percent to 80 percent of most workshop budgets, the board should concentrate heavily on this item. Are salaries and benefits adequate? What percent increase should be given this year? This last question is an important, yet delicate one, especially when dealing with top management salaries. However, it should not be avoided. It is our opinion that the board should strive to keep good management and staff by paying good salaries and giving adequate benefits. Since good workshops are the direct result of good staff, it seems shortsighted to try to save a few dollars on salaries, at the expense of quality. Also, it is expensive to keep hiring and training new staff.

The State Law requires an independent CPA firm perform a complete audit. It is important that the board require that this be done since they are legally and directly responsible for the workshop's financial condition. At the completion of the audit, the CPA, in his report to the board, may give several suggestions for more efficient systems that will insure more adequate control and accurate reporting of the workshop's financial structure.

There are other ways the board can insure the financial success of the organization.

- Determining ways of getting additional funds into the workshop.
- Assisting in the workshop's public relations program.
- Establishing a program to solicit trust funds or money from wills and bequests.
- Speaking at service clubs, churches and in media.

The individual members of the board can be very helpful to the workshop if they will use their abilities and influence to guarantee the financial success of the workshop they manage.

Management Information Systems

The board should expect that, at every board meeting, they will get all the information they need to oversee the affairs of the workshop. And, this information should be current to the time of the meeting. The board must depend on their manager to develop an adequate and accurate management information system. The system should include program and financial data.

Program information should provide answers to the following questions, at a minimum: How many employees were employed this month? Over the past few months, is there a trend up or down?

Financial data should provide, at least, the following information.

1. An analysis of the status of each contract.
2. Payables. Are bills being paid on time and discounts received?
3. Receivables. Who owes money, and for how long? What is being done to collect, to bring money in faster?
4. Inventory. Is the turnover ratio adequate to your business?

5. Cash Position. Is it adequate to pay bills and meet payrolls?

While it is important that the board has adequate and accurate information, they cannot get involved too specifically in the details. It is a waste of the board's time to look at, discuss and approve every invoice; approve every purchase to be made and to sign every check for payment. If the data being presented is complete and accurate enough for the board to pinpoint problems, and if they delve into these problems immediately, then they are fulfilling their responsibility. The board must not accept management recommendations alone. It should be willing ask, study, and debate important questions. Directors should insist on receiving adequate information and action proposals from management to aid in making these decisions.

Board Meetings and the Minutes

The board must meet often enough to effectively manage and oversee the affairs of their corporation. Courts have held that boards of directors can only act as constituted boards when they are assembled for that purpose. They cannot act officially in individual capacities outside of a formal meeting. The board meeting must be properly called, convened and operated on a democratic basis. Most workshop boards meet monthly except during the summer months when the executive committee handles any urgent business. Some boards meet quarterly. It is up to each board to determine how often they need to meet to assure themselves that they are meeting the legal and ethical considerations of their responsibility.

Purpose of the Minutes

The minutes record the official actions of the board, but they are not quasi-legal documents. They can be as simple as a single page recording just the decisions that were made. Or, they can be many pages and record the entire discussions that took place. Regardless of the format used, they should be clear.

Basic information should include the date, time, members present (has a quorum been reached?), the reading and approval of minutes of the previous meeting and the names of the chairperson and secretary (who should officially sign the original document). The minutes should be kept in a safe place and filed sequentially. All documents referred to in the minutes should be attached to the minutes and become a part of the official record.

The board will probably, at a minimum, want a record kept of summary discussion, consensus decisions (those not requiring a formal vote), the actual wording of the motion, an indication that the motion was seconded (it is not necessary to record who made the motion or seconded it), and the statement of the chairman that the motion passed, or failed to pass.

It is not necessary that the Secretary of the board actually take the minutes. Many organizations use an employee, usually a secretary who takes and transcribes shorthand. Minutes are typed in rough draft, approved by the manager and the Secretary of the board, and retyped in final form for the Secretary's signature.

Notice for meetings should be sent out in advance with enough lead time to meet the demands of the corporation bylaws, but not too far ahead of the meeting. Being busy people, board members often forget the meeting if notified too far in advance. A good system to follow is to set up all meetings for the year, distribute it to the board with the request to jot them down on the calendar

as soon as they get back to the office, or home, send out a notice one week in advance and, then, call them the morning of the meeting.

The notice should also include the agenda for the meeting. It is wise for the manager and the chairman to decide jointly what items should be on the agenda.

Relationships with the Manager

The relationship of the board with the manager is a troublesome one in many workshops. If this relationship is unsteady it will adversely influence the whole workshop. It is in the best interests of the board to maintain a good working relationship. This relationship can best be described as a partnership, with each partner recognizing and respecting the other's prerogatives and responsibilities. It has been said that the board develops and establishes policy and that the manager carries it out. However, this is too pat and not usually the case. Often, policies are determined by administrative staff, and later approved by the board. Also, on many policies or decisions, the manager provides personal and professional opinion and judgment. "The board is concerned primarily with decisions which define the nature and purpose of the organization...the administrate must decide how to accomplish the stated mission and purpose of the organization..."⁴ For example, if the board says, "We want a management system that will give us the following information (and specifies what information they want), it is the manager's responsibility to determine how to develop such a system. There are several principles that should be in operation in this relationship.

The board makes independent decisions. It is never a rubber stamp for the manager's view or desires. However, they do not ignore or refuse to consider his recommendations and advice. After considering all sides of an issue they, collectively, make a decision based upon their best judgment.

The board does not assume management functions. "Asking someone to reach a certain goal is policy; establishing rules as to how that goal must be reached is operations, and should be left to the Director's and staff's handling. This is one of the major areas in which boards often overstep, to the detriment of the facility's well being."⁵

What are some of these management functions that boards should steer clear of?

1. Recruitment, selection and evaluation of staff (except the manager).

⁴ David E. Shreiber, "Manual for Community Board", Purpose and Formation of the Board, Pg. 13.

⁵ Alfred E. F. Stern, "Serving the Board of Directors of a Rehabilitation Facility" State of California, V.R. Dept., Pg. 20. If the board has any questions about the judgment or wisdom of their manager, they should discuss this with him privately and never undermine his stature or authority. The competent manager will be a liaison between the board, the customers, the staff and the community at large. The competent board will provide support, guidance and counsel to manager and will trust and respect his or her judgment. They should select him or her with this in mind. If their relationship is carefully nurtured and protected, the workshop will run smoother, the board will have fewer problems, and, ultimately, the handicapped employee will benefit.

2. Resolving staff complaints and differences. A policy for unresolved problems/complaints should be made but in most cases, it is the administration's responsibility.
3. Spending approved budgeted funds. The board must approve expenditures that have not been previously budgeted. Also, the budget might need revision, during the year, if income is lower than budgeted. This could effect (or require) approval by the board of spending budgeted funds.
4. Ongoing communications with customers, including negotiation contacts and agreements.
5. Ordering supplies, equipment, etc.
6. Building maintenance, repair and remodeling
7. Negotiating (and signing) leases for space needs.

Some boards seem to like to become involved in the program and service functions. These, too, are under administrative control. Boards should not become involved in screening employees, dealing with customer complaints or in otherwise providing services to employees. Although many board members have done it, and some are professionally qualified, it rarely works out well.

However, one word of caution. If the board has any reason to question the methods or manner in which management is performing, they should do so openly with their manager. This "hands off" principle is not stated here to attempt to exclude the board from knowing what is going on. The board has the right to know everything about the workshop. It is rather in terms of the partnership relationship with the manager that this principle is stated. The whole organization runs smoother if one partner does not infringe upon the responsibility of the other.

The board publicly supports the manager. There should never be any doubt with any staff, funding sources, or anyone in the community that the manager represents the board and the workshop. The wise manager will keep the board informed and involve them personally in difficult negotiations with funding sources. However, the board never becomes involved in this area independently of their manager. This also true of staff relationships. Once disgruntled staff feel that the board is open to direct and personal communication, the board will have more problems than it can handle. Hopefully, the members of the board will direct the staff inquiry back to the manager and then discuss it privately to determine the extent of the problem. As indicated earlier, board policy should include a complaint structure in the event that their manager cannot, or does not, resolve the conflict. But even in cases like that, it should be handled with the manager present, so that his authority is never undermined.

Summary

This summarization of a not-for-profit board of directors, its duties, responsibilities and influence is meant for a refresher of what you already know, and hopefully, a reminder of how important you really are as a member of a workshop board.

Being a member of the board is a great service, not only to the workshop, but to the total local area. Quite often, it will be of benefit to you, also.
It is the responsibility of the board of directors to:

1. Appoint (hire) a competent manager.
2. Assure the efficient operation of the corporation.
3. Insure proper welfare of the corporation.
4. Insure the well-being of the employees.
5. Insure a fiduciary relationship between the corporation and the State of Missouri and other funding agencies.
6. Assure good customer relations.
7. Assure a good and proper image to the general public.
8. Establish basic objectives consistent with the laws, regulations, and well-being of the employees.
9. Establish overall operating policies.
10. Establish, with the manager's input, specific policies and secure his working acceptance of those policies.
11. Approve major financial matters, establishing a maximum figure which the manager can expend without board approval.
12. Maintain and revise (if necessary) the charter of the corporation.
13. Perpetuate the corporation by holding regular meetings and appointing working board members.
14. Evaluate, on a regular basis, the operation from the financial, policy, and practical viewpoint.
15. Ask perceptive and pertinent questions of the manager on a regular basis to assure a sound operation.
16. Comply with the annual report requirements of the State of Missouri Regulations, Extended Employment Sheltered Workshop Section.
17. Establish and spot-check a realistic budget with the assistance of the manager.
18. Take corrective action, at the earliest possible time, to resolve problems, thereby avoiding expansion of the problem.
19. Maintain close contact with the manager, providing assistance, as well as constructive criticism..
20. Maintain a good balance on the board between business, professional, and consumer (parents) representatives form the community.

21. Maintain the financial stability of the corporation through the use of reasonable business judgment, i.e., the same zest, zealouslyness and concern given to one's own affairs.
22. Comply with the various regulations of federal (particularly Federal Wage and Hour Division of the U.S. Department of Labor, and the Occupational Safety and Health Act) , state (particularly RSMo 178.900-178.950), county, and city regulations.
23. Provide a dignified, clean, healthful, and safe setting in which the disabled can earn at their maximum capacity through the provision of meaningful production contracts, so that their total lives are enriched on a progressive basis, and so that their abilities rather than their disabilities are enhanced.

FINANCIAL MANAGEMENT

Fiscal Management a Sheltered Workshop

(Social Entrepreneurship)

The most important factor in the success of a sheltered workshop is its ability to function as a business. The workshop is started to provide a business which employs persons who could not be employed otherwise. Because it is a business and more particularly, a business employing a special workforce, fiscal management is very important. It is important because of inherent limited profitability of such an endeavor. It is also important due to state and federal laws and guidelines which relate to the special status of the employees and the workshop itself.

Financial operations must conform to legal requirements and should be based upon sound financial planning and prudent management of capital, operating income and expenditures.

The facility should have a risk protection program adequate to preserve its assets and to compensate its staff, employees, volunteers, and the public for reasonable claims due to untoward events for which the facility is liable. Evaluation should be made annually or more often, if necessary, of the needs for insurance and the types of protection offered. Insurance or risk coverage must include buildings, equipment, and inventory, customer's materials, liability, worker's compensation, social security, and bonding of appropriate personnel.

Sound and accepted practices should be observe in all business and industrial activities, including purchase of material, sale of products and subcontracting.

The following are some sound practices of operations:

The workshop should seek business only on a fair and competitive basis.

Pricing of work performed must be left up to the discretion of workshop management. It is strongly recommended that a minimum overhead factor of 100% on direct labor be used. Historically this has been a minimal percentage for most shops. A reasonable actual overhead factor can easily be obtained by following the steps outlined in the attached form entitled Overhead (Attachment 1). Once this rate has been determined the shop should strive to use this overhead percentage. A sample is also attached showing a completed form (Attachment 2).

The procedure used to bid jobs can easily be determined by studying the Time Study / Bid Price Breakdown (Attachment 3) at the end of this section. A completed sample of this form has been attached as well (Attachment 4).

Proper procedures for paying employees must be followed to maintain compliance with Department of Labor regulations and to fairly compensate your employees. Employees may be paid on an hourly basis or a piece rate basis. It has been our experience that a piece rate basis has been the most effective in providing incentive to employees to develop skills and increase pay. The hourly pay system is a little bit easier to administer however. Both are accepted by the Department of Labor as long as proper procedures are followed. A detailed sheet explaining the two systems can be found at the end of this section (Attachment 5).

Probably the most important part of any fiscal management system is the reporting procedures. That, of course, starts with the budget. A sample budget is attached (Attachment 6). Financial statements should be provided for both management and the board of directors

each month. These statements should be completed using an accrual basis of accounting and include a minimum of an income statement and balance sheet. It would be most helpful to all concerned if these are done in a comparative format, i.e. current month actual to current month budget, current month to same month last year, etc.. Many workshops use an off the shelf accounting program to provide financial information each month such as Quick Books or Peachtree. These are reasonably priced and provide the versatility that most shops need. Some larger workshops with more complex financial systems may find that they need to work with someone to provide them with a tailored system. A sample financial statement is attached (Attachment 7).

Cash flow is another financial concern of many shops. Cash flow can be fairly accurately predicted by using the attached cash flow planning sheet (Attachment 8). This sheet should reasonably predict when or if cash flow problems may occur.

Due to the precarious financial state of many shops both new and old it is imperative that shops plan for lean times and develop a good relationship with their banker. There are times when this will be extremely helpful, i.e. if the state aid payment is delayed for some unforeseen reason and the shop has a payroll to meet.

Fundraising has been a critical process in helping workshops with major expansions and building projects. Major capital campaigns are difficult and take a great deal of work by all participants. It is important that there be a real commitment on the part of those involved to make it a success. There are consultants in many communities who will assist the shop in these efforts.

OVERHEAD

- a) Total expenses (Cost of goods sold and general and administrative)..... _____
- b) Less extraordinary expenses..... (_____)
- c) Less direct labor (include subcontract)..... (_____)
- d) Less material cost..... (_____)
- e) Less non-production costs supplemented by grants, etc..... (_____)
- f) Overhead expenses..... _____
- g) Less state aid..... (_____)
- h) Overhead costs that need to be offset by sales..... _____

Overhead costs (i) / Direct labor (c) = Overhead percentage

_____ / _____ = _____

OVERHEAD

a)	Total expenses (Cost of goods sold and general and administrative).....	<u>1,180,516</u>
b)	Less extraordinary expenses.....(<u>-0-</u>)
c)	Less direct labor (include subcontract).....(<u>271,192</u>)
d)	Less material cost.....(<u>93,738</u>)
e)	Less non-production costs supplemented by grants, etc.....(<u>35,800</u>) *
f)	Overhead expenses.....	<u>779,786</u>
g)	Less state aid.....(<u>241,407</u>)
h)	Overhead costs that need to be offset by sales.....	<u>538,379</u>

Overhead costs (i) / Direct labor (c) = Overhead percentage

$$\frac{538,379}{271,192} = 198\%$$

* Rent paid by Match Grant from SB40 Board

TIME STUDY
BID PRICE BREAKDOWN

Customer: _____

Date: _____

Job #: _____

Job Description: _____

PERSON				Column A	Column B	Column C	Column D
OPERATION	Trial 1 Time in Sec./No. in Sample	Trial 2 Time in Sec./No. in Sample	Trial 3 Time in Sec./No. in sample	Total Seconds/ Total number	Avg. Second per Piece	Production Standard 3000 sec./ Column B	Piece Rate prev. wage/ Column C
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
						DIRECT LABOR	

A.) Direct Labor _____
 B.) Material Costs _____
 C.) Overhead (A times _____%) _____
 D.) Transportation/Handling _____

E.) Total (A through D) _____
 F.) Profit (_____% of E) _____
 G.) Total (A through F) _____

TIME STUDY
BID PRICE BREAKDOWN

Customer: Missouri Department of HealthDate: November 1, 1997Charles TaylorJob #: MDH 1101Job Description: Immunization Cards

PERSON				Column A	Column B	Column C	Column D
OPERATION	Trial 1 Time in Sec./No. in Sample	Trial 2 Time in Sec./No. in Sample	Trial 3 Time in Sec./No. in sample	Total Seconds/ Total number	Avg. Second per Piece	Production Standard 3000 sec./ Column B	Piece Rate prev. wage/ Column C
1. Trifold cards at scores	700/100	500/100	800/100	2000/300	6.67	3000/6.67	\$6.00/450=.01254
2. Insert cards in plastic	555/100	468/100	777/100	1800/300	6	3000/6	\$6.00/500=.012
3. Box 1000 per box	800/100	1200/1000	1000/1000	3000/3000	1	3000/1	\$6.00/3000=.002
4.							
5.							
6.							
7.							
8.							
9.							
10.							
						DIRECT LABOR	.0274

A.) Direct Labor .0274
 B.) Material Costs -0-
 C.) Overhead (A times %) .0548
 D.) Transportation/Handling .00125

E.) Total (A through D) .08345
 F.) Profit (% of E) .00835
 G.) Total (A through F) .0918
 Final Bid Price to Customer \$92.00 per 1,000

Budget for 2002-03

	Budget 2000-01	Actual 2000-01	Budget 2001-02	Budget 2002-03
<i>Income</i>				
Sales	\$910,000.00	\$923,067.00	\$940,000.00	\$985,000.00
State Aid	\$340,000.00	\$335,853.00	\$325,000.00	\$340,000.00
Donations	\$8,000.00	\$8,471.00	\$8,000.00	\$8,000.00
Donations - United Way	\$12,000.00	\$12,081.00	\$9,000.00	\$9,000.00
Contract Payments	\$21,000.00	\$21,000.00	\$21,000.00	\$21,000.00
Miscellaneous Income	\$2,000.00	\$3,768.00	\$2,000.00	\$2,000.00
Interest Income	\$34,000.00	\$49,959.00	\$50,000.00	\$25,000.00
Rental Income	\$36,000.00	\$38,400.00	\$38,400.00	\$38,400.00
Total Income	\$1,363,000.00	\$1,392,599.00	\$1,393,400.00	\$1,428,400.00
<i>General Expenses</i>				
Accounting & Legal	\$5,300.00	\$5,778.00	\$5,300.00	\$5,800.00
Advertising	\$500.00	\$0.00	\$500.00	\$500.00
Building Expenses	\$21,000.00	\$2,988.00	\$5,000.00	\$5,000.00
Maint. Agreements	\$4,000.00	\$3,750.00	\$4,000.00	\$4,000.00
Depreciation	\$41,000.00	\$56,304.00	\$55,000.00	\$58,000.00
Dues - Subscriptions	\$1,600.00	\$2,057.00	\$2,000.00	\$2,000.00
Equipment Repairs	\$8,000.00	\$9,553.00	\$8,000.00	\$8,000.00
Interest Expense	\$0.00	\$0.00	\$0.00	\$0.00
Insurance	\$37,000.00	\$32,817.00	\$44,000.00	\$34,000.00
Materials	\$190,000.00	\$165,041.00	\$165,000.00	\$176,000.00
Miscellaneous Expenses	\$2,800.00	\$5,962.00	\$6,600.00	\$2,800.00
Office Expenses	\$9,300.00	\$14,166.00	\$11,000.00	\$11,000.00
Outside Labor	\$6,500.00	\$3,109.00	\$6,500.00	\$37,000.00
Payroll - Administration	\$391,000.00	\$433,017.00	\$426,000.00	\$456,000.00
Payroll - Reg Workshop	\$310,000.00	\$314,806.00	\$315,000.00	\$318,000.00
Payroll - Work Activity	\$0.00	\$0.00	\$0.00	\$0.00
Payroll - Night crew	\$56,000.00	\$23,816.00	\$35,000.00	\$23,000.00
Payroll Taxes	\$58,300.00	\$58,951.00	\$59,000.00	\$60,800.00
Health Insurance	\$22,500.00	\$34,030.00	\$28,226.00	\$40,000.00
Rent	\$80,500.00	\$80,400.00	\$80,500.00	\$80,400.00
Shop Expenses	\$32,000.00	\$29,546.00	\$33,000.00	\$28,000.00
Telephone	\$7,000.00	\$6,435.00	\$7,000.00	\$6,500.00
Travel	\$1,500.00	\$900.00	\$1,500.00	\$1,000.00
Truck Expense	\$15,000.00	\$11,883.00	\$15,000.00	\$10,000.00
Freight Chg	\$4,000.00	\$3,937.00	\$6,000.00	\$5,000.00
Utilities	\$48,000.00	\$45,618.00	\$52,000.00	\$45,000.00
Bad Debt Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Total General Expenses	\$1,352,800.00	\$1,344,864.00	\$1,371,126.00	\$1,417,800.00
Net Income	\$10,200.00	\$47,735.00	\$22,274.00	\$10,600.00

**Comparative Balance Sheets
As of January 31, 2003 and 2002**

ASSETS

	<u>2003</u>	<u>2002</u>
CURRENT ASSETS		
Petty Cash	\$ 100.00	\$ 600.00
CD - Trustees	33,025.21	31,815.26
Money Market Account	602,162.72	84,947.15
Cash-Reg Checking	358,624.25	240,068.71
Cash-Payroll Acct	760.62	1,209.75
IBM Stock	2,304.00	3,616.00
Investment - FNMA Note	0.00	499,072.21
Accounts Receivable	144,341.51	233,163.80
Allow for Uncollectible Accou	(4,284.02)	(4,284.02)
Inventory	10,459.90	8,694.58
Prepaid Expenses	8,240.50	5,734.20
Interest Receivable	<u>358.85</u>	<u>739.83</u>
Total Current Assets	<u>1,156,093.54</u>	<u>1,105,377.47</u>
PROPERTY AND EQUIPMENT		
Depr. Equip.	484,845.36	482,192.15
Accumulated Depr.	(345,097.85)	(313,559.65)
Building	461,056.97	461,056.97
Accumulated Depr.	(325,680.05)	(309,949.20)
Land	<u>30,540.00</u>	<u>30,540.00</u>
Net Property and Equipment	<u>305,664.43</u>	<u>350,280.27</u>
OTHER ASSETS		
Deposits	<u>4,176.00</u>	<u>4,176.00</u>
Total Other Assets	<u>4,176.00</u>	<u>4,176.00</u>
TOTAL ASSETS	<u>\$ 1,465,933.97</u>	<u>\$ 1,459,833.74</u>

See Accountants' Compilation Report

**Comparative Balance Sheets
As of January 31, 2003 and 2002**

LIABILITIES AND FUND BALANCE

	<u>2003</u>	<u>2002</u>
CURRENT LIABILITIES		
Accounts Payable	\$ 4,923.55	\$ 6,830.92
Social Security Fund	0.00	5,873.46
Withholding Tax	0.00	2,909.52
State W/H Tax	1,254.79	1,260.36
Accrued Vacation	11,572.77	9,931.97
Unearned Postage	<u>67,213.26</u>	<u>67,213.26</u>
Total Current Liabilities	<u>84,964.37</u>	<u>94,019.49</u>
LONG-TERM LIABILITIES		
Total Liabilities	<u>84,964.37</u>	<u>94,019.49</u>
FUND BALANCE		
Fund Balance	<u>1,380,969.60</u>	<u>1,365,814.25</u>
Total Fund Balance	<u>1,380,969.60</u>	<u>1,365,814.25</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,465,933.97</u>	<u>\$ 1,459,833.74</u>

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Comparative Statements of Fund Balance

	1 Month Ended January 31, 2003	1 Month Ended January 31, 2002	7 Months Ended January 31, 2003	7 Months Ended January 31, 2002
Beginning of Period	\$ 1,370,588.35	\$ 1,366,463.81	\$ 1,349,399.58	\$ 1,358,635.57
Plus: Net Income (Loss)	<u>10,381.25</u>	<u>(649.56)</u>	<u>31,570.02</u>	<u>7,178.68</u>
FUND BALANCE END OF PERIOD	<u>\$ 1,380,969.60</u>	<u>\$ 1,365,814.25</u>	<u>\$ 1,380,969.60</u>	<u>\$ 1,365,814.25</u>

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Comparative Statements of Income

	1 Month Ended January 31, 2003	1 Month Ended January 31, 2002	7 Months Ended January 31, 2003	7 Months Ended January 31, 2002
Income				
Sales	\$ 94,128.36	\$ 80,882.22	\$ 620,322.26	\$ 588,716.36
State Aid	25,815.83	27,733.33	184,146.08	190,475.99
Donations	1,369.75	100.00	6,877.75	1,266.77
Donation - United Way	1,038.89	1,175.19	7,831.95	8,824.37
Contract Payments	0.00	1,750.00	0.00	12,250.00
Interest Income	634.31	1,011.83	6,254.10	12,331.89
Realized Gains	0.00	0.00	(161.16)	0.00
Rental Income	<u>3,200.00</u>	<u>3,200.00</u>	<u>22,400.00</u>	<u>22,400.00</u>
Total Income	<u>126,187.14</u>	<u>115,852.57</u>	<u>847,670.98</u>	<u>836,265.38</u>
 General Expenses				
Accounting & Legal	280.00	288.00	4,379.00	4,138.00
Building Expenses	2,974.56	0.00	5,233.59	1,053.43
Maintenance Agreement	0.00	1,621.65	6,974.85	3,550.85
Depreciation	4,376.54	4,851.03	30,481.03	33,937.75
Dues-Subscriptions	2,077.82	(205.00)	2,893.82	622.21
Equipment Repairs	1,267.98	1,334.20	5,973.07	2,470.09
Interest Expense	0.00	0.00	62.36	0.00
Insurance	3,661.45	3,099.53	25,631.75	20,389.87
Health Insurance	2,235.33	4,797.83	33,680.73	25,049.72
Materials	19,215.37	9,563.30	121,403.12	97,101.89
Miscellaneous Expenses	174.20	57.15	3,147.65	647.47
Office Expenses	97.60	135.46	5,245.67	6,288.41
Outside Labor	0.00	5,355.26	1,300.00	44,172.87
Payroll-Administration	36,783.65	36,884.61	267,538.56	263,217.32
Payroll-Reg Workshop	27,646.90	27,237.13	187,192.34	183,709.85
Payroll Taxes	4,835.56	4,937.02	35,327.90	35,507.18
Payroll-Night Crew	289.28	518.40	2,845.34	4,265.88
Rent	3,200.00	6,700.00	22,400.00	46,900.00
Shop Expenses	2,282.95	1,416.69	18,010.21	15,757.57
Telephone	543.45	615.04	3,474.69	3,665.21
Travel	0.00	58.59	335.22	311.96
Truck Expense	460.11	1,866.89	5,421.03	7,373.00
Freight charges	615.29	348.60	3,322.76	4,302.50
Utilities	<u>2,787.85</u>	<u>5,020.75</u>	<u>23,826.27</u>	<u>24,653.67</u>
Total General Exp	<u>115,805.89</u>	<u>116,502.13</u>	<u>816,100.96</u>	<u>829,086.70</u>
 Net Income (Loss)	 <u>\$ 10,381.25</u>	 <u>\$ (649.56)</u>	 <u>\$ 31,570.02</u>	 <u>\$ 7,178.68</u>

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Supplementary Schedules

BALANCE SHEET
As of January 31, 2003

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Accounts Payable	\$ 4,923.55
State W/H Tax	1,254.79
Accrued Vacation	11,572.77
Unearned Postage	<u>67,213.26</u>

Total Current Liabilities 84,964.37

LONG-TERM LIABILITIES

Total Liabilities 84,964.37

FUND BALANCE

Fund Balance 1,380,969.60

Total Fund Balance 1,380,969.60

**TOTAL LIABILITIES AND
FUND BALANCE** \$ 1,465,933.97

See Accountants' Compilation Report

BALANCE SHEET
As of January 31, 2003

ASSETS

CURRENT ASSETS

Petty Cash	\$	100.00
CD - Trustees		33,025.21
Money Market Account		602,162.72
Cash-Reg Checking		358,624.25
Cash-Payroll Acct		760.62
IBM Stock		2,304.00
Accounts Receivable		144,341.51
Allow for Uncollectible Accou		(4,284.02)
Inventory		10,459.90
Prepaid Expenses		8,240.50
Interest Receivable		<u>358.85</u>

Total Current Assets 1,156,093.54

PROPERTY AND EQUIPMENT

Depr. Equip.	484,845.36
Accumulated Depr.	(345,097.85)
Building	461,056.97
Accumulated Depr.	(325,680.05)
Land	<u>30,540.00</u>

Net Property and Equipment 305,664.43

OTHER ASSETS

Deposits	<u>4,176.00</u>
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Total Other Assets 4,176.00

TOTAL ASSETS \$ 1,465,933.97

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ATTACHMENT #7
CASH FLOW PLANNER

MONTH		JAN.	FEB.	MAR.	APR.	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
	1. BALANCE FROM PREVIOUS PERIOD												
	CASH INFLOWS:												
	2. SALES (ANTICIPATED A/R COLLECTIONS)												
	3. STATE AID												
	4. TRANSPORTATION												
	5. COUNTY AID												
	6. OTHER (SPECIFY)												
	TOTAL INFLOWS (TOTAL 2-6)												
	CASH AVAILABLE (1+6)												
	CASH OUTFLOWS:												
	7. PAYROLL												
	8. DEBT PAYMENT												
	9. PAYROLL TAXES												
	10. UTILITIES												
	11. RENT												
	12. MATERIAL												
	13. SUPPLIES												
	14. PAYMENT OF A/P												
	15. INSURANCE												
	16. PROFESSIONAL FEES												
	17. TELEPHONE												
	18. TRANSPORTATION												
	19. TRUCK												
	20. OTHER (SPECIFY)												
	21												
	22												
	TOTAL OUTFLOWS (TOTAL 7-22)												
	BALANCE AT END OF PERIOD (IN - OUT)												

MARKETING

Marketing the Sheltered Workshop

Customers:

Social customers:

- Employees
- Parents
- Care providers
- Agencies
- State
- County

Business customers:

- Local businesses (Mom and pop to major corporations)
- Federal government (NISH)
- National businesses (Sampling Corporation)

Don't ignore your customers. The best marketing tool at your disposal is yourself. The trick to marketing is joining and becoming involved. Marketing is not a 40 hour a week job. You or your staff members should join everything you can join.

- Civic clubs (Kiwanis, Lions, Rotary)
- Professional organizations (Purchasing, Human Resources,)
- Religious (Church, Knights of Columbus)
- Community (Chamber of Commerce, volunteer committees, United Way, charitable organizations)

Joining isn't enough. You also need to participate in the organization. Become active.

Marketing to the community/social customers:

- Get to know your parents and get them involved. Establish a parents group.
- Work with other agencies in the community that provide services for your employees.
- Maintain a safe, clean, meaningful work experience for your employees.
- Keep facilities neat, clean, and presentable at all times.
- Strive to increase opportunities and pay for your employees.

Marketing to the business customer:

Contacts:

- Joining organizations mentioned above.
- Newspapers (Classifieds, business journals)
- Personal contacts both social and family
- Board members
- Current customers
- Sales people

Develop an attractive brochure

Cold calls

Absolute musts for marketing include:

- Completing your work on time
- Excellent quality control

If you just can't handle this then get help doing it. Sales and marketing is the most critical task relating to the continued existence of the workshop. **Don't neglect it.**

GENERAL IDEAS

- Never let a day pass without engaging in at least one marketing activity.
- Determine a percentage of gross income to spend annually on marketing.
- Set specific marketing goals every year; review and adjust quarterly.
- Maintain a tickler file of ideas for later use.
- Carry business cards with you (all day, every day).
- Create a personal nametag or pin with your company name and logo on it and wear it at high visibility meetings.

TARGET MARKET

- Stay alert to trends that might impact your target market, product or promotion strategy.
- Read market research studies about your profession, industry, product, target market groups, etc.
- Collect competitors' ads and literature; study them for information about strategy, product features and benefits, etc.
- Ask clients why they hired you and solicit suggestions for improvement.
- Ask former clients why they left you.
- Identify a new market.
- Join a list-serve (email list) related to your profession.
- Subscribe to an Internet usenet newsgroup or a list-serve that serves your target market.

PRODUCT DEVELOPMENT

- Create a new service, technique or product.
- Offer a simpler/cheaper/smaller version of your (or another existing) product or service.
- Offer a fancier/more expensive/faster/bigger version of your (or another existing) product or service.
- Update your services.

EDUCATION, RESOURCES AND INFORMATION

- Establish a marketing and public relations advisory and referral team composed of your colleagues and/or neighboring business owners to share ideas and referrals and to discuss community issues. Meet quarterly for breakfast.
- Create a suggestion box for employees.
- Attend a marketing seminar.
- Read a marketing book.
- Subscribe to a marketing newsletter or other publication.
- Subscribe to a marketing list-serve on the Internet.
- Subscribe to a marketing usenet newsgroup on the Internet.
- Train your staff, clients and colleagues to promote referrals.
- Hold a monthly marketing meeting with employees or associates to discuss strategy, status and to solicit marketing ideas.
- Join an association or organization related to your profession.
- Get a marketing intern to take you on as a client; it will give the intern experience and you some free marketing help.

- Maintain a consultant card file for finding designers, writers and other marketing professionals.
- Hire a marketing consultant to brainstorm with.
- Take a "creative journey" to another progressive city or country to observe and learn from marketing techniques used there.

PRICING AND PAYMENT

- Analyze your fee structure; look for areas requiring modifications or adjustments.
- Establish a credit card payment option for clients.
- Give regular clients a discount.
- Learn to barter; offer discounts to members of certain clubs/professional groups/organizations in exchange for promotions in their publications.
- Give "quick pay" or cash discounts.
- Offer financing or installment plans.

MARKETING COMMUNICATIONS

- Publish a newsletter for customers and prospects. (It doesn't have to be fancy or expensive.)
- Develop a brochure of services.
- Include a postage-paid survey card with your brochures and other company literature. Include check-off boxes or other items that will involve the reader and provide valuable feedback to you.
- Remember, business cards aren't working for you if they're in the box. Pass them out! Give prospects *two* business cards and brochures -- one to keep and one to pass along.
- Produce separate business cards/sales literature for each of your target market segments (e.g. government and commercial, and/or business and consumer).
- Create a poster or calendar to give away to customers and prospects.
- Print a slogan and/or one-sentence description of your business on letterhead, fax cover sheets and invoices.
- Develop a site on the World Wide Web.
- Create a "signature file" to be used for all your e-mail messages. It should contain contact details including your Web site address and key information about your company that will make the reader want to contact you.
- Include "testimonials" from customers in your literature.
- Test a new mailing list. If it produces results, add it to your current direct mail lists or consider replacing a list that's not performing up to expectations.
- Use colored or oversized envelopes for your direct mailings. Or send direct mail in plain white envelopes to pique recipients' curiosity.
- Announce free or special offers in your direct response pieces. (Direct responses may be direct mail, broadcast fax, or e-mail messages.) Include the offer in the beginning of the message and also on the outside of the envelope for direct mail.

MEDIA RELATIONS

- Update your media list often so that press releases are sent to the right media outlet and person.
- Write a column for the local newspaper, local business journal or trade publication.

- Publish an article and circulate reprints.
- Send timely and newsworthy press releases as often as needed.
- Publicize your 500th client of the year (or other notable milestone).
- Create an annual award and publicize it– as an outstanding employee of the year.
- Get public relations and media training or read up on it.
- Appear on a radio or TV talk show.
- Create your own TV program on your industry or your specialty. Market the show to your local cable station or public broadcasting station as a regular program. Or, see if you can air your show on an open access cable channel.
- Write a letter to the editor of your local newspaper or to a trade magazine editor.
- Take an editor to lunch.
- Get a publicity photo taken and enclose with press releases.
- Consistently review newspapers and magazines for possible PR opportunities.
- Submit "tip" articles to newsletters and newspapers.
- Conduct industry research and develop a press release or article to announce an important discovery in your field.
- Create a press kit and keep its contents current.

CUSTOMER SERVICE AND CUSTOMER RELATIONS

- Ask your clients to come back again.
- Return phone calls promptly.
- Set up a fax-on-demand or email system to easily respond to customer inquiries.
- Use an answering machine or voice mail system to catch after-hours phone calls. Include basic information in your outgoing message such a business hours, location, etc.
- Record a memorable message or "tip of the day" on your outgoing answering machine or voice mail message.
- Ask clients what *you* can do the help *them*.
- Take clients out to a ball game, a show or another special event– just send them two tickets with a note.
- Hold a seminar at your office for clients and prospects.
- Send hand-written thank-you notes.
- Send birthday cards and appropriate seasonal greetings.
- Photocopy interesting articles and send them to clients and prospects with a hand-written "FYI" note and your business card.
- Send a book of interest or other appropriate business gift to a client with a handwritten note.
- Create an area on your Web site specifically for your customers.
- Redecorate your office or location where you meet with your clients.

NETWORKING AND WORD OF MOUTH

- Join a Chamber of Commerce or other organization.
- Join or organize a breakfast club with other professionals (not in your field) to discuss business and network referrals.
- Mail a brochure to members of organizations to which you belong.

- Serve on a city board or commission.
- Host a holiday party.
- Hold an open house.
- Send letters to attendees after you attend a conference.
- Join a community list-serve (email list) on the Internet.

ADVERTISING

- Advertise during peak seasons for your business.
- Get a memorable phone number, such as "1-800-WIDGETS."
- Obtain a memorable URL and email address and include them on *all* marketing materials.
- Provide Rolodex® cards or phone stickers pre-printed with your business contact information.
- Promote your business jointly with other professionals via cooperative direct mail.
- Advertise in a specialty directory or in the Yellow Pages.
- Write an ad in another language to reach a non-English-speaking market. Place the ad in a publication that market reads, such as a Hispanic newspaper.
- Distribute advertising specialty products such as pens, mouse pads or mugs.
- Mail "bumps," photos, samples and other innovative items to your prospect list. (A bump is simply anything that makes the mailing envelope bulge and makes the recipient curious about what's in the envelope!)
- Create a direct mail list of "hot prospects."
- Consider non-traditional tactics such as bus backs, billboards and popular Web sites.
- Project a message on the sidewalk in front of your place of business using a light directed through words etched in a glass window.
- Consider placing ads in your newspaper's classified section.
- Consider a vanity automobile tag with your company name.
- Create a friendly bumper sticker for your car.
- Code your ads and keep records of results.
- Improve your building signage and directional signs inside and out.
- Invest in a neon sign to make your office or storefront window visible at night.
- Create a new or improved company logo or "recolor" the traditional logo.
- Sponsor and promote a contest or sweepstakes.

SPECIAL EVENTS AND OUTREACH

- Get a booth at a fair/trade show attended by your target market.
- Sponsor or host a special event or open house at your business location in cooperation with a local non-profit organization, such as a women's business center. Describe how the organization helped you.
- Give a speech or volunteer for a career day at a high school.
- Teach a class or seminar at a local college or adult education center.
- Sponsor an "Adopt-a-Road" area in your community to keep roads litter-free. People that pass by the area will see your name on the sign announcing your sponsorship.
- Volunteer your time to a charity or non-profit organization.

- Donate your product or service to a charity auction.
- Appear on a panel at a professional seminar.
- Write a "How To" pamphlet or article for publishing.
- Produce and distribute an educational CD-ROM, audio or video tape.
- Publish a book.

SALES IDEAS

- Start every day with two cold calls.
- Read newspapers, business journals and trade publications for new business openings and for personnel appointment and promotion announcements made by companies. Send your business literature to appropriate individuals and firms.
- Give your sales literature to your lawyer, accountant, printer, banker, temp agency, office supply salesperson, advertising agency, etc. (Expand your sales force for free!)
- Put your fax number on order forms for easy submission.
- Set up a fax-on-demand or email system to easily distribute responses to company or product inquiries.
- Follow up on your direct mailings, email messages and broadcast faxes with a friendly telephone call.
- Try using the broadcast fax or email delivery methods instead of direct mail. (Broadcast fax and email allows you to send the same message to many locations at once.)
- Using broadcast fax or email messages to notify your customers of product service updates.
- Extend your hours of operation.
- Reduce response/turnaround time. Make reordering easy– reminders. Provide pre-addressed envelopes.
- Display product and service samples at your office.
- Remind clients of the products and services you provide that they aren't currently buying.
- Call and/or send mail to former clients to try to reactivate them.
- Take sales orders over the Internet.

25 Sales Tips

- Remember who's in charge of the sale
The customer not you
- Make the phone ring
It's not how many calls you make. It's how many customers call you. Make the customer want you.
- Become a brand
Establish an identity that is all your own. What do you want the customer to think of when they think of you?
- Be known for your ideas
Use ideas to connect with customers. If you don't have any ideas you don't get the business
- Follow up furiously
Don't drop the customer too soon. Never stop following up.
- Always be accessible
You're either available or you're not. If you aren't the customer will find someone who is
- Be candid with the customer
No puff and fluff. The customer wants your knowledge. Respect comes from giving straight answers.
- Always act in the customer's best interest
Don't just talk about it, do it. Making the wrong sale is worse than not making a sale.
- Be known in the marketplace
Be known in the community.
- Prospect constantly
Create a database and continually add to it. Get in touch and stay in touch.
- Create your future
Think 2 to 5 years out. Start cultivating customers early.
- Fight stupidity
Constantly prospect and think ahead.
- Become indispensable to the customer
Always look for ways to be a resource to your customer and prospects. Supply information. Help them do a better job.
- Don't pull the plug on prospects

Stay in touch with prospects.

- Don't confuse activity with action

Avoid unproductive meetings - extra calls, lunches, etc. - simply because you like someone. Stay in touch with all prospects and figure new ways to respond.

- Make news

Become a source of information. Provide articles.

- Be interesting

Be noticeable. Distinctive.

- Get inside the customer's head

It's your customer's company and priorities that are important, not yours

- Know when to say no

"We can't help you with that" can build credibility. Then go out and find someone who can meet the customer's needs.

- Be known for your knowledge

Be known for knowing something, not just for selling something. If customers don't perceive your value, they feel free to go elsewhere.

- Get organized and stay that way

Know what to do when.

- Present personalized proposals

Spend time creating an individualized proposal.

- Be enthusiastic

People want to do business with those who are upbeat and enthusiastic.

- Admit your mistakes

Admit mistakes and correct it.

- Make it happen

This is the difference between the people who walk out the door at quitting time and those who accept responsibility.

Selling is no longer about getting the order. Sales is about winning customers who are eager to do business with you because you understand them and what they want to accomplish.

Avoid the biggest sales mistakes

No business can survive without people who sell the company's product or service, and no salesperson survives long making the same mistakes over and over again. Here are some of the most common-and most damaging-mistakes a salesperson can make:

- **Lack of preparation.** What do you plan to tell your prospect about your product or service? Develop a working outline that highlights all the benefits you offer. Then do some research on the prospect: Look at the annual reports, and check the trade journals for helpful information.
- **Not listening.** Don't fall into the trap of thinking that your job is to talk and the prospect's role is to sit silently and listen to your presentation. Let the prospect tell you what his or her needs are, then look for ways to meet those requirements.
- **Not asking for the order.** Many salespeople forget this simple step. Nothing is wrong with asking the prospect to take you up on your offer, as long as you're not too pushy about it.
- **Moving too quickly.** Instant rapport is difficult to achieve. Instead of trying to turn the prospect into a "buddy" right away, concentrate on maintaining a professional attitude. Let any relationship develop naturally.
- **Not customizing the presentation to the prospect's needs.** A generic presentation isn't as convincing as one personally tailored to your prospect's business.
- **Poor follow-up.** Too many sales people close one deal and go on to the next without ever talking to the prospect again. Keep track of your sales, and call prospects back to make sure they're satisfied-and to see if you can help them with other products or services from your company.

Ten Commandments for better sales

Frank Pacetta, from Xerox, was named Cleveland's District Manager and vowed to turn his district into number one in the region, even though it had finished last the year before. He did it. Here is his Top-Ten List on customer service:

Prepare customer proposals on weekends and evenings

Never say no to a customer, everything is negotiable

Make customers feel good about you-not just your product- be sending cards for birthdays and promotions and by taking them to lunch, ball games, and other outings

Most customer requirements, even if it means fighting your own bureaucracy

Do things for customers you don't get paid for, like solving billing problems

Know your competitor's product better than your competitor does

Be early for meetings

Dress and groom yourself sharply so you look like a superior product

When it's time to go home, make one more phone call

If you stay in the shower a long time in the morning because you don't look forward to work, find another job.

The six steps to successful sales

The process of selling-no matter what your product or service-doesn't have to be complicated. Get into action by following this step-by-step plan.

Step #1: Make a cold call to gather information about your customer. Find the name of the person authorize to purchase your product.

Step #2: Send a short letter, introducing yourself to the buyer. Alert your prospect that you'll contact him or her soon.

Step #3: Call the buyer. Find out what he or she really wants. Purchasers may claim they base their buying decisions on price, but if you probe, you might discover that other factors-quality and reliability, for example-are just as important.

Step #4: Schedule a personal meeting. Don't push too hard. Make your presentation without trying to force a close unless you sense an obvious, urgent need.

Step #5: Follow up with a thank you note.

Step #6: Set up a second meeting to discuss the prospect's specific needs and how you can respond to them. At this point, it's okay to talk about products and prices.

1619(B)

SECTION 1619 WORK INCENTIVES

Special SSI Payments for People Who Work (Section 1619(a))

What it does

This incentive allows SSI beneficiaries to receive SSI cash payments even when earned income (gross wages and/or net earnings from self-employment) exceeds the SGA level.

NOTE: It does not apply to SSI beneficiaries who are blind because the SGA requirement has never applied to them.

Requirements to qualify

To qualify for this incentive, the person must:

- o Be eligible for an SSI payment for at least 1 month before he/she begins working at the SGA level;
- o Still be disabled; and
- o Meet all other eligibility rules, including the income and resource tests.

How it applies

People who have earnings above the SGA level can continue to receive SSI cash payments as long as they are still disabled and meet all other eligibility requirements. The person's payment amount will be calculated in the same way as for someone who is not working at the SGA level. (See earned income exclusion Example 2. on page 35.) The person will remain eligible for Medicaid.

Continued Medicaid Eligibility (Section 1619(b))

What it does

This incentive continues Medicaid coverage for most working SSI beneficiaries under age 65 when their earnings become too high to allow an SSI cash payment.

NOTE: Effective May 1, 1991, a person age 65 or over who is blind or disabled may qualify for continued Medicaid coverage under section 1619(b).

Requirements to qualify

To qualify for this incentive, a person must:

- o Have been eligible for an SSI cash payment for at least 1 month;
- o Still meet the disability requirement;
- o Still meet all other non-disability requirements;
- o Need Medicaid in order to work; and
- o Have gross earned income which is insufficient to replace SSI, Medicaid and any publicly funded attendant care.

The Social Security Administration uses a threshold to measure whether a person's earnings are high enough to replace his/her SSI and Medicaid benefits.

What is the threshold?

The threshold amount is based on:

- o The amount of earnings which would cause SSI cash payments to stop in the person's state; and
- o The annual per capita Medicaid expenditure for the state.

If the person's gross earnings are higher than the threshold amount for his/her state, the Social Security Administration can figure an individual threshold if the person has:

- o Impairment-related work expenses (see pages 15-22);
- o Blind work expenses (see pages 46-47);
- o A plan to achieve self-support (see pages 37-38);
- o Publicly funded attendant or personal care; or
- o Medical expenses above the state per capita amount.

**Continued
Medicaid
eligibility in
certain states**

The following states use their own definitions of eligibility for Medicaid purposes which differ from SSI eligibility criteria:

Connecticut	Minnesota	Ohio
Hawaii	Missouri	Oklahoma
Illinois	New Hampshire	Virginia
Indiana	North Dakota	

People in these states will continue to be eligible for Medicaid under the section 1619(a & b) incentive as long as they were eligible for Medicaid in the month before they became eligible for section 1619.

Special Benefits for Section 1619 Recipients Who Enter a Medicaid Facility

What it does

This provision allows an individual who is eligible under section 1619 to receive an SSI cash benefit for up to 2 months while in a Medicaid facility or a public medical or psychiatric facility.

Medicaid facility

Usually when an SSI recipient enters a Medicaid facility (i.e., a facility where Medicaid pays more than 50 percent of the cost of care), the SSI payment is limited to \$30 per month minus any countable income. However, if the person is eligible under section 1619, the benefit will be figured using the full Federal Benefit Rate (see page 35) for up to 2 months.

**Public medical or
psychiatric facility**

Usually when an SSI recipient enters a public medical or psychiatric facility, he/she is not eligible to receive an SSI payment while in the facility. However, if the individual is eligible under section 1619, SSI cash benefits continue for up to 2 months. For this provision to apply, the facility must enter into an agreement with the Social Security Administration allowing the person to keep all of the SSI payment.

Reinstating Eligibility Without a New Application**What it does**

This provision enables people to regain eligibility for SSI cash payments or continued Medicaid coverage after a period of ineligibility without filing a new application.

Cash payments

A person who is eligible for continued Medicaid coverage under section 1619(b) can begin receiving SSI cash payments at any time earnings drop below the break-even point. (See glossary for a definition of break-even point.)

A person who is ineligible for continued Medicaid coverage because earnings exceed the threshold can regain eligibility for SSI cash payments if income drops below the break-even point within 12 months.

Medicaid coverage

A person who is ineligible for continued Medicaid coverage because earnings exceed the threshold can regain eligibility for Medicaid coverage if earnings drop below the threshold within 12 months.

PRODUCTION TECHNIQUES

Production Techniques

- I. Production is the primary function of your shop
 - A. Before beginning production, a completed unit should be used as a reference.
 - B. make up 2 complete samples
 - C. ask the customer to sign off on them;
 - D. keep one for yourself and one for

The importance of maintaining a high level of production or sales:

- Keeping the shop financially sound means
- Better and safer equipment
- Nicer facilities and working conditions
- More pay for staff and employees

- I. Job Requirement
 - a. Contract bidding
 1. Time studies
 2. Direct labor costs
 3. Material costs
 4. Overhead
 5. Transportation
 6. Profit margin
 7. Other costs (equipment purchases, rental fees, warehousing)
 - b. Goal of production supervisor/manager
 1. Smooth production flow
 2. Quality is maintained
 3. Safety practices observed
 4. Shipping schedules met
 - c. These goals can best be achieved by:
 1. Setting up jobs properly
 2. Good quality control
 3. Good safety procedures used
 4. Selecting the proper people; developing new skills in employees
 5. Meet shipping deadlines

CONTRACT BIDDING

PROCESS INCLUDES:

- A. Sales
- B. Research, plant visits,
- C. Job specifications
- D. Work methods,
- E. Time studies
- F. Determining material lists
- G. Determining overhead costs and possibly
- H. Other costs
- I. Profit Margin
- J. When all is totaled: = “THE BID PRICE”
 - sometimes supervisors are involved with the job bid / workup; with experience, the opportunity for involvement can increase (determining work methods, or personnel)

Bid Price Breakdown

Customer
Job Description
Job Number
Prevailing Wage Rate

ABC Co.
Bag lures
AB0001
\$7.00

Unit of Measure

Bag

Steps:	Description	Name of person	Time Study 1		Time Study 2		Time Study 3		Total Units	Total Time	Standard	Production	Piece Rate
			Units	Time/Sec	Units	Time/Sec	Units	Time/Sec					
1	Count ten lures and bag	Joe	10.00	230.00	10.00	230.00	10.00	240.00	30.00	720.00	125	0.0560	
2			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0000	
3			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0000	
4			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0000	
5			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0000	
6			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0000	
7			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0000	
8			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0000	
9			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0000	
10			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0000	
									Total Direct Labor			0.0560	

Direct Labor \$0.0560

Total costs 0.1221

Material Costs \$0.01

Overhead percentage(Enter %) 100.00%

Profit desired
Enter % 10% 0.01221

Customer estimated total pieces for entire job 50000

Overhead amount \$0.0560

Total bid per piece **\$0.1343**

Actual quote provided customer (per piece): \$0.1350
Per 100 pieces \$13.50

Transportation and handling
Enter amount per piece \$0.0001

Per 100 pieces **\$13.43**
Per 1000 pieces **\$134.30**

Per 1000 pieces \$135.00
Estimated revenue for entire job: **\$8,750.00**

Please fill in the blocked areas as appropriate. If the amount or percentage is zero enter '0'.

JOB SETUP
AND
WORKFLOW

- II. Job Setup and Workflow
 - a. Good communication between manager and staff
 - b. Job specification sheet

A job order form contains:

- 1. A description of the work to be done
- 2. The individual steps to be used in the process
- 3. The rate at which each step can be accomplished according to time studies, or other means used to bid the job
- 4. Shipping requirements
- 5. Quality requirements
- 6. Completion date required

Now that you have some knowledge of the job to be done, it's time to figure out how to do it:

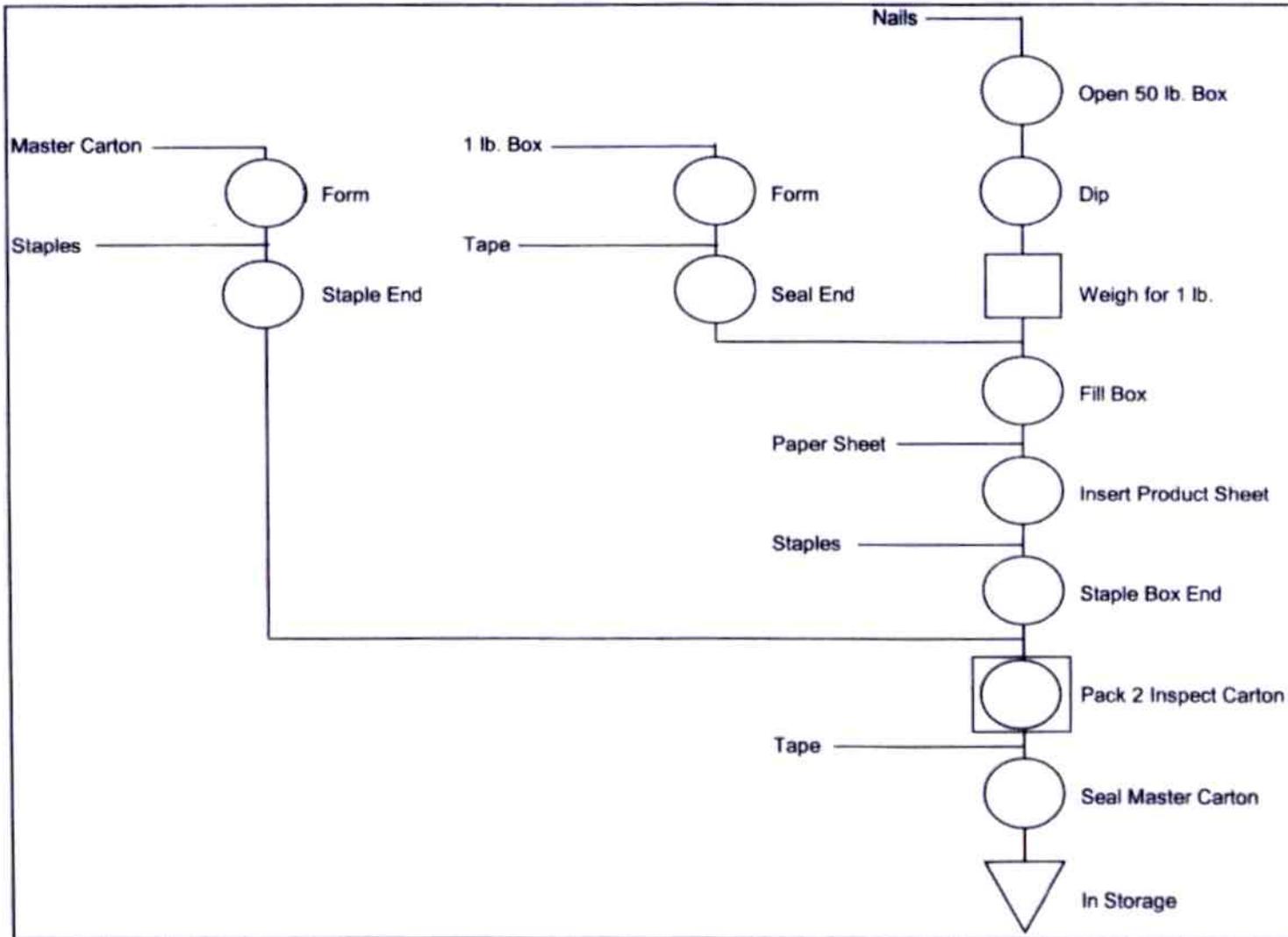
- c. Operations Chart
 - 1. The chart uses five (5) standard symbols
 - 2. Start the operations chart with the raw materials located at the beginning of the process and end it with the finished product in storage
- D Process Flow Chart
 - 3. When to use it
 - a. Help set up new jobs
 - b. Useful after a job has been in process for a while
 - 4. How to use it –
 - a. To reduce the use of unnecessary distance and time
 - b. Help eliminate bottlenecks
 - c. May be able to combine some operations

Has there been a plan developed to allocate space for Production and/or Quality?

OPERATIONS CHART

JOB: Nail Packaging
DATE: August 19, 20XX

ANALYST: B. Smyth
NOTES: None



CWI ASSEMBLY PROCESS



CUSTOMER:	DATE:	JOB NUMBER
CWI	4/22/99	183-37
Page 1 of 3	JOB DESCRIPTION	
Package Aspirin Component Unit		

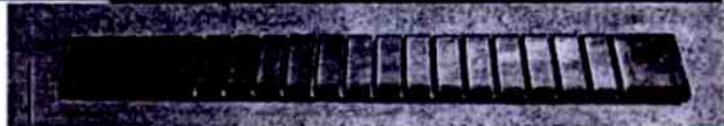
Materials

PART NO.	DESCRIPTION	QTY
	Packet of 2 Aspirin Tablets	15
	Component Unit Box, Size #1	1
	Expiration Label	1
	Formatted to read "XX-XX"	
	Shrink Wrap	



TOOL/FIXTURES REQUIRED:

Label Dispensing Gun
Wooden Count Fixture - 15 slots



PROCESS:

Step #1. Pick up & rotate flat CU Box so that CWI telephone number is toward the right of the operator. Position CU Box to lay flat at work area. Affix expiration label to end panel toward the right of "Exp. Date:", and to be readable to the operator.



Step #2. Pick up packets of Aspirin and count 15 Aspirin packets in slotted fixture. Operators should be trained to best insure product contains proper contents (2 tablets). To insure package consistency, operators should be trained to best insure the packets face the same direction in count fixture and be readable to the operator. Pass count fixture to next operator.

HINT: For those operators having trouble forming the CU box without causing tears, it has been suggested to pick up flat CU Box and massage Box joints left and right. This "breaks" the stiffness of the box and allows the flaps to fold easier.





CUSTOMER:

DATE:

JOB NUMBER

183-37

CWI

Page 2 of 3

4/22/99

JOB DESCRIPTION

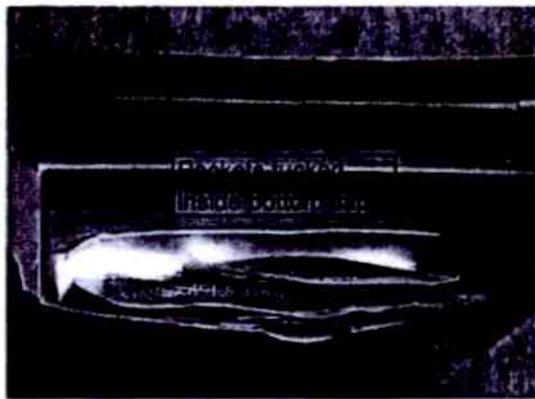
Package Aspirin Component Unit

PROCESS:

Step #3. Pick up CU Box, so that Component I.D. letters on box top flap are readable to operator and the plain red box bottom flap faces away from the operator. Rotate into position and form CU Box bottom. Aside CU Box.



Inspect fixture to contain all required product.
Pick up CU Box. Hold bottom of box tight together to insure no packets stick out the bottom of box. Pick up 5 Aspirin packets and insert toward left hand side of the CU box. Pick up 5 Aspirin packets and insert toward right hand side of CU Box. Pick up 5 Aspirin packets and insert in center of box, nesting packets together. All packets should be placed in the box to be readable to the operator. Alternating stacks of packets insures an even package and reduces bulkiness. Before closing lid, pull the closest packet toward the front of CU box up above the other packets. This allows the lid to close easily & doesn't expose any packet edges. Form lid and secure.





CUSTOMER:	DATE:	JOB NUMBER
CWI	4/22/99	183-37
Page 3 of 3		JOB DESCRIPTION
		Package Aspirin Component Unit

PROCESS, Continued:

Step #4. Pack 200 Aspirin Units per master carton.
 For consistency and count accuracy the "Packing Pattern" for 200 Units per Master Carton is:
 3 rows of 14 Units (42 Units per layer)
 4 layers of 42 Units = 168 Units
 Top Layer has 2 rows of 14 (28) PLUS 4 extra = 32

Bottom and Middle Layers

Top Layer



Step #5. Shrink Wrap CU Box. Inspect shrink wrapped CU Box for defects in shrink film.
 Re-shrink wrap the defects. Re-inspect the re-shrunked CU Box.

QA INSPECTION CRITERIA

- Any material torn, punctured, missing, contaminated, or smeared (print).
- Less than 15 packets per box.
- More than 15 packets per box, supervisor will be notified, but not rejected.
- Expiration date correct, legible, and placement does not cover box wording.
- Unit container flaps closed correctly.
- Packets do not stick out from under box flaps.
- Shrinkwrap seam is continuous with no holes.

APPROVALS
PROCESSED By: Kenda Maples / Jason Estel
QUALITY ASSURANCE: Sherry Swope
LAST REVISION DATE: 6/12/00

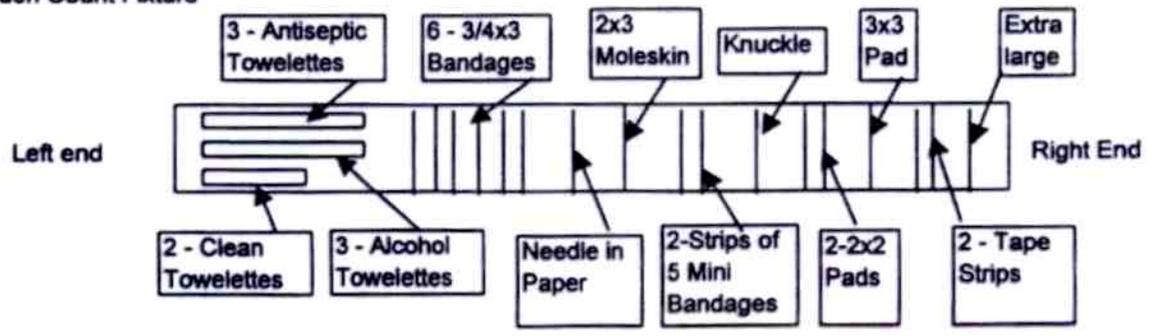
CWI ASSEMBLY PROCESS

CUSTOMER: The Coleman Company 3600 N. Hydraulic Dr. Wichita, KS 67201	Page 1 of 4	DATE: 4/13/99	JOB NUMBER: 108-11 JOB DESCRIPTION: Package Coleman Kit #2, #825-702T
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PART NO.	DESCRIPTION	QTY
1130000	2"x4-1/2" Xtra Large Bndge.	1
9315000	Tape, 2 strips 4" long	2
7298000	3"x3" Non-woven Pad	1
7297000	2"x2" Non-woven Pad	2
1637000	Knuckle Bandage	1
1342000	3/8"x1-1/1" Adh. Bandage	10 (Mini-Bandages)
-	2"x3" Moleskin	1
#2 Darnier	Steel Needle, 2" - 3"	1
-	Paper Strip, 4-1/4" x 1-3/4"	1
1304000	3/4"x3" Adh. Bandage	6
D351000	Antiseptic Pad	3
D33905	Alcohol Pad	3
D346000	Travel (Clean) Towelette	2
Provided by Coleman	Nylon Pouch, 5" x 5-1/2"	1
Provided by Coleman	FDA Label, 1" x 2-1/2"	1
-	Polybag, 6"x7", 4mil	1
-	Header Card, #825-702T	1
-	Staples, Office	2
6-1/4"W x 9"L x 5" H	Inner Pack Box, 6 units per	0.1666
2" x 4"	Label, Inner Pack Box	0.1666
18-3/4Wx19-7/8Lx11-1/8H	Master Carton, (72 Units/ 12 Inner pack Boxes)	0.013888
4" x 6"	Label, Master Carton	0.013888
-	Carton Sealing Tape	
40" x 48" Red Dot	Pallet, (1728 Units/ 24 Masters of 72)	0.000578
8-1@" x 11"	Pallet Shipping Label	0.000578
-	Stretch Film, 1728 per pallet	

TOOL/FIXTURES REQUIRED:

- Bag Sealing Machine
- Wooden Racks for holding raw materials
- Wooden Count Fixture



CWI ASSEMBLY PROCESS

CUSTOMER:

The Coleman Company
3600 N. Hydraulic Dr.
Wichita, KS 67201

Page 2 of 4

DATE:

4/13/99

JOB NUMBER

108-11

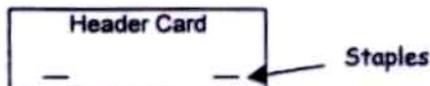
JOB DESCRIPTION

Package Coleman Kit #2, #825-702T

PROCESS:

NOTE: All bandages should be placed in fixture so that the wording on bandages and other items face toward the end of the fixture that has the 3 larger slots containing the Towelettes.

- Step 1. Pick up 1 each 2"x 4-1/2" Extra Large Adhesive Bandage and 2 each tape strips. Insert in fixture slots as indicated. Pass fixture to next operator.
- Step 2. Pick up 1 each 3" x 3" Gauze Pad and 2 each 2" x 2" Gauze Pads. Insert in fixture slots as indicated. Pass fixture to next operator.
- Step 3. Pick up 1 each Knuckle Bandage and 2 each strips of 5 Mini Bandages, 3/8" x 1-1/2". Insert in fixture slots as indicated. Pass fixture to next operator.
- Step 4. Pick up 1 each 2" x 3" Moleskin and 1 each Needle in Paper. Insert in fixture slots as indicated. Pass fixture to next operator.
- Step 5. Pick up 6 each 3/4" x 3" Adhesive Bandages. Insert in fixture slots as indicated. Pass fixture to next operator.
- Step 6. Pick up strip of 3 Antiseptic Towelettes, 3 Alcohol Towelettes, and 2 Travel/Clean Towlettes. Insert in fixture slots as indicated. Pass fixture to next operator.
- Step 7. Affix FDA Label to red nylon bag, on back of bag in lower right hand corner.
- Step 8. Pick up and unzip nylon bag. Inspect for proper component count on fixture. Pick up Extra Large Adhesive Bandage, 2 tape strips and fold in-half. Insert in the fold of Extra Large Bandage and Tape Strips the 1 - 3"x3" Gauze Pad. Next insert the following items in front of the item just listed before it:
2 - 2"x2" Gauze pads, 2 strips of 5 - Mini-Bandages, 1 - Knuckle Bandage, 1 - 2"x3" Moleskin, 1 - Needle in Paper, and 6 - 3/4"x3" bandages. Insert behind the 3"x3" Gauze pads, 3 - Antiseptic Towlettes, 3 Alcohol Towelettes, 2 Travel/Clean Towlettes. Insert group of components in nylon bag. Close Zipper on bag. Aside to container.
- Step 9. Pick up nylon bag, insert in 6" x 7" polybag. Squeeze out excess air and seal polybag. Aside unit to container.
- Step 10. Fold header card. Pick up sealed polybag. Align header card and bag, staple together in 2 places. Aside to container.



- Step 11. Pick up Inner Pack Box and bring to work area. Rotate Box so the I.D. information is closest & readable to the operator. Affix Inner Pack Box label on lower right hand corner of the 6-1/4" end panel.



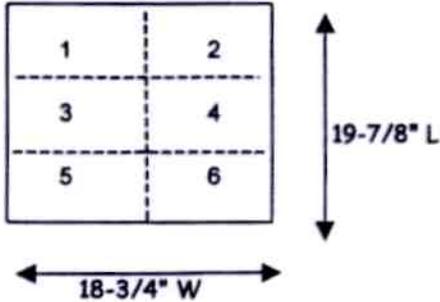
CWI ASSEMBLY PROCESS

CUSTOMER:	Page 3 of 4	DATE:	4/13/99
The Coleman Company 3600 N. Hydraulic Dr. Wichita, KS 67201			JOB NUMBER 108-11
			JOB DESCRIPTION Package Coleman Kit #2, #825-702T

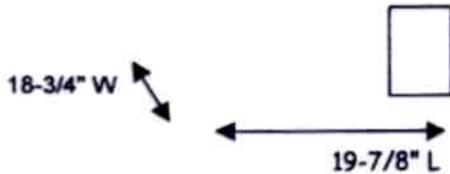
PROCESS (Continued):

Step 13. Fold header card over and behind the red nylon bag. Insert 6 units in Inner Pack Box. Form Inner Pack Box top and tape closed, 1 time. Insert 12 Inner Pack Boxes in Master Carton (2 layers of 6 boxes).

Aerial View of Carton



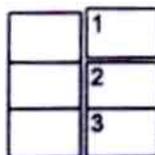
Step 14. Pick up Master Carton and bring to work area. Rotate Carton so the I.D. information is closest & readable to the operator. Affix Master Carton label on lower right hand corner of the 19-7/8" side panel.

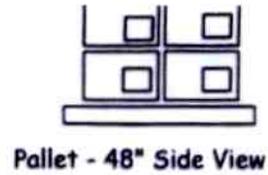
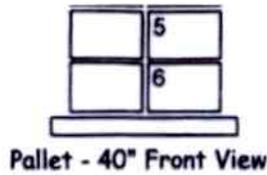
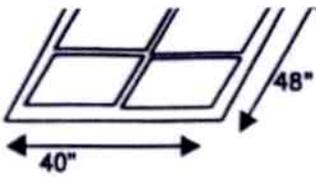


Step 15. Form Master Carton bottom. Tape closed, 2 times.

Step 16. Form Master Carton top. Tape closed, 2 times.

Step 17. Palletize Master Carton. 4 Masters per layer x 6 layers = 24 Masters per pallet





Pallet - 40" Front View

Pallet - 48" Side View

CWI ASSEMBLY PROCESS

CUSTOMER:	Page 4 of 4	DATE:	4/13/99	JOB NUMBER	108-11
The Coleman Company 3600 N. Hydraulic Dr. Wichita, KS 67201				JOB DESCRIPTION	Package Coleman Kit #2, #825-702T

CWI INSPECTION CRITERIA

- Any item not as specified.
- Any required item missing, broken, rusted, corroded, torn or punctured.
- Unit packaging torn, punctured, or otherwise not as specified.
- Unit packaging not labeled or marked as required.
- Unit container torn, punctured, rusted or corroded, or otherwise not as specified.
- Unit container not labeled or marked as required.

SPECIAL NOTICE:
There shall be no defects that affect use, appearance, or serviceability.

APPROVALS
PROCESSED By: Kenda Maples
QUALITY ASSURANCE: Sherry Swope
LAST REVISION DATE: 11/15/99

- Revisions:**
- Step 7 - added placement of FDA Label
 - Step 8 - reversed order of items in packaging
 - Step 12 - Tape Inner Pack Box closed, 1 time.
 - Step 13 - Tape Inner Pack Box closed, 1 time.
 - Step 15 - Tape Master Carton closed, 2 times.
 - Step 16 - Tape Master Carton closed, 2 times.

CWI ASSEMBLY PROCESS



CUSTOMER: The Coleman Company 3600 N. Hydraulic Dr. Wichita, KS 67201	DATE: 4/6/99	JOB NUMBER: 108-11
		JOB DESCRIPTION: Insert Needle in Paper

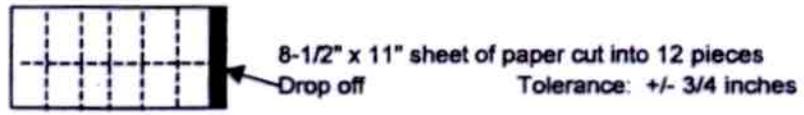
MATERIALS:

PART NO.	DESCRIPTION	QTY
	8-1/2" x 11" White Paper	0.0833
	Cut Paper strips 1-3/4" x 4-1/4" Tolerance: +/- 3/4 inches	1 (12 pieces of paper per 8-1/2"x11" sheet)
	Steel Needle, 2"-3" in length	1
	Rubber Bands	0.04 (1 band per stack of 25)

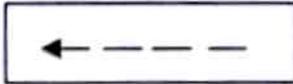
TOOL/FIXTURES REQUIRED:

Paper Cutter
Magnet pad or small trays to hold needles at work station

- PROCESS:**
- Step 1. Pick up 5 sheets of paper, rotate and take to paper cutter with the 8-1/2" side of paper closest to the operator.
 - Step 2. Cut 8-1/2" wide paper to two strips of 4-1/4" x 11" pieces.
 - Step 4. Rotate stack of paper 4-1/4" by 11" and take to paper cutter with 11" side of paper closest to operator.
 - Step 5. Cut 11" length of paper to 6 strips of 1-3/4" pieces. This yields a piece of paper 1-3/4" by 4-1/4". Each sheet of 8-1/2" x 11" paper yields 12 cut pieces.



- Step 6. Pick up needle. Insert needle point in paper 3 times (down, up / down, up / down, up)
On the front side of paper you should see the needle in 4 places. On the back side of paper you will see the needle in 3 places.



NOTE: Bundle needles in paper in stacks of 25 with rubber band affixed around stack.

QUALITY INSPECTION CRITERIA:	APPROVALS:
Paper strips cut to specified size.	PROCESSED By: Kenda Maples
Needle inserted into paper strip as specified.	QUALITY ASSURANCE: Sherry Swope
No body fluids on needle or paper strip.	LAST REVISION DATE: 4/7/99

VOCATIONAL TRAINING GUIDE

August 2010

PURPOSE:

This document is provided as guide for Sheltered Workshop managers on how to establish and implement a Vocational Training Program that meets the regulatory requirements relating to the submission of state aid for the same.

INTRODUCTION:

Presently, a good number of Workshops are affected by the downturn in the economy and that “productive” work is harder to come by and that it can fluctuate a great deal. During recent field visits, staff have noted increasing numbers and instances of certified employees not being engaged in “productive work” (defined as “covered” work by US-DOL that is being performed as part of an industrial or service contract) but rather are engaged in various non-productive tasks. These non-productive tasks range from unrecorded simulated training activities to idle play or sleeping at the worktables or in break rooms.

Although these are “tough times”, Managers must keep in mind that the Workshops are an employment program for persons with disabilities dedicated to providing dignity and self worth through work and achievement derived from working to the best of one’s abilities to become a contributing member of the community. The Sheltered Workshops are not an entitlement and are not designed, funded, staffed nor licensed as “day care” facilities for adults with disabilities.

The Department understands that there may be times when contract opportunities are temporarily lacking, extended delays are encountered and where unforeseen events may temporarily halt the availability of “productive work”. As such, I refer you to the regulation that states the following:

Approved employees of a workshop shall be engaged in production work, or vocational related training at all times during which state aid is claimed. Vocational related training shall be paid at ten percent (10%) of the federal minimum wage. During any fiscal quarter, a workshop should have no less than seventy-five percent (75%) of its reimbursable time in income producing work. State aid shall be paid for vocational related training time up to a maximum of twenty-five percent (25%) of a workshop’s reimbursable time. Documentation of the time per employee and content of the vocational training provided shall be maintained for inspection by department staff.

The definitions that apply to the above and other related regulations are as follows:

“Reimbursable time” is defined as “time or activity that is related to production, training, and/or reasonable wait time that occurs normally as part of the production process;”

“Vocational related training” is defined as an instructional process for the development and/or maintenance of proficiency and performance of skills in a trade or occupation.

“Reasonable wait/down time that occurs normally as part of the production process” is defined as unexpected short-term delays such as, but not limited to, equipment failure, change over, material delivery delays etc. that may last up to six consecutive hours.

BASIC PRINCIPLES AND GUIDELINES:

In order to maintain the integrity and intent of the program and to ensure the appropriate use of state funds, your understanding and cooperation on the following points is requested:

1. If the workshop places certified employees on “vocational related training” for which it is requesting state aid, there must be:
 - a. clear and accurate documentation showing (via individual timecards and/or payroll classification codes or other acceptable method) of the time that each employee is on vocational training, and
 - b. a written vocational training program that clearly documents and outlines the purpose, goals, training components, methodology, and results of individuals while in the vocational training program, and
 - c. documents and records available for review by Department staff.
2. The workshop shall not request, and the Department will not pay, state aid for vocational training hours that exceed the 25% regulation. The workshop will keep a record of the training including those in excess of 25%.
3. The workshops shall not request, and the Department will not pay, state aid for activities and programs that are not defined in the regulations relating to “vocational training”.

Please keep in mind that, if you choose to provide or contract day activity services, therapies, etc. you should review: your staffing patterns and credentials, the location where alternate services are going to be provided, funding sources for the alternate services, liability exposure (check your insurance coverage), written policies and procedures that trigger the start and end of the day activity program and any other consideration based on your circumstance and local conditions. You will want to provide information to the Board of Directors and seek their guidance and approval on non-productive work activities and programs. Again, the purpose, mission and goal of the Extended Employment Sheltered Workshop program are to provide employment for persons with disabilities. Should you need assistance or further clarification contact your Technical Field Supervisor.

STEPS FOR DEVELOPMENT OF A VOCATIONAL TRAINING PROGRAM:

The training program should be designed to assist your employees in maintaining and developing work skills that will help them improve their ability to be more productive, accurate, and to gain confidence and proficiency in the types of work that the company does in its normal course of business. To get you started on your way to develop a viable training program, the following steps are strongly recommended:

1. Conduct an analysis of the operation to identify the types of work that typically represents the contract work that you currently do as well as new work you might be doing in the near future. Some examples of the types of work are: Assembly, Packaging, Mailings/Bookbinding, Recycling/Sorting and various Service Work opportunities (janitorial, grounds maintenance, laundry, hospitality, etc.).

2. Identify work skills that are directly associated with, required and desired for each of the work types that you have identified above. Some examples of work skills are: fine/gross motor skills, sequential instructions/tasks, time-on –task, orientation, productivity/speed, accuracy/quality, etc.
3. Identify work tasks that are directly associated with, required and desired for both the types of work and skills for each of the work types that you have identified in number 1 and 2, above. Be as specific as possible; some examples of work tasks are: counting (by one, two, five, etc.), inserting (in bag, box, envelope, folder or other containers with a tight/loose fit; with/without orientation, etc.), collating (number of items, similar/dissimilar, etc.), folding (c-fold, z-fold, d-fold, etc.), sorting (like/unlike items such as various types of plastics, paper, hardware, electronics, etc.), assembly (hand, tool, simple, multi-stage, etc.), and all other work tasks that apply.
4. Develop a written **simulated** training program for each specific and related work task identified for which you desire your employees to engage and participate. **The training program must be SIMULATED**: this means that none of the product or outcome of the training is considered, in whole or in part, as a contract for which you are being paid for or that it is considered as “covered work” under the Interstate Commerce Commission regulations; if the latter is considered “covered work” then you are obligated to pay commensurate wages at prevailing rates and it is NOT considered training (as per US-DOL, Wage and Hour Division regulation). The first steps of the process are:
 - a. Select and obtain the materials that you will need and use for the SIMULATED work.
 - b. Write the steps and process in detail
 - c. Conduct an **Industrial Standards** time study for **each** step using a “Training Standards Form”, or similar—see ATTACHMENT A. In using this form, be sure to completely fill in the blanks, for example:
 1. Customer = TRAINING
 2. Job Description = Assembly (or whatever type of work that you are training for)
 3. Job Number = number that you designate to identify “training time” in your payroll or daily time sheets.
 4. Unit of Measure = each, inner carton, master, etc.
 5. Step: Description = be as descriptive as possible (example: hand thread a one half inch nut onto a one half by one inch bolt to where the nut depth is even with the end of the bolt)
 6. Time Study 1, 2, 3 = name of three NON-disabled experienced personnel performing the task (be sure that the timing is accurate and “reproducible”).
 7. Units = number of units successfully/accurately completed.
 8. Time/Sec = the time, in seconds (you can either give a equal number of seconds per rater; e.g., 1,500 seconds and record how many units they produce in that number of seconds OR you can give them a set number of units to complete and record the amount of time, in seconds, it takes them to complete the set number of units).
 9. Production standard = Industrial Standards based on units per hour produced by experienced worker—be sure to always round **DOWN** any fraction
 10. Prevailing Wage = the most current Prevailing wage determined by the most recent survey (be sure to change these every time that the Prevailing wage changes)
 11. Piece/Unit Rate = the direct labor rate paid per piece or unit (if this was “covered work” in a contract work situation). Be sure to round **UP** any fraction.

- d. Develop and include acceptable **Quality Standards** to each training component as well as any other requirement and expectation for every training task.

IMPLEMENTATION OF A VOCATIONAL TRAINING PROGRAM:

Now that you have established why, when and how you will conduct the vocational training program, you are now ready to get started on the implementation; a few tips and suggestions are as follows:

1. The **set up** of this job is the same as any job that you may have and you should:
 - a. Make sure that staff understands what needs to be done and they have all the directions and resources available to get started
 - b. The training is to be set up just like any other job. Be sure that the stations are set up to match the “Training Standards Form” (ATTACHMENT A).
 - c. Be sure that you have plenty of materials. You may want to pre-count and/or pre-weigh materials to make accurate recording of individual performance.
 - d. Set up a system or method where the training materials can be “recycled” and used over again. This can help to reduce the cost of training.
2. Have all the forms that you will need to gather the data SUCH AS “Individual Training Records Worksheet” (ATTACHMENT B).
3. Set a positive tone; let the workers know that what they are about to do is just as important as being on a job and that what they do may affect their future earnings and learn new skills for current or future work—if you don’t expect positive results, you will most likely not get positive results. Be upbeat.
4. When appropriate, rotate task so as to keep interest and motivation for the workers.
5. Although you are working on and collecting data for “hard” skills, don’t forget the “soft” skills such as time-on-task, cooperation, following instructions, safe conduct, returning to work promptly after breaks, etc. for which you may also keep a record.

RECORDKEEPING:

For the purpose of the Vocational Training Program, it is extremely important that accurate and timely records be kept. The types of records are specific to meet your operational needs and regulatory compliance requirements as well as to how and when the information is processed; they are:

1. **Payroll:** Each Workshop corporation can establish policies and procedures for wages paid for certified employees.
 - a. Typically, if the policy and procedure is to pay **piece rates** for production work, then certified employees are paid at the prevailing wage rates for each unit’s direct labor cost produced, but **NO LESS THAN** ten percent (10%) of the Federal Minimum Wage (\$0.73 per hour) or any other rate above it as determined by the corporation’s Board of Directors.
 - b. Typically, if the policy and procedure is to pay **hourly rates** for production work, then the certified employees are paid at hourly rates as determined by their individual Productivity Evaluations at prevailing wage rates, but **NO LESS THAN** ten percent (10%) of the Federal Minimum Wage (\$0.73 per hour) or any other hourly rate above it as determined the corporation’s Board of Directors.

- c. Certified workers for which you are providing qualified vocational training, and for which **state aid is claimed**, you are **required** by state regulations to pay at a rate of **NO LESS THAN** ten percent (10%) of the Federal Minimum Wage (\$0.73 per hour) or at a greater rate as determined by the corporation's Board of Directors.
2. **Individual Training Records:** The importance and purpose of keeping accurate and timely individual records of the training provided is to:
 - a. Demonstrate the presence of a qualified training program.
 - b. Collect relevant data that directly relates to the individual worker.
 - c. Demonstrate the effectiveness of the training through individual and collective analysis.
 - d. Identifies the need to redirect, alter or expand the training program.
 - e. Evidence that state aid requests have been properly and accurately requested and reported.
3. **State Aid Request:** For the purpose of requesting state aid, it is important that accurate documentation is kept and maintained. State aid can only be paid for hours spent on production work, vocational related training and for reasonable down time related to production (see definitions on page 1). Please read the example closely to understand the importance of accuracy, how it is applied to the regulation and the importance of giving serious consideration and "urgency" when implementing the training program.

Mr. John Smith, a certified employee, is present for his normal shift which begins at 9:00 AM and ends at 3:30 PM and is scheduled for training due to the lack of work. At 10:00 AM John begins his qualified training program, stops at noon for lunch, resumes his training at 12:30 and ends the training at 2:30 PM (as documented on his production/training form or time card). Based on this example, the Workshop:

- a. Can only request state aid for the four (4) hours (10:00-12:00 and 12:30-2:30) as qualified training time eligible for reimbursement at the legislated rate and in regulatory compliance.
- b. The remaining two and one half (2.5) hours (9:00-10:00, 12:00-12:30 and 2:30-3:30) are considered to be non-production and/or non-qualified training time and is **not** eligible for compensation at the legislated rate nor would it be in regulatory compliance.

When you submit your state aid request at the end of each month on the web page, you will need to put in the total number of hours worked for which you claim state aid and how many of those hours are spent on training. The Department staff will make a review of the state aid request records and training records as part of their regular "field audit" and/or a random basis. Your understanding on this matter is greatly appreciated.

SUMMARY:

This document is provided to assist Management of Sheltered Workshops in developing and implementing a qualified vocational training program that meets the regulatory requirements for the request and disbursement of state funds and to meet the intent of the employment program. The Training Program should be used as a backup for the extended periods when there is not sufficient work or to train employees for new or additional skills and not be used as the primary purpose of the Sheltered Workshop. A corporation's primary focus should continue to be on attracting and obtaining sufficient work opportunities to meet the financial and employment program goals.

ATTACHMENT A

TRAINING STANDARDS FORM

Task	
Task Description	
Task Number	
Unit of Measure	

Name of Person		Time Study 1 Joe		Time Study 2 Jane		Time Study 3 Judy		Total	Total	Production	Prevailing	Piece
Steps	Description	Units	Time/Sec	Units	Time/Sec	Units	Time/Sec	Units	Time	Standard	Wage	Rate
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
								Total Direct Labor				

- Task: Enter the appropriate task that you are training for (Example: packaging, assembly, sorting, etc.).
- Task Description: Enter the appropriate task description for which you are establishing the standards for (Example: insert 10 like items in 6x10" flat plastic bag).
- Task Number: Enter a number that identifies a training task for use in timesheets/payroll.
- Unit of Measure: Enter a unit of measure that is covered by this time study (Example: one bag w/10 like items, one inner carton w/10 bags of 10 like items, one master carton w/6 inner cartons of 10 bags w/10 like items).
- Description: Enter a detailed description of EACH step for which the standard is established (Example: hand count 10 one-inch washers and place in a 6x10" flat 4 mil. plastic bag).

ATTACHMENT B

Individual Training Records Worksheet

Worker's Name	
Training Task #	

Raters Name	
Date	

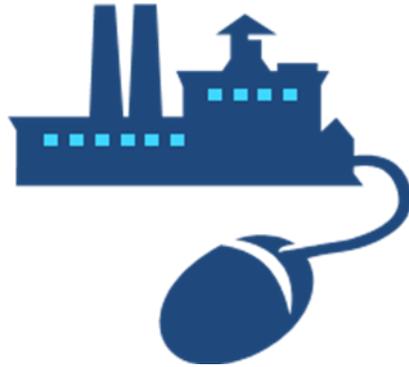
Productivity										
Date	Task/Step	No. of Units (1)	Time (2)	Re-work Time (3)	Total Time (4)	Units Per Hour (5)	Industrial Standard (6)	% Prod. (7)	Prevailing Wage (8)	Hourly Wage (9)
Please note: Enter all times in minutes or minutes and percentage of minutes										Avg. Hourly Rate

Accuracy			
Quality Standard	Standard	% of Standard	Comments/Observations

Soft Skills			
Time on Task	Reg. Time	% of Time	Comments/Observations
Sequential Instructions	# in Sequence	% Completed	Comments/Observations
Other			Comments/Observations
Notes			

- (1) Quantity of units produced by worker. This may be 1 unit in the case of janitorial or other similar type work.
- (2) Time in minutes initially spent on completing task
- (3) Additional time required, if any, to meet quality standards
- (4) Total of initial time plus additional time
- (5) Calculation of units per hour produced by worker
- (6) Industrial Standard taken from Bid Price Breakdown sheet or other time study documentation
- (7) Worker productivity as a percent in relation to an industrial standard
- (8) Prevailing wage rate for experienced worker for similar type work taken from prevailing wage survey
- (9) Calculation of workers hourly wage rate—can be converted to piece rate calculation

**MISSOURI DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION**



**SHELTERED WORKSHOPS
WEB APPLICATIONS USER MANUAL**

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INTRODUCTION

Welcome to the DESE Web Application!

With this system you will be able to; update your workshop contact information, access your employee list, hire/terminate/transfer/reinstate employees, submit your request for state aid, access an employee list report, employee status report, and payment report.

Please take the time to read through this manual and keep it handy as it will answer many questions you may have while using this application.

In order to access the web application you must have a DESE issued user ID and password. You can request a user ID and password by completing a User ID Request Form, which can be obtained from our office.

DO NOT SHARE USER ID's!!!
SUBMIT A USER ID REQUEST/DELETE FORM FOR EACH STAFF
MEMBER AS STAFF CHANGES OCCUR

Logging In

Once you have received your user ID and password you're ready to log in. Go to <https://k12apps.dese.mo.gov/WebLogin/login.aspx> and enter your user ID and password.

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DESE Secured Web Application Logon

IMPORTANT NOTICE:
Inactive Account - Received an email concerning your inactive account? If so, please click [HERE](#) for more information.

If you already have a User Name, enter it below. Click [LogIn]
User Name:
Password:

To view information available to the general public, Click [View Public Applications]

If you do not have a user name and password, Click [Register]

If you forgot your Username/Password, Click [Forgot Username/Password?]

Still having problems logging in to Web Applications? Please send your questions to webapphelp@dese.mo.gov or (573) 751-9821 providing your name, user name, district name, phone number, and county-district code with your request.

If you forget your user name and/or password (too many unsuccessful attempts will result in being locked out of your account) you can reset it by clicking on the Forgot Username/Password button.

To request your username you will need to enter the e-mail address that we have on file for you (the one you put on your user ID request form).

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District/LEA:

Forgot Username/Password?

Enter the email address you provided when registering and we'll email you your username.

Email Address:

"Missouri public schools: the best choice...the best results!"

To reset your password you will need to enter your user name and the e-mail address that we have on file for you and then answer the security question.

District/LEA:

- ▶ Reset Password
- ▶ DESE Homepage
- ▶ Login Request Forms
- ▶ Browser Technical Notes
- ▶ Web Accessibility

Forgot Username/Password?

Enter the below information:

User Name:

Email Address:

Answer the following security question:

Question: What is the middle name of your youngest child?

Answer:

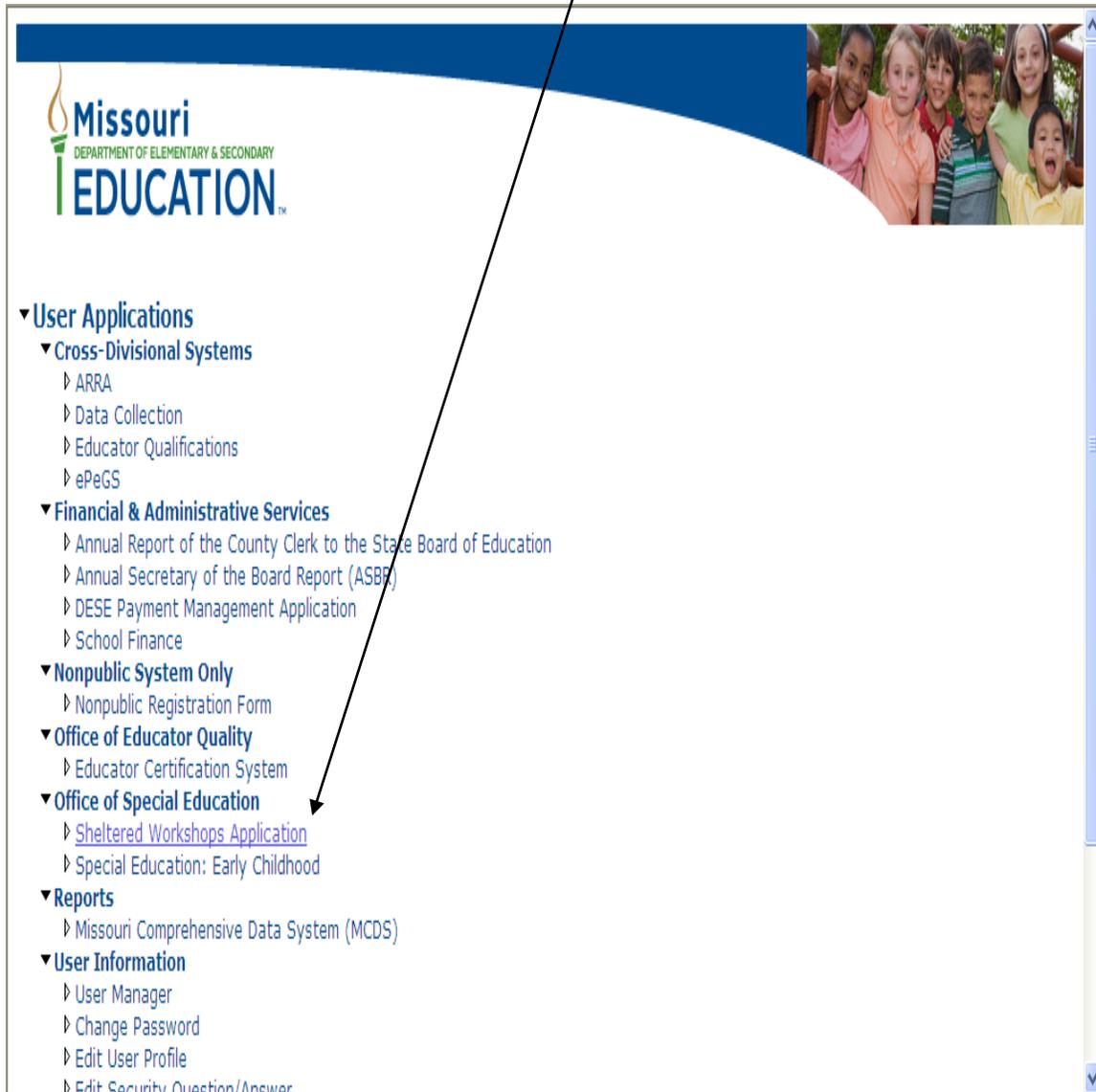
You will then receive an automated email from webreplyafsit@dese.mo.gov with instructions on how to re-set your password.

Too many unsuccessful attempts to re-set your password will lock your account for 30 minutes. You must wait EXACTLY 30 minutes before trying again or you will continue to get locked out of your account.

If you continue to have trouble re-setting your password please contact our office for further assistance.

Applications Menu

Once logged in you will be taken to the APPLICATIONS MENU.
Here you will select SHELTERED WORKSHOPS APPLICATION under SPECIAL EDUCATION



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- ▼ **User Applications**
 - ▼ **Cross-Divisional Systems**
 - ▶ ARRA
 - ▶ Data Collection
 - ▶ Educator Qualifications
 - ▶ ePeGS
 - ▼ **Financial & Administrative Services**
 - ▶ Annual Report of the County Clerk to the State Board of Education
 - ▶ Annual Secretary of the Board Report (ASBR)
 - ▶ DESE Payment Management Application
 - ▶ School Finance
 - ▼ **Nonpublic System Only**
 - ▶ Nonpublic Registration Form
 - ▼ **Office of Educator Quality**
 - ▶ Educator Certification System
 - ▼ **Office of Special Education**
 - ▶ [Sheltered Workshops Application](#)
 - ▶ Special Education: Early Childhood
 - ▼ **Reports**
 - ▶ Missouri Comprehensive Data System (MCDS)
 - ▼ **User Information**
 - ▶ User Manager
 - ▶ Change Password
 - ▶ Edit User Profile
 - ▶ Edit Security Question/Answer

Menu

The screenshot shows a web application interface for Missouri's Department of Elementary and Secondary Education. The header features the department's logo on the left and the text "Sheltered Workshop Contact" on the right. Below the header is a navigation bar with a dropdown menu currently set to "Contact" and a "Help" button. A horizontal bar displays the district name: "District: 777-008 CAPITOL PROJECTS INC". The main content area contains several blue hyperlinks: "Workshop Contact Information", "Employee List", "Transfer Employee", "Hire Employee", "Workshop Payment Screen", "Employee List Report", "Employee Status Report", and "Payment Period Approved Report". A "Note" section states: "Note: Terminate and Reinstatement Employee web screens are available from the Employee List screen." At the bottom, a footer bar provides contact information: "Missouri Department of Elementary and Secondary Education - Send questions to: webreplyspem@dese.mo.gov" and "Current User: LTHOMAS4". The very bottom of the page features a blue banner with the slogan: "Missouri public schools: the best choice...the best results!"

NOTE

Users can view the following menu items from the dropdown box in the upper right corner: Sheltered Workshops Menu, Applications Menu, Log on/Log off.

WORKSHOP CONTACT PAGE

Missouri DEPARTMENT OF ELEMENTARY & SECONDARY EDUCATION™ Sheltered Workshop Contact

Contact Help

District: 777-008 CAPITOL PROJECTS INC

Save Save and Continue

Board President:

First Name	DENNIS	Last Name	CRUTS
Address	220 DOVER	City	JEFFERSON CITY
Zip	65109	State	MO
Work Phone	573 348 4050	Date became President:	10/5/2005

Manager:

First Name	TAMI	Last Name	BOCK
Address	2001 EAST MCCARTY	City	JEFFERSON CITY
Zip	65101	Date became Manager:	7/1/2012
Work Phone	573 634 3660	Manager's Annualized Salary Range:	
Fax Phone	573 634 3660	<input type="radio"/> less than \$30,000 <input type="radio"/> \$30,001 - \$50,000 <input checked="" type="radio"/> \$50,001 - \$70,000 <input type="radio"/> >\$70,001	
Email	CPI@SOCKET.NET		

Designated State Aid Payment Staff:

First Name	KELLI	Last Name	WOLTERS
Address	2001 EAST MCCARTY	City	JEFFERSON CITY
Zip	65101		
Work Phone	573 634 3660		
Fax Phone	573 634 4437		
Email	KELLIWOLTERS@HOTMAIL.COM		

Is this workshop C.A.R.F certified?
 Yes No

Indicate Workshops Fiscal Year / Audit and Recertification Due

- January 1 - December 31 / April 30
- July 1 - June 30 / October 31
- May 1 - April 30 / August 31
- April 1 - March 30 / July 31
- August 1 - July 31 / November 30
- October 1 - September 30 / January 31

Save Save and Continue

Missouri Department of Elementary and Secondary Education - Send questions to: webreplyspem@desse.mo.gov
Current User: LTHOMAS4 Last Modified User: LTHOMAS4 Last Modified Date: 03/27/2013

"Missouri public schools: the best choice...the best results!"

The Workshop Contact page allows the individual Sheltered Workshops to update their contact information.

Please be sure to update your information on a regular basis AND as changes occur.

DESE utilizes this screen on a regular basis; incorrect information may result in important information not being received.

Note

Any automatic e-mails from the system will go to the e-mail address listed under workshop manager.

EMPLOYEE LIST

The Employee List will allow users to view a list of their current, past, and waiting-to-hire employees. It will also allow a variety of functions to perform on an employee such as terminate, reinstate and update employee contact information.

Users can sort columns by status (working, terminated or waiting to be hired) and search for employees by name or social security number (**NO DASHES**).

The screenshot displays the 'Sheltered Workshop Employee List' interface. At the top left is the Missouri Department of Elementary & Secondary Education logo. The title 'Sheltered Workshop Employee List' is in the top right. Below the title is a dropdown menu set to 'Employee List' and a 'Help' button. A search bar contains the text 'District: 777-008 CAPITOL PROJECTS INC'. Below the search bar are two input fields: 'Start at SSN' and 'Start at Last Name'. To the right of these is a 'Sort By' dropdown menu. Below the search and sorting options are three buttons: 'Reinstate', 'Terminate', and 'Next'. At the bottom is a table with the following data:

Select	SSN	Name	Date of Birth	Status
<input type="checkbox"/>		ROST, RICKY LEE	08/18/1979	TERMINATED
<input type="checkbox"/>		DEEKEN, MICHAEL H	12/05/1964	WORKING
<input type="checkbox"/>		CLAS, RONALD H	03/05/1966	TERMINATED
<input type="checkbox"/>		MASTERS, CANDACE F	02/16/1950	WAITING
<input type="checkbox"/>		FRANKLIN, WILLIAM T.	02/04/1974	TERMINATED
<input type="checkbox"/>		FRANKLIN, CHARLOTTE D.	06/09/1971	TERMINATED

An employee will remain on the employee list of every shop in which they have worked under the appropriate status (working, terminated, or waiting).

An employee may not appear on more than one shop in the status of “Working”.

NOTE:

It is very important that this employee list be maintained and updated **MONTHLY** as this list will be used by the DESE Regional Field Technicians during audits of State Aid requests/payments (failure to keep this list up to date may result in state aid reporting/payment errors that may result in a reimbursement of funds to DESE).

The date an employee is terminated/reinstated/hired is system generated based on the date the action is performed in the web application.

Please be sure to terminate/reinstate/hire employees in the web application on the actual day the event occurs so that the employment dates will be correct in the system.

EMPLOYEE INFORMATION

Access employee information by clicking on the employees' name.

The screenshot shows a web application interface for the Missouri Department of Elementary & Secondary Education. The header includes the department logo and the title "Sheltered Workshop Employee List". A dropdown menu is set to "Employee List" with a "Help" button. Below this, a "District" dropdown is set to "777-008 CAPITOL PROJECTS INC". There are two input fields with "Start at SSN" and "Start at Last Name" buttons, and a "Sort By" dropdown. Action buttons for "Reinstate", "Terminate", and "Next" are present. A table lists employee records with columns for "Select", "SSN", "Name", "Date of Birth", and "Status". The SSN column is redacted with a black box.

Select	SSN	Name	Date of Birth	Status
<input type="checkbox"/>	[REDACTED]	ROST, RICKY LEE	08/18/1979	TERMINATED
<input type="checkbox"/>	[REDACTED]	DEEKEN, MICHAEL H	12/05/1964	WORKING
<input type="checkbox"/>	[REDACTED]	CLAS, RONALD H	03/05/1966	TERMINATED
<input type="checkbox"/>	[REDACTED]	MASTERS, CANDACE F	02/16/1950	WAITING
<input type="checkbox"/>	[REDACTED]	FRANKLIN, WILLIAM T.	02/04/1974	TERMINATED
<input type="checkbox"/>	[REDACTED]	FRANKLIN, CHARLOTTE D	06/09/1971	TERMINATED

The Employee Information page allows the user to view detailed information about a past or current employee.



Sheltered Workshop
Employee Information

Employee Information Help

District: 777-008 CAPITOL PROJECTS INC

Save Print Report

Employee Information

Social Security Number	[REDACTED]		
Name (Last, First, Middle)	ROST	RICKY	LEE
Date of Birth (MM/DD/YYYY)	08/18/1979		
Gender	<input checked="" type="radio"/> Male <input type="radio"/> Female		

Address Information

Address 1	2609 Johnson Dr.		
Address 2			
City, State, Postal Code	COLUMBIA	MO	65203

Employment Duration Information

Certification Date	01/23/2006		
Date of Retirement			
Date of Death			

Workshop Assignment	Begin Date	End Date	Termination Information
CAPITOL PROJECTS INC	11/16/2006	08/01/2012	Improper behavior
CENTRAL MISSOURI SHELTERED ENT		04/03/2008	Quit

Vocational Rehabilitation Information

Has person ever been employed in a competitive job?	NO
Physical Examination Date	
Diagnosis Date	
Disability	530 Mental retardation, mild

Factor(s) which deem person unemployable in competitive jobs:

Applicant is limited in his ability to understand and remember work instructions, make independent work decisions, and tolerate the stress of competitive jobs.

Save Print Report

Missouri Department of Elementary and Secondary Education - Send questions to: webreplyspem@dese.mo.gov
 Current User: LTHOMAS4 Last Modified User: FSCHNEIDE Last Modified Date: 04/03/2008

NOTE:

The only information that users can change for an employee is Name, Date of Birth, Gender and address.

For any other changes (SSN, Status, Status dates, etc) please contact our office.

TERMINATE AN EMPLOYEE

From the Employee List, find the employee you wish to terminate and select the box next to the SSN. Next, click the Terminate button.

Select	SSN	Name	Date of Birth	Status
<input type="checkbox"/>		ROST, RICKY LEE	08/18/1979	TERMINATED
<input checked="" type="checkbox"/>		DEEKEN, MICHAEL H	12/05/1964	WORKING
<input type="checkbox"/>		CLAS, RONALD H	03/05/1966	TERMINATED
<input type="checkbox"/>		MASTERS, CANDACE F	02/16/1950	WAITING
<input type="checkbox"/>		FRANKLIN, WILLIAM T.	02/04/1974	TERMINATED
<input type="checkbox"/>		FRANKLIN, CHARLOTTE D	06/09/1971	TERMINATED

Employee to be terminated:	DEEKEN, MICHAEL H
Employee SSN:	
From Workshop:	CAPITOL PROJECTS INC
Termination Date (MM/DD/YYYY):	
Reason for termination:	Quit Referred to day program Secured another job Deceased Employee requested a transfer
Other termination reason (50 characters):	

This page is used to terminate an employee that is no longer working in the users workshop.

NOTE:

The termination date will auto-fill with the current date upon completion.

REINSTATE AN EMPLOYEE

From the Employee List, find the employee you wish to reinstate and select the box next to the SSN. Next, click the Reinstatement button.

Missouri DEPARTMENT OF ELEMENTARY & SECONDARY EDUCATION™

Sheltered Workshop Employee List

Employee List Help

District: 777-008 CAPITOL PROJECTS INC

Start at SSN Start at Last Name Sort By

Reinstatement Terminate Next

Select	SSN	Name	Date of Birth	Status
<input checked="" type="checkbox"/>	[REDACTED]	ROST, RICKY LEE	08/18/1979	TERMINATED
<input type="checkbox"/>	[REDACTED]	DEEKEN, MICHAEL H	12/05/1964	WORKING
<input type="checkbox"/>	[REDACTED]	CLAS, RONALD H	03/05/1966	TERMINATED
<input type="checkbox"/>	[REDACTED]	MASTERS, CANDACE F	02/16/1950	WAITING
<input type="checkbox"/>	[REDACTED]	FRANKLIN, WILLIAM T.	02/04/1974	TERMINATED
<input type="checkbox"/>	[REDACTED]	FRANKLIN, CHARLOTTE D.	06/09/1971	TERMINATED

Note

An employee can only be reinstated if the user's workshop is their most recent place of employment.



Missouri
DEPARTMENT OF ELEMENTARY & SECONDARY
EDUCATION

Sheltered Workshop Reinstate Employee

Reinstate Employee Help

District: 777-008 CAPITOL PROJECTS INC

Reinstate

Employee to be reinstated:	ROST RICKY LEE
Employee SSN:	██████████
For Workshop:	CAPITOL PROJECTS INC
Reinstatement Date (MM/DD/YYYY):	<input type="text"/>
Did employee work in competitive job after termination and prior to being reinstated?	<input type="radio"/> Yes <input type="radio"/> No

Reinstate

Missouri Department of Elementary and Secondary Education - Send questions to: webreplyspem@dese.mo.gov
 Current User: LTHOMAS4 Last Modified User: KWAGNER Last Modified Date: 08/01/2012

This page is used to reinstate a terminated employee and is only accessible from the Employee List screen. Pressing the “Reinstate Employee” button will change the status of the selected employee to “working”. Users must put a valid date into the reinstatement date field, select yes or no for the competitive employment question and then click Reinstate.

TRANSFER EMPLOYEE

To transfer an employee, select Transfer Employee from the Sheltered Workshops Menu screen. Employees can be transferred from their current assignment to the requested workshop **by the requesting shop or by DESE.**

The screenshot shows the 'Sheltered Workshop Menu' interface. At the top left is the Missouri Department of Elementary & Secondary Education logo. The top right corner displays 'Sheltered Workshop Menu'. Below the logo is a dropdown menu currently set to 'Sheltered Workshops Menu'. A horizontal bar indicates the current district: 'District: 777-008 CAPITOL PROJECTS INC'. Below this bar is a list of navigation links: 'Workshop Contact Information', 'Employee List', 'Transfer Employee', 'Hire Employee', and 'Workshop Payment Screen'. Further down are report links: 'Employee List Report', 'Employee Status Report', and 'Payment Period Approved Report'. A note states: 'Note: Terminate and Reinstatement Employee web screens are available from the Employee List screen.' At the bottom, there is contact information for the Missouri Department of Elementary and Secondary Education, including an email address 'webreplyspem@dese.mo.gov' and the current user 'LTHOMAS4'. The footer contains the slogan: 'Missouri public schools: the best choice...the best results!'.

Users must enter an individuals' SSN (**NO DASHES OR SPACES**) into the search field and press Submit SSN to locate the individual to transfer.

The screenshot shows a web application interface for transferring employees. At the top left is the Missouri Department of Elementary and Secondary Education logo. The page title is "Sheltered Workshop Transfer Employee". There is a dropdown menu set to "Transfer Employee" and a "Help" button. A search field contains the number "90" and a "Submit SSN" button. Below the search field is a "Transfer" button. A table displays the employee's details:

Social Security Number	[REDACTED]		
Employee to be Transferred	TILLMAN, MONIQUE D		
From Workshop	SEED-SERVICES EXT EMPLOYMT DEV	End Date	Mar-26-2013
To Workshop	CAPITOL PROJECTS INC	Begin Date	

Below the table is another "Transfer" button. At the bottom, there is a footer with contact information and a slogan: "Missouri public schools: the best choice...the best results!"

After confirming that this is the correct individual, pressing the “Transfer” button will put the employee in “working” status at the requesting workshop and move the employee to “terminated” status at the previous workshop. An automated e-mail will be to the previous workshop manager notifying of the transfer.

HIRE EMPLOYEE

To view/hire an employee on the workshop’s wait to hire list select Hire Employee from the Sheltered Workshops menu screen.

Sheltered Workshop Menu

Sheltered Workshops Menu

District: 777-008 CAPITOL PROJECTS INC

[Workshop Contact Information](#)
[Employee List](#)
[Transfer Employee](#)
[Hire Employee](#)
[Workshop Payment Screen](#)

[Employee List Report](#)
[Employee Status Report](#)
[Payment Period Approved Report](#)

Note: Terminate and Reinstatement Employee web screens are available from the Employee List screen.

Missouri Department of Elementary and Secondary Education - Send questions to: webreplyspem@dese.mo.gov
 Current User: LTHOMAS4

Sheltered Workshop Hire Employee

Hire Employee Help

District: 777-008 CAPITOL PROJECTS INC

Hire Next

Select	SSN	Name	Date of Birth	Referral Date
<input type="checkbox"/>		MASTERS, CANDACE F	02/16/1950	01/01/1753
<input type="checkbox"/>		DUNNIGAN, ANTHONY J	06/30/1965	01/01/1753
<input type="checkbox"/>		WEAVER, SHANNON M	03/16/1976	01/01/1753
<input type="checkbox"/>		WARMACK, MARK A	05/01/1960	01/01/1753
<input type="checkbox"/>		THOMPSON, JENNIFER L	04/22/1977	01/01/1753
<input type="checkbox"/>		ROBINSON, AMANDA	05/05/1981	01/01/1753
<input type="checkbox"/>		HAGENGOFF, ERICA	11/03/1985	01/01/1753
<input type="checkbox"/>		BROOKS, ROGER L	04/27/1960	01/01/1753
<input type="checkbox"/>		BRYANT, STANLEY	10/20/1982	01/01/1753

The Hire Employee page displays a list of certified applicants who have been certified and referred to the users workshop for employment by DESE. Any of the listed referrals may be selected to hire in a specific workshop. These employees will show in “Waiting” status on the employee list until they are “hired” in the system.

To hire an employee, click on the box next to the SSN and click Hire.

Select	SSN	Name	Date of Birth	Referral Date
<input checked="" type="checkbox"/>	[REDACTED]	MASTERS, CANDACE F	02/16/1950	01/01/1753
<input type="checkbox"/>	[REDACTED]	DUNNIGAN, ANTHONY J	06/30/1965	01/01/1753
<input type="checkbox"/>	[REDACTED]	WEAVER, SHANNON M	03/16/1976	01/01/1753
<input type="checkbox"/>	[REDACTED]	WARMACK, MARK A	05/01/1960	01/01/1753
<input type="checkbox"/>	[REDACTED]	THOMPSON, JENNIFER L	04/22/1977	01/01/1753
<input type="checkbox"/>	[REDACTED]	ROBINSON, AMANDA	05/05/1981	01/01/1753
<input type="checkbox"/>	[REDACTED]	HAGENGOFF, ERICA	11/03/1985	01/01/1753
<input type="checkbox"/>	[REDACTED]	BROOKS, ROGER L	04/27/1960	01/01/1753
<input type="checkbox"/>	[REDACTED]	BRYANT, STANLEY	10/20/1982	01/01/1753
<input type="checkbox"/>	[REDACTED]	JAMES, ROBERT	11/20/1973	01/01/1753

The employee's information can be viewed by clicking on the employee's name.

NOTE:

Users cannot transfer an employee in “wait to hire” status from another workshop. Please contact our office if you wish to “hire” an employee that is in “wait to hire” status from another workshop.

WORKSHOP PAYMENT SCREEN

All state aid requests must be submitted on this web application system by 2:00 pm on the THIRD WORKING DAY OF EACH MONTH in order to be approved for payment. Any requests submitted any other way or late (unless prior arrangements have been made with DESE) will not be approved for payment until the request is submitted on the web application, which may cause a delay in payment.

The screenshot shows a web application interface for Missouri Department of Elementary and Secondary Education. The header includes the Missouri Department of Elementary and Secondary Education logo and the text "Sheltered Workshop Contact". Below the header, there is a "Contact" dropdown menu and a "Help" button. The main content area displays "District: 777-008 CAPITOL PROJECTS INC". A list of links is provided, including "Workshop Contact Information", "Employee List", "Transfer Employee", "Hire Employee", "Workshop Payment Screen", "Employee List Report", "Employee Status Report", and "Payment Period Approved Report". A note states: "Note: Terminate and Reinstatement Employee web screens are available from the Employee List screen." At the bottom, there is a footer with contact information: "Missouri Department of Elementary and Secondary Education - Send questions to: webreplyspem@desse.mo.gov" and "Current User: LTHOMAS4". The footer also includes the slogan "Missouri public schools: the best choice... the best results!"

INSTRUCTIONS FOR COMPLETING/ SUBMITTING STATE AID REQUESTS

1) Select the month and year for which you are applying for state aid.

IMPORTANT: The month will be the actual month you will receive the payment, not the month for which you're entering data (example: if you're entering data for April 2013 then you would select May for the month, as you will actually submit and be paid in May, and 2012-2013 for the year).

	Current Month	Prior Month	To Date
Approved Employees:	0	105	941
Total Workshop Wages Paid:	\$0.00	\$29,684.08	\$324,198.09
Total Hours Worked up to and including 30 (Mon-Fri):	0.00	9,538.50	97,873.00
Total Hours Worked over 30 (Mon-Fri):	0.00	15.50	1,829.00
Total Hours Worked up to and including 6 (Sat/Sun):	0.00	0.00	401.00
Total Hours Worked over 6 (Sat/Sun):	0.00	0.00	0.00
Vocational Training Hours:	0.00	0.00	0.00
Total Hours Worked:	0.00	9,554.00	100,103.00
Average Hourly Wage:	\$0.00	\$3.11	\$3.24
Mon-Fri Requested Funds:	\$0.00	\$30,204.61	\$309,924.65
Sat/Sun Requested Funds:	\$0.00	\$0.00	\$1,269.83
Total State Aid Requested:	\$0.00	\$30,204.61	\$311,194.48
Approved State Aid Amount:	\$0.00	\$30,204.61	\$311,194.48

2) Enter appropriate data into the first seven **white** boxes, you cannot enter data into grayed boxes (these boxes will calculate automatically upon pressing "Save").

3) Once all data is entered you must click SAVE, then AGREE TO ASSURANCES, and then SUBMIT. **You must click all three to submit.**

4) Upon clicking SUBMIT, a box will pop up that says 'Payment has been successfully submitted to DESE'.

NOTE:

Deposit of state aid payments is *generally* received approximately 3-5 business days from receipt of request. Deposits can be confirmed at any time at <https://www.vendorservices.mo.gov/vendorservices/ VendorPayment/Login/Login.aspx?tid=0&type=0> (workshop FEIN is needed for this service).

REPORTS

The employee list report is a list of all certified workshop employees past, present or waiting-to-be hired (users can only view employees who specific to their own workshop). The report can be sorted by status as well as can be exported to other formats.

Employee Name	SSN	Hire Date	Status	Termination Date
ADKINS, WILLIAM J	***-**-****	06/13/1990	WORKING	
ANDERSEN, ALEX	***-**-****	10/01/2008	WORKING	
BABB (DRAFFEN), MARK P	***-**-****	07/13/1995	WORKING	
BAUER, EVE M	***-**-****	08/08/2005	WORKING	
BECK, SUSAN L	***-**-****	05/16/1998	WORKING	
BERNSKOETTER, BEATRICE	***-**-****	09/17/1968	WORKING	
BISGES, BERNICE	***-**-****	08/09/2005	WORKING	
BLUETT, LILLIE	***-**-****	08/13/1998	WORKING	
Bond, William R	***-**-****	07/05/2011	WORKING	

The employee status report gives status data for all workshops.

Workshop	Employees Hired	Emp. Hired with Comp. Employment Experience	Waiting List	Terminations
777-081 STODDARD COUNTY SHELTERED WORK	52	3	4	195
777-082 TANTONE INDUSTRIES INC	37	7	8	161
777-083 TEMCO INC	60	8	4	109
777-084 THREE RIVERS SHELTERED IND	15	1	1	124
777-085 UNIQUE SERVICES INC	21	1	1	69
777-086 UNIVERSAL SHELTERED WORKSHOP	25	6	0	113
777-023 VALLEY INDUSTRIES INC	191	28	22	300
777-087 VOCATIONAL SERVICES INC	205	50	0	437
777-089 WARREN CO SHELTERED WORKSHOP	66	9	7	152
777-090 WEB-CO CUSTOM INDUSTRIES INC	86	23	7	363
777-091 WORTH INDUSTRIES INC	89	10	53	462
State Totals	7,423	1,201	1,411	26,990

The payment period approved reports shows monthly (for your workshop only), quarterly (for all workshops), quarterly vocational training hours (for your workshop only) and DESE fiscal year (for all workshops)

Payment Period Report - Workshops Approved

Year: Month: Quarter:

Payment Period Quarterly Report - Workshops Approved

Vocational Training Hours Quarterly Report - Workshops Approved

Payment Period Fiscal Year - Workshops Approved

CONTACT INFORMATION

The sheltered workshops directory, located on the DESE Sheltered Workshops web page at <http://dese.mo.gov/divspeced/shelteredworkshops/> will give you DESE and Workshop contact information. You can view the directory alphabetically by workshop name or by city.

DESE contact information is as follows:

Department of Elementary and Secondary Education
Special Education Sheltered Workshops
PO Box 480
205 Jefferson Street 4th Floor
Jefferson City, Missouri 65102-0480

Fax #1: (573) 526-6898

Fax #2: (573) 526-4404

Fulvio Franzi, Director

(573) 751-3547

Fulvio.Franzi@dese.mo.gov

Lindsay Thomas, Administrative Assistant

(573) 751-0622

Lindsay.Thomas@dese.mo.gov

Fax #: (573) 526-6898

Dan Gier, Regional Field Technician

(573) 365-9417

Dan.Gier@dese.mo.gov

106 Arrowhead Drive

Fax #: (573) 365-9614

Lake Ozark, MO 65049

Steve Coffman, Regional Field Technician

(573) 616-1861

Steve.Coffman@dese.mo.gov

2018 Legend Court

Fax #: (573) 616-1861

Jefferson City, MO 65101

QUALITY CONTROL

Quality control considerations:

- What is the percentage of allowable defects?
- Spot check required or a complete screening.
- Cost should have been included in the job bid.
- Are customers satisfied? Call current customers.
- How is quality checked in-house?
 - ✓ Random sampling
 - ✓ 100% checked
 - ✓ Required percentage checked (under 100%)
 - ✓ Weigh counting allowed?
- Quality should be checked:
 - ✓ Easiest way
 - ✓ Least time consuming
 - ✓ With least amount of problems

RECORD KEEPING

Record keeping begins with:

- Receiving dock-components
- Production-to pay individual employees; status of the company's completed units
- Easy inventory control-employee's to produce, workshop to estimate time to completion, company's request for in-house components and what is needed to complete or to ship
- Quality- meet or exceeds standards, "documented"
- Shipping-number of units shipped, how shipped, when shipped; bills of lading signed
- Accounting-affects sales figures/accounts receivable
 - ✓ Affects wages paid to employees and staff
 - ✓ Profit margins can be calculated
 - ✓ Provides a history of the job (includes number of people on the job, quality required and how completed, equipment needed, whether price was favorable or operated at a loss, good or bad job?)

Record keeping allows you to:

- Review accounts receivables
- Determine who your customers are
- Call and find out why they are not
- Schedule meeting with past customers
- Reconcile accounts receivable ledger monthly to determine:
 - ✓ Which companies pay on time?
 - ✓ Which accounts are delinquent?
 - ✓ How long has it been since their last payment?
 - ✓ Is board involvement necessary?
 - ✓ Are legal steps to be taken?

ERGONOMICS

- Definition
 - ✓ Ergo=Work Nomics=Rules
- Demonstrating commitment
- Analyzing problem areas
 - ✓ Study OSHA form #200 (copy)
 - ✓ Calculate incidence rate (equation)
 - ✓ Ergonomic job hazard analysis (5-1 to 5-5 and 6-4 to 6-5)
 - ✓ Prioritize corrections needed (list)
- Engineering controls
 - ✓ Goal-“Fix the job, not fix the worker”
- Reasons to reduce back injuries in the workplace
 - ✓ Employee’s health improved
 - ✓ Job enhanced
 - ✓ Costs associated with back injuries
 - ✓ The Last Straw (visual aid)
- Injury control suggestions for general industry (handout)

Ergo * nomics
↓ ↓
work rules

**Make the job
safer and easier to do.**

Demonstrating Commitment

What should management do to demonstrate its commitment? The following steps are recommended by OSHA in its 1995 *Safety and Health Program Assessment Worksheet* to determine management's commitment to safety and health. By substituting the words "ergonomics policy" for the words "safety and health policy," the worksheet has been modified. The object is to score as high as possible. A model program should receive mostly threes and fours on each indicator. In areas where a company scores two or lower, improvements should be made:

1. A clear ergonomics policy exists

- (4) The workforce can explain, and fully embraces, the ergonomics policy.
- (3) A majority of personnel can explain the ergonomics policy.
- (2) Some personnel can explain the policy.
- (1) Management can provide or state the ergonomics policy.
- (0) There is no apparent policy.

2. Clear ergonomics goals and objectives are set and communicated

- (4) Workforce fully embraces goal and can explain desired results and measures for achieving objectives.
- (3) Majority of personnel can explain desired results and measures for achieving them.
- (2) Some personnel can explain desired results and measures for achieving them.
- (1) Management can provide or state the ergonomics goals and objectives.
- (0) No apparent ergonomics goals or objectives are present.

3. Management leadership

- (4) All personnel can give examples of management's active commitment to ergonomics.
- (3) Majority of personnel can give examples of management's active commitment to ergonomics.
- (2) Some personnel can give examples of management's active commitment to ergonomics.
- (1) Some evidence exists that management is committed to ergonomics.
- (0) Ergonomics does not appear to be a management value or significant concern.

4. Management example

- (4) Personnel report management always follows the rules and addresses ergonomic principles.
- (3) Management follows the rules and usually addresses ergonomic issues.
- (2) Management follows the rules and occasionally addresses ergonomic issues.
- (1) Management generally appears to follow basic ergonomic principles.
- (0) Management does not appear to follow basic ergonomic principles.

5. Employee involvement

- (4) All personnel have ownership in the ergonomics program and describe their active roles.
- (3) Majority of personnel feel they have a positive impact on identifying and resolving ergonomics issues.
- (2) Some personnel feel they have a positive impact on identifying and resolving ergonomics issues.
- (1) Employees frequently feel that their ergonomic input will not be considered by supervision.
- (0) Employee involvement in ergonomic issues is not encouraged or rewarded.

6. Assigned ergonomic responsibilities

- (4) All personnel can explain what performance is expected of them and all elements appear to be assigned.
- (3) All personnel can explain what performance is expected of them.
- (2) Some personnel can explain what performance is expected of them.
- (1) Evidence exists that performance expectations are generally spelled out for all personnel.

- (0) Specific job responsibilities and performance expectations are generally unknown or hard to find.

7. Authority and resources for ergonomics

- (4) All personnel believe they have the necessary authority and resources to meet their responsibilities.
- (3) Majority of personnel believe they have the necessary authority and resources to do their job.
- (2) Authority and resources are spelled out for all; but there may be a reluctance to use them.
- (1) Authority and resources exist, but most appear to be out of the control of the employee.
- (0) Personnel do not appear to have adequate authority and resources to perform assigned responsibilities.

8. Accountability

- (4) Personnel are held accountable and all performance is addressed with appropriate consequences.
- (3) Accountability systems are in place; but consequences used tend to be for negative performance only.
- (2) Personnel are generally held accountable; but consequences rarely follow performance.
- (1) Accountability exists, but it appears to be generally hit or miss and prompted by serious negative events.
- (0) There does not appear to be any effort at accountability.

9. Program review

- (4) In addition to a comprehensive review, a process is used which drives continuous correction.
- (3) A comprehensive review is conducted at least annually and drives appropriate program modifications.
- (2) A program review is conducted, but does not appear to drive all necessary program changes.
- (1) Changes in programs are driven by events such as injuries, accidents, or compliance activity.
- (0) There is no evidence of any program review process.

The highest possible score on this checklist for management leadership and employee involvement is 36. This gives indication of how a company stands in comparison to

Analyze Problem Areas

- Study OSHA logs
- Calculate incidence rate
- Ergonomic job hazard analysis
- Prioritize corrections needed

Engineering Controls

The Goal is to:

Fix the Job
Not Fix the Worker

Checklist A General Ergonomic Risk Analysis *

Check the box () if your answer is 'yes' to the question. A yes response indicates that an ergonomic risk factor that requires further analysis may be present.

Manual Materials Handling

- Is there lifting of loads, tools, or parts?
- Is there lowering of tools, loads, or parts?
- Is there overhead reaching for tools, loads, or parts?
- Is there bending at the waist to handle tools, loads, or parts?
- Is there twisting at the waist to handle tools, loads, or parts?

For further analysis, refer to checklist F.

Physical Energy Demands

- Do tools and parts weigh more than 10 lb.?
- Is reaching greater than 20 in.?
- Is bending, stooping, or squatting a primary task activity?
- Is walking or carrying loads a primary task activity?
- Is stair or ladder climbing with loads a primary task activity?
- Is pushing or pulling loads a primary task activity?
- Is reaching overhead a primary task activity?
- Do any of the above tasks require five or more complete work cycles to be done within a minute?
- Do workers complain that rest breaks and fatigue allowances are insufficient?

For further analysis, refer to checklists C, D, and E.

Other Musculoskeletal Demands

- Do manual jobs require frequent, repetitive motions?
- Do work postures require frequent bending of the neck, shoulder, elbow, wrist, or finger joints?
- For seated work, do reaches for tools and materials exceed 15 in. from the workers position?
- Is the worker unable to change his/her position often?
- Does the work involve forceful, quick, or sudden motions?
- Does the work involve shock or rapid buildup of forces?
- Is finger-pinch gripping used?
- Do job postures involved sustained muscle contraction of any limb?

For further analysis, refer to checklists C, D, and E.

Computer Workstation

- Do operators use computer workstations for more than four hours a day?
- Are there complaints of discomfort from those working at these stations?
- Is the chair or desk adjustable?
- Is the display monitor, keyboard, or document holder nonadjustable?
- Does lighting cause glare or make the monitor screen hard to read?
- Is the room temperature too hot or too cold?
- Is there irritating vibration or noise?

For further analysis, refer to checklist G.

Checklist A—General Ergonomic Risk Analysis (*continued*)**Environment**

- Is the temperature too hot or too cold?
- Are the worker's hands exposed to temperatures less than 70 degrees Fahrenheit?
- Is the workplace poorly lit?
- Is there glare?
- Is there excessive noise that is annoying, distracting, or producing hearing loss?
- Is there upper extremity or whole body vibration?
- Is air circulation too high or too low?

General Workplace

- Are walkways uneven, slippery, or obstructed?
- Is housekeeping poor?
- Is there inadequate clearance or accessibility for performing tasks?
- Are stairs cluttered or lacking railings?
- Is proper footwear worn?

Tools

- Is the handle too small or too large?
- Does the handle shape cause the operator to bend the wrist in order to use the tool?
- Is the tool hard to access?
- Does the tool vibrate excessively?
- Does the tool cause excessive kickback to the operator?
- Does the tool become too hot or too cold?

For further analysis, refer to checklist E.

Gloves

- Do the gloves require the worker to use more force when performing job tasks?
- Do the gloves provide inadequate protection?
- Do the gloves present a hazard of catch points on the tool or in the workplace?

Administration

- Is there little worker control over the work process?
- Is the task highly repetitive and monotonous?
- Does the job involve critical tasks with high accountability and little or no tolerance for error?
- Are work hours and breaks poorly organized?

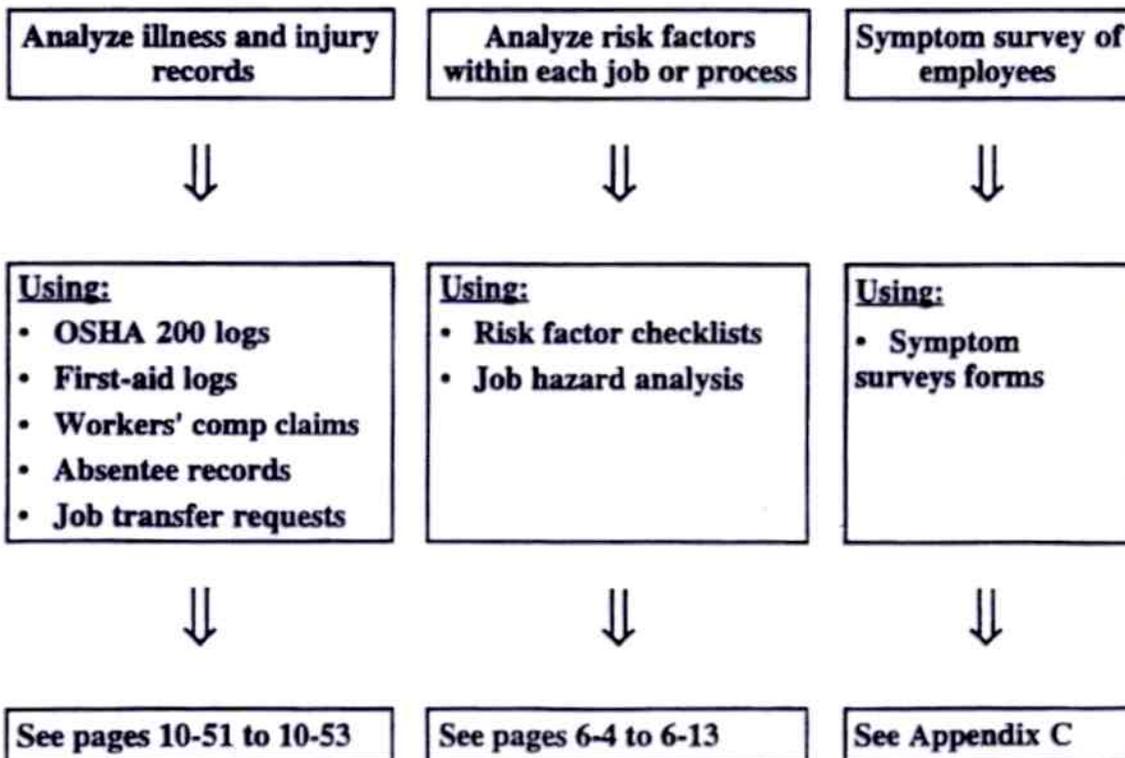
* Adapted from The University of Utah Research Foundation "Checklist for General Ergonomic Risk Analysis," available from the ERGOWEB.

Internet site (<http://ergoweb.mech.utah.edu/>).

Chapter 5

Worksite Analysis

The purpose of ergonomic worksite analysis is to recognize and identify musculoskeletal hazards so that they may be corrected. It involves studying the injury and illness records of employees, watching for patterns of injuries on jobs or at workstations and analyzing the risks of each workstation. The chart illustrates the use of each tool and tells where they are provided in this manual.



The following information on risk factor analysis is taken from NIOSH's *Elements of Ergonomic Programs*, Step 4: Gathering and Examining Evidence of WMSDs.

IDENTIFYING RISK FACTORS IN JOBS

Screening Jobs for Risk Factors

Health records or medical examinations and symptom surveys may indicate the nature and extent of musculoskeletal problems in the workforce. Efforts to identify jobs or tasks having known risk factors for musculoskeletal problems can provide the groundwork for changes aimed at risk reduction. Even without clear medical evidence, screening jobs for musculoskeletal risk factors can offer a basis for early interventions.

A great deal of ergonomic research has been conducted to identify workplace factors that contribute to the development of musculoskeletal disorders (Kourinka and Forcier 1995; Riihimaki 1991; Garg and Moore 1992; Silverstein et al. 1986; Salvendy and Smith 1981). NIOSH has recently summarized the epidemiological scientific studies that show a relationship between specific work activities and the development of musculoskeletal disorders (NIOSH, in press). A variety of non-epidemiological research, including clinical, biomechanical, and psychophysical studies, supports these findings (Pope et al. 1991; Ranney et al. 1995; Szabo and Chidgey 1989; Waters et al. 1993; Chaffin and Andersson 1984; Fransson-Hall et al. 1995; Ulin et al. 1993).

According to the scientific literature, the following are recognized as important risk factors for musculoskeletal disorders, especially when occurring at high levels and in combination. Figure 1 provides illustrations of some of these risk factor conditions. In general, knowledge of the relationships between risk factors and the level of risk is still incomplete. Also, individuals vary in their capacity to adjust to the same job demands. Some may be more affected than others.

Awkward Postures

Body postures determine which joints and muscles are used in an activity and the amount of force or stresses that are generated or tolerated. For example, more stress is placed on the spinal discs when lifting, lowering, or handling objects with the back bent or twisted, compared when the back is straight. Manipulative or other tasks requiring repeated or sustained bending or twisting of the wrists, knees, hips, or shoulders also impose increased stresses on these joints. Activities requiring frequent or prolonged work over shoulder height can be particularly stressful.

Forceful Exertions (Including Lifting, Pushing, and Pulling)

Tasks that require forceful exertions place higher loads on the muscles, tendons, ligaments, and joints. Increasing force means increasing body demands such as greater

muscle exertion along with other physiological changes necessary to sustain an increased effort. Prolonged or recurrent experiences of this type cannot only give rise to feelings of fatigue but may also lead to musculoskeletal problems when there is inadequate time for rest or recovery. Force requirements may increase with

- Increased weight of a load handled or lifted,
- Increased bulkiness of the load handled or lifted,
- Use of an awkward posture,
- The speeding up of movements,
- Increased slipperiness of the objects handled (requiring increased grip force),
- The presence of vibration (e.g., localized vibration from power handtools leads to use of an increased grip force),
- Use of the index finger and thumb to forcefully grip an object (i.e., a pinch grip compared with gripping the object with your whole hand), and
- Use of small or narrow tool handles that lessen grip capacity.

Repetitive Motions

If motions are repeated frequently (e.g., every few seconds) and for prolonged periods such as an eight-hour shift, fatigue and muscle-tendon strain can accumulate. Tendons and muscles can often recover from the effects of stretching or forceful exertions if sufficient time is allotted between exertions. Effects of repetitive motions from performing the same work activities are increased when awkward postures and forceful exertions are involved. Repetitive actions as a risk factor can also depend on the body area and specific act being performed.

Duration

Duration refers to the amount of time a person is continually exposed to a risk factor. Job tasks that require use of the same muscles or motions for long durations increase the likelihood of both localized and general fatigue. In general, the longer the period of continuous work (e.g., tasks requiring sustained muscle contraction), the longer the recovery or rest time required.

Contact Stresses

Repeated or continuous contact with hard or sharp objects such as non-rounded desk edges or unpadded, narrow tool handles may create pressure over one area of the body (e.g., the forearm or sides of the fingers) that can inhibit nerve function and blood flow.

Vibration

Exposure to local vibration occurs when a specific part of the body comes in contact with a vibrating object, such as a power hand tool. Exposure to whole-body vibration can occur while standing or sitting in vibrating environments or objects, such as when operating heavy-duty vehicles or large machinery.

Other Conditions

Workplace conditions that can influence the presence and magnitude of the risk factors for WMSDs can include

- Cold temperatures
- Insufficient pauses and rest breaks for recovery
- Machine paced work
- Unfamiliar or unaccustomed work.

In addition to these conditions, other aspects of organization of work may not only contribute to physical stress but psychological stress as well. Scientific research is examining work factors such as performance monitoring, incentive pay systems, or lack of control by the worker to determine whether these factors have a negative effect on the musculoskeletal system (Moon and Sauter 1996). Another related area of research is to determine which personal, work, or societal factors contribute to acute musculoskeletal disorders developing into chronic or disabling problems.

Screening jobs for these risk factors may involve the following:

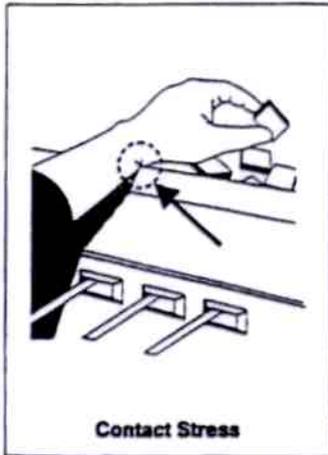
- Walk-through observational surveys of the work facilities to detect obvious risk factors
- Interviews with workers and supervisors to obtain information and other data not apparent in walk-through observations, such as time and workload pressures, length of rest breaks, etc.
- Use of checklists for scoring job features against a list of risk factors.

Of these three methods, the checklist procedure provides the most formal and orderly procedure for screening jobs. Numerous versions of checklists exist in ergonomics manuals. When checklist data are gathered by persons familiar with the job, task, or processes involved, the quality of the data is generally better.

While screening tools such as checklists have been widely and successfully used in many ergonomics programs, most have not been scientifically validated. Combining checklist observations with symptoms data offers a means of overcoming uncertainty.

Integrating efforts to identify risk factors for musculoskeletal disorders with efforts to identify common safety hazards such as slips and trips should be considered. Jobs with risk factors for musculoskeletal disorders also may have safety hazards.

Figure 1: Illustrations of Selected Risk Factor Conditions*



*Illustrations adapted from UAW-GM Center for Health & Safety, 1990; Putz-Anderson, 1988; Grant, et al., (1995); Canadian Center for Occupational Safety and Health, 1988; American Meat Institute and Ergo Tech, 1990.

Back Injuries



Controlling the Problem and Lowering Workers' Compensation Claims

In one year back injuries cost U.S. manufacturers

- over \$20 billion in direct costs
- over \$50 billion in indirect costs

You and I have to pay for this

- in loss of jobs
- in loss of raises
- in loss of bonuses
- in higher costs for cars, clothes, food, etc.

Plus, human pain and suffering

Low Back Pain - The Straw That
Broke the
Camel's Back



Removing the Last Straw
"Back Pain"
Doesn't Mean the
Camel Will
Jump Back Up

INJURY-CONTROL SUGGESTIONS FOR GENERAL INDUSTRY

The following injury-control suggestions are examples of controls for typical ergonomic problems. You may be able to use some of them as controls in your facility.

General

1. Reduce distances that employees' hands must reach. Arrange job duties so that employees can work closer to their center of gravity (their stomach area).



Minimize This Distance

2. Make sure that employees avoid using only one set of muscles on one side of their bodies. If at all possible, employees should switch from the right side to the left side when doing work by hand.

3. Design conveyors, tables, and workstations with enough room for employees to place their feet beneath.

4. Provide easily adjustable chairs or stools. Chairs should swivel and have an adjustable backrest. The seat should be made of a padded, fabric material, if possible. When sitting in the chair, the employee's knees should be slightly higher than the hips, and the feet should either rest on the floor or a substantial footrest. The chair should have padded arms, or padded armrests should be provided in another manner.

5. Provide footrests for employees who stand or sit. A bar, rail, ledge, or adjustable platform may be used as a footrest.

6. When it is not possible to supply a four-legged stool with a backrest, provide a support stand or stool. Other types of seats that can be used if a four-legged stool is not feasible are prop stools or jump seats.

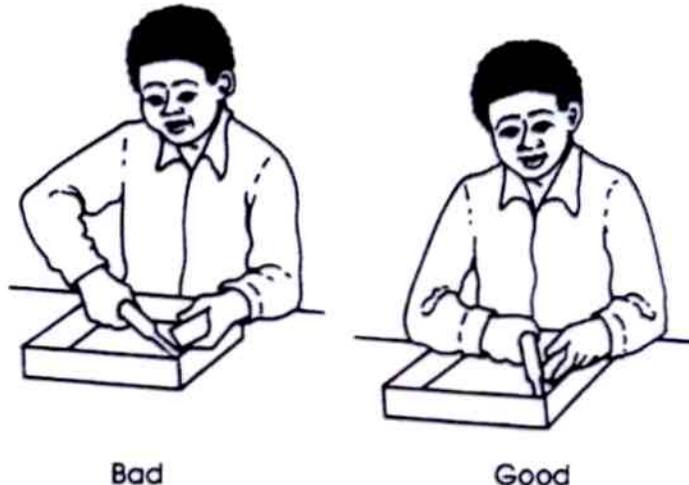
7. Arrange work height to be about 26 to 32 inches from the floor when working while seated. It is preferable, however, to adjust the level of the worktable. This can be accomplished by either a hydraulic or electric lift table or by designing the table so that it adjusts in the same manner as the racks in an oven, resting on side supports.

When the employee is standing, the level of the worktable should be about even with the employee's waist. The optimal working height of a standing employee's hands is about 40 to 42 inches from the floor for light assembly work.

8. Provide all materials and tools in front of the employee. The employee should not have to reach more than 20 inches in a horizontal direction. If there is enough workspace in front of the employee, a semicircular opening in the workbench may be cut to allow the employee to get closer to the task.

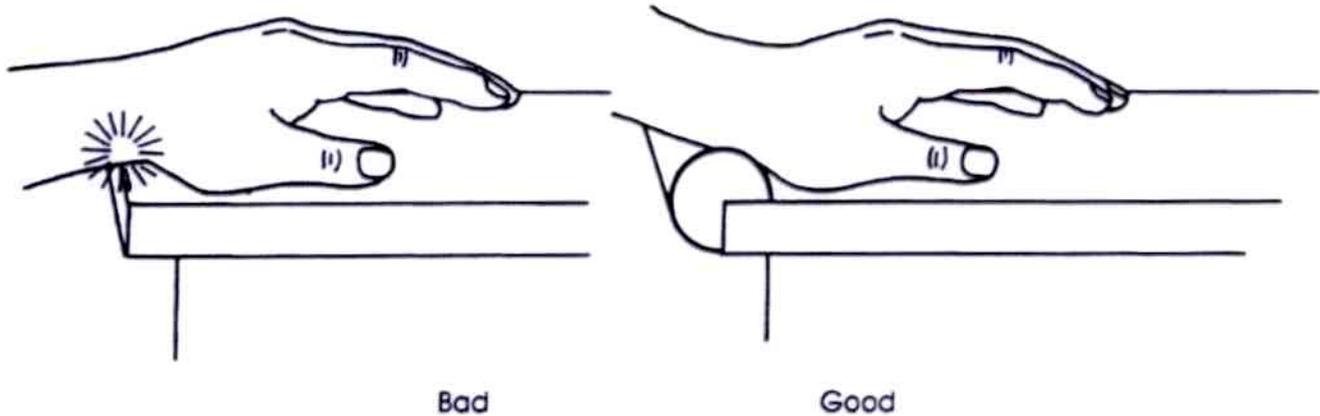
9. Keep objects being handled small enough so that they may be grasped easily.

10. Design workstations so that employees can keep their elbows down. The angle between the upper arm and chest should be no more than 30 degrees.



11. Design the work process so that employees can work with their palms down. The hands should at least be below shoulder level.

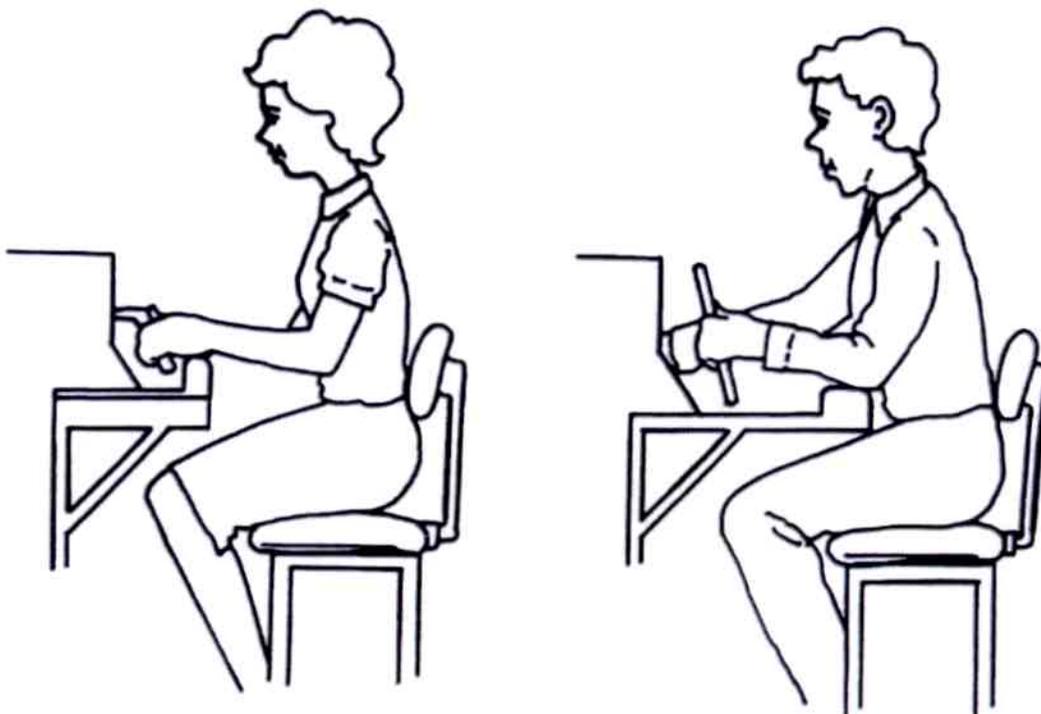
12. Whenever an employee's hand or arm comes into contact with the worktable or other hard surface, pad the surface.



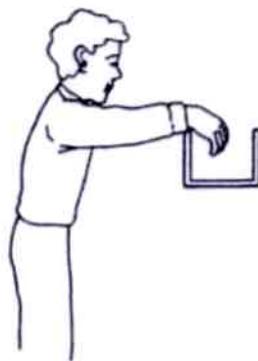
13. Have employees change from a sitting to a standing position during the work shift.

14. If employees must stand on a hard floor, provide cushioned mats.

15. Provide padded arm or hand support if at all possible to relieve some of the strain on employees' hands. The handrests or armrests could either be used during the entire work shift or only during a portion of the shift.



16. Employees should be able to reach parts in desktop containers with minimal bending of their wrists and hands. Tabletop containers should be designed with low front lips to allow easy access. The containers should also be within easy reach (see item #8).



Bad



Bad



Better



Better

17. Mechanically support any tool weighing more than two pounds by use of an overhead suspension system.

18. Foot switches may be used instead of hand-activated switches to relieve incidences of hand injury. However, when using foot switches it is important to guard against accidental activation, by installing a cover or enclosure around the activation pedal so that only the employee's foot pressure will activate the pedal. Also, it is important to provide a footrest at a level equal to the height of the switch.

19. Design workstations so that employees do not have to lean on their elbows.

21. Avoid repeated direct blows to the palm of an employee's hand (such as frequent and forceful activation of a palm button). Either reduce the amount of force needed to activate the button, reduce the frequency of activation, or replace the palm button.

22. Avoid static work—any job that involves staying in one position for too long. Vary the position and vary the muscle groups used during the work cycle. Also, provide holding fixtures or clamps for work pieces so that employees do not have to do static work to hold the part.

23. Consider a "floating" operator who is available to fill in and balance out production line problems when other employees get behind or need a break in the pace.

Tool Design and Redesign

1. Provide tools with a proper grip. Hand tools should not rest in the middle of the palm.



Bad



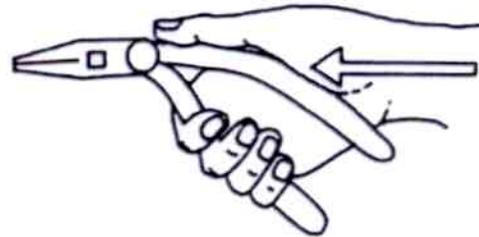
Good

2. Provide tools with padded handles. The handle should be at least four inches long. Tools not presently equipped with padded handles could be fitted with rubber sleeve guards.

3. It is better to bend the tool than to bend the employee's wrist while using the tool.



Bad



Good

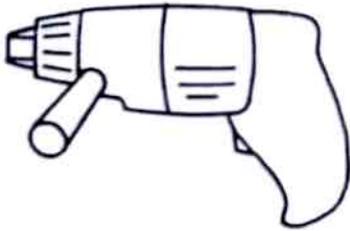
4. Whenever possible, use devices on tools that prevent forceful twisting motions. The object is to not transmit the forceful motion or vibrations to the tool user.

5. If a trigger mechanism is required on the tool, construct a trigger that is operated by more than one finger.

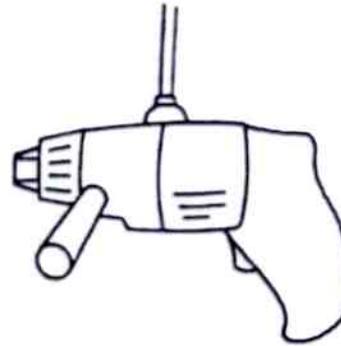


6. If a highly repetitive trigger action is required, equip the trigger with a pneumatic device so that only minimum force is needed to activate the trigger.

7. Purchase tools with handles that can be supported by two hands or, even better, support the tool by an overhead suspension system.

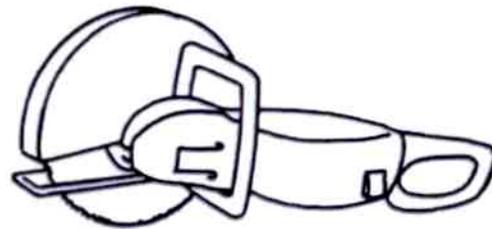


Two-Hand Support



Mechanical Support

8. Purchase tools with wraparound handles so that operators can hold them in the manner that is most comfortable. This can also be accomplished with a balance system.



Wraparound Handle

9. Avoid tools with precut grooves for finger holds—they won't match most workers' grips.



Bad!

10. Purchase tools with handles that can be held with a power grip rather than a pinched grip.

11. Avoid wearing ill-fitting or stiff gloves when using tools.

12. Select hand tools that spread the areas exposed to stress evenly over muscles in the hand.



Bad



Better

13. If a number of employees are going to be using a tool, try to select the tool in different sizes to accommodate different sizes of hands.

14. On a screwdriver, a "Yankee drill" mechanism may be used to rotate the bit when the tool is pushed forward.

15. A ratchet device may be used to drive hard-to-move screws.

16. Handles or grips on tools should not spread the fingers and thumb apart more than two-and-a-half inches. Cylinder grips should not exceed one-and-a-half inches in diameter. Wider grips are harder on the muscles.



1 1/2" Diameter



Less Than 2 1/2" Spread

Conveyors and Material Handling

1. Use drum and barrel dumpers if at all possible to avoid having to lift full containers.
2. Use chutes or slides.
3. Palletize loads to reduce the amount of material handling required of employees.
4. When lifting, use as many devices as possible to assist.
5. Use powered conveyors.
6. Air cylinders may be used to push or pull equipment down the length of a conveyor system.
7. When loading or unloading pallets by hand, raise pallets to at least 20 inches from the floor.
8. Consider allowing the employee working on a conveyor line some control over the speed of the line by providing "spur" lines to move products to and from the main conveyor line.
9. Reduce the amount of "dead weight" in material handling. For example, replace heavy, metal carrying trays with trays made from a lighter material.
10. As much as possible, reduce multiple rehandling of a product. Once an object has been picked up, it should not be set down until it has reached its final destination.
11. Cut down on the amount of stockpiled material. This will result in a decreased amount of internal material handling.
12. Avoid needless material stacking or placement of parts or containers only to have them moved again in the next operation.
13. Use gravity to move objects whenever possible. Design the workflow so that employees do not have to throw parts a great distance into containers.
14. Slide objects whenever possible instead of lifting and lowering them.
15. Unloading conveyors is much more likely to result in overexertion than loading them. Spacing should be provided to allow parts to temporarily accumulate when the employee unloading the conveyor falls behind. This will permit more careful handling during the task.

Lifting

1. Avoid lifts if at all possible. Utilize mechanical material-handling systems (hoists, cranes, conveyors, hydraulic tables). Material handling systems are now available that can pick up most objects, including bags, cardboard boxes, cylinders, etc. (See the

chapter on "Sources of Information and Assistance" for names and addresses of suppliers of such systems.)

2. Make sure that employees keep all heavy objects between the shoulders and knees. They should avoid placing heavy objects on the floor, and should elevate them on a pallet or table if they are going to eventually pick up the objects. Employees should not place heavy objects in places above their heads. If necessary, install more storage racks or arrange for more warehouse space.

3. When employees lift, they should not twist. If an object has to be placed to the side, they should turn by moving their feet. Or better yet, use a semicircular conveyor to slide the object. Conveyors may be temporary or permanent, with rollers or, better yet, electrically powered.

4. Reduce the amount of weight being lifted. For example, if chemicals are usually ordered in 50-pound sacks, see if your supplier will furnish them in 25-pound sacks instead at the same price. (Any money you might be saving by purchasing products in large-sized sacks could be offset by workers' compensation costs for, say, a back injury.)

5. Require employees to obtain help in lifting heavy objects. Set a company limit (for example, 40, 30, or 25 pounds) and state that if the object weighs over that limit, the employee must obtain assistance.

6. Remove obstacles to lifting. For example, placing an ice chest in the trunk of a car is difficult to do when the chest has to be lifted over the "lip" of the trunk. It is easier to place an ice chest in a station wagon type of car without a trunk. The same principle can be applied in a workplace where employees place objects into and remove them from containers or bins.

7. Employees should not jerk the object being lifted. Less force is applied to the spine if the lift is smooth.

8. Stabilize the load being lifted. If the load shifts, employees are more likely to injure their backs.

9. There should be no surprises when lifting. The weight of the object being lifted should be clearly labeled if at all possible.

10. If all of the manual lift cannot be eliminated, eliminate part of it. If the object to be lifted up can be placed a little higher or closer to the employee, some of the danger will have been eliminated from the lift. If the object can be pushed or boosted from a hydraulic lift table, the lift will be a little safer.

11. Large, heavy, flat objects can sometimes be supported with "air tables."

12. It is much easier to pick up boxes or bags that have handles. One handle is good, two handles are better. Handholds built into the box frame are best. The handle may be

cut into the box; lift straps may be used when permanent handles are not possible. Bulky objects should have handles for two-person lifting.

13. Provide a padded rail for employees to lean against when they have to lean out and reach over to pick up something. The rail should be as high as the employee's hips, if possible or, as an alternative, mid-thigh height.

14. Loads to be lifted should be 30 inches high or less so that employees can see over the top of them.

15. Employees should avoid carrying loads up and down stairs. Instead, they should use hoists, elevators, lifts, etc., to carry loads from one elevation to another whenever possible.

16. Employees should not bend to the side while lifting.

17. Parts trays carried by employees should be no wider than 14 to 20 inches; the tray width should not exceed the length. Trays should have handles. The load should be distributed uniformly inside the tray and be prevented from shifting by dividers or baffles.

Bins

1. If only half of a bin is being filled, it should be the top half. Install a spring mechanism in the bottom of the bin so that the material in the bin is always delivered close to the top.

2. To present parts closer to the employee, tilt large stock bins. If the bin is heavy, the tilt could be accomplished by a hydraulic or electric tilt device.

3. Use bins with fold-down sides, where possible, so that the employee can have easier access to the contents.

Carts, Dollies, Hand Trucks, and Other Material-Handling Equipment

1. Use carts with vertical handles so that employees can grasp the carts at the height that is best for them.

2. Equip carts with large wheels or tires. Tires should be rubber or plastic if at all possible. The harder the tire and the narrower the tread, the less force it takes to push the cart.

3. Wheels on carts should have good, well-maintained bearings so that the wheels will pivot and roll easily.

4. Floors should be free of cracks, irregularities, or bumps. Floors should be clean and have a grade inclination of no more than four degrees.

5. Carts should be pushed, never pulled.

6. When a cart is too heavy for one employee to move, two employees should be assigned or a mechanized cart or truck should be used.

7. Swivel casters should be used only when maneuvering the cart in very tight spaces. When swivel casters are used, the cart should be pushed from the swivel end. To make sure that employees do this, install the handle on the swivel end of the cart.

8. If an employee is required to push a cart over ramps, any loads weighing over 500 pounds should be handled with a powered cart. On flat, clean surfaces, any loads weighing over 1,500 pounds should be handled by powered trucks.

Vibration

1. Purchase and use antivibration tools and gloves.

2. Have a professional vibration expert or ergonomist determine exposure times and rest break times for exposed employees.

3. Keep antivibration gloves warm and dry. Employees' hands should not be allowed to become chilled.

4. Advise employees to avoid smoking while working with vibrating tools. (Smoking decreases blood circulation.)

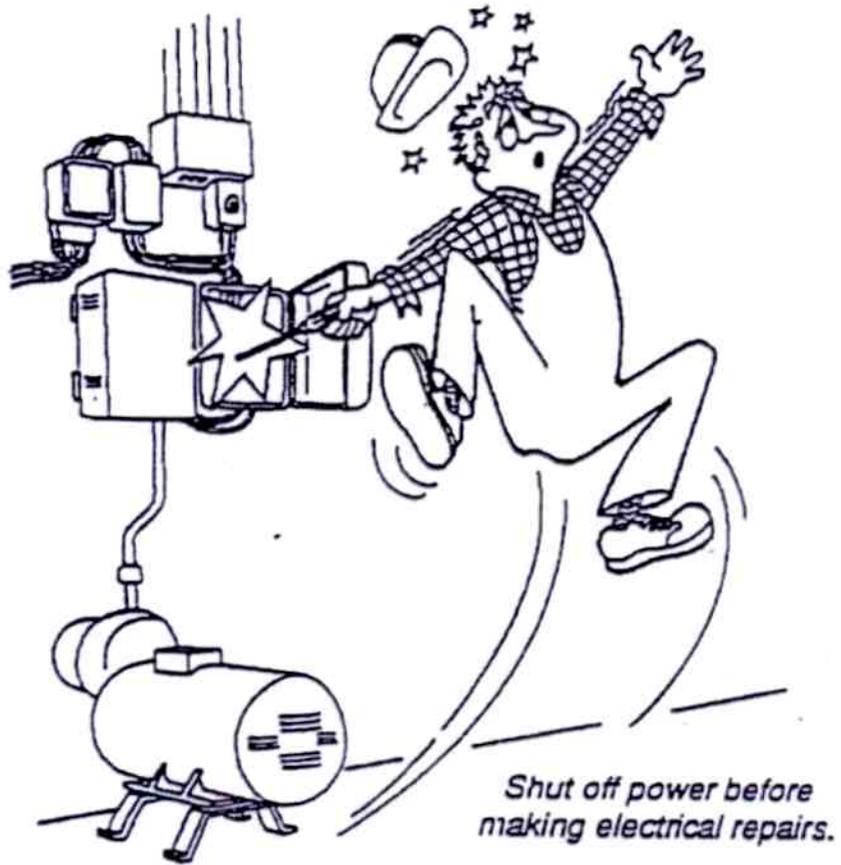
↓ 5. Train employees to hold tools as lightly as possible (and still do their jobs safely).

6. Provide tool rests whenever possible.

7. Tools should be used at the lowest speed possible.

These detailed suggestions will help you to focus on any ergonomic problems that may exist on jobs in your facility. A thorough worksite analysis will take time and effort—and input from employees, supervisors, engineers, safety committee members, and managers will help give you the comprehensive input needed to determine the degree of your ergonomic problems. With these injury controls in mind, let's turn to a discussion of specific repetitive motion injuries.

IMPLEMENTING SAFETY



NAME _____
DATE _____ Supervisor _____

Portable Drill

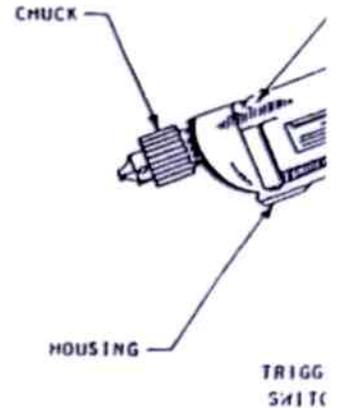
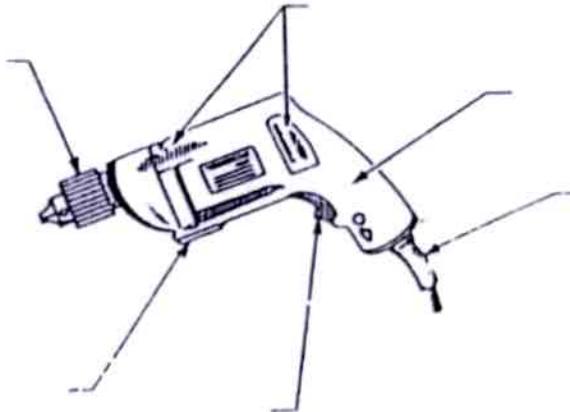
SAFETY QUIZ

CIRCLE ONE

- | | | | |
|--|-----|--|-----|
| 1. HOLES SHOULD BE CENTER PUNCHED FIRST. | T F | 5. ALL WORK SHOULD BE CLAMPED SECURELY WHEN DRILLING. | T F |
| 2. THE DRILL SHOULD BE UNPLUGGED TO CHANGE A BIT. | T F | 6. BE SURE TRIGGER SWITCH IS "OFF" BEFORE PLUGGING IN THE POWER. | T F |
| 3. CARRY THE DRILL BY THE CORD. | T F | | |
| 4. EVEN, STEADY PRESSURE SHOULD BE USED WHEN DRILLING. | T F | | |

10

IDENTIFY PARTS



PROPER EYE PROTECTION MUST BE WORN - AFTER PROPER INSTRUCTIONS HAVE BEEN F

1. SELECT THE CORRECT DRILL BIT AND MOUNT IT SECURELY TO THE FULL DEPTH OF THE CHUCK.
2. SECURE STOCK TO BE DRILLED SO THAT IT WILL NOT MOVE DURING THE OPERATION.
3. MAKE SURE THE SWITCH IS "OFF" AND CHUCK KEY REMOVED BEFORE CONNECTING TO POWER SOURCE

Accident Reports

Accident reports are an essential part of a good safety program. They help to inform, educate, and remind people of what to look for in regard to accident prevention. They also provide an important record of safety infractions and safety precautions.

The following procedure is one that could be employed:

1. Fill out the accident report form within 8 hours of the incident. This guards against details that may become vague after a few hours have passed and that may thereby affect the report's accuracy. Have the persons involved describe what happened in writing or on tape.
2. Prepare your report in duplicate. One should be hand-delivered to the manager (or supervisor) and another should be kept in your personal files.
3. Include information on the basis of how, where, what, who, when, and why the accident happened in reconstructing the sequence of events.
4. The U.S. Department of Labor has recommended that the following principles should be observed in preparing reports:
 - a. Use common sense--stick to the facts, weigh their value, reach justified conclusions.
 - b. Investigate each clue--Apparently reasonable conclusions will often be changed by exploring factors which initially may not appear to be important.
 - c. Check for unsafe conditions and facts--Both are present in the great majority of accidents.
 - d. Make recommendations--No investigation is complete unless corrective action is suggested and carried out.
 - e. Investigate all accidents--chance is often the sole difference between a trivial accident and a serious one. Results cannot be predicted.

SAFETY CHECKLIST

Supervisor: _____

Date: _____ Time: _____

1. Are Exit routes free from obstructions?
Yes _____ No _____
2. Are aisles marked and clear of materials?
Yes _____ No _____
3. Are floors clear of hazards that may cause slipping, tripping, or falling?
Yes _____ No _____
4. Are pathways to fire extinguishers free from obstructions?
Yes _____ No _____
5. Is machinery down for maintenance tagged as such?
Yes _____ No _____
6. Is all machinery properly guarded?
Yes _____ No _____
7. Are employees refraining from "horseplay" in the area?
Yes _____ No _____
8. Are tools/equipment being used in a safe manner?
Yes _____ No _____
9. Is protective equipment being used when applicable?
Yes _____ No _____
10. Are pallets stacked neat and orderly?
Yes _____ No _____
11. Are waste materials/trash properly disposed of?
Yes _____ No _____
12. Have all employees operating equipment been given a safety test?
Yes _____ No _____
13. Is staff cautious and alert to situations which could cause exposure to bloodborne pathogens?
Yes _____ No _____

Supervisors will perform at least 2 Safety Checklists per week on a random basis. Any "No" answers will be noted as well as corrective actions taken (may use back of sheet.)

COMMENTS/SUGGESTIONS

Weekly Area Safety Inspection

- 1) Is work area neat and organized (housekeeping good)? Y N
- 2) Are all exits clear? Y N
- 3) Are all employees using equipment trained and authorized on that equipment? Y N
- 4) Are tripping hazards, or other obstructions present? Y N
- 5) Are wires and electrical connections being used safe and without defect? Y N
- 6) Has anyone been guilty of horseplay this week? Y N
- 7) Has safety meeting been held this week? Y N
- 8) Are there other unsafe conditions that are apparent to you at the time of this inspection? Y N

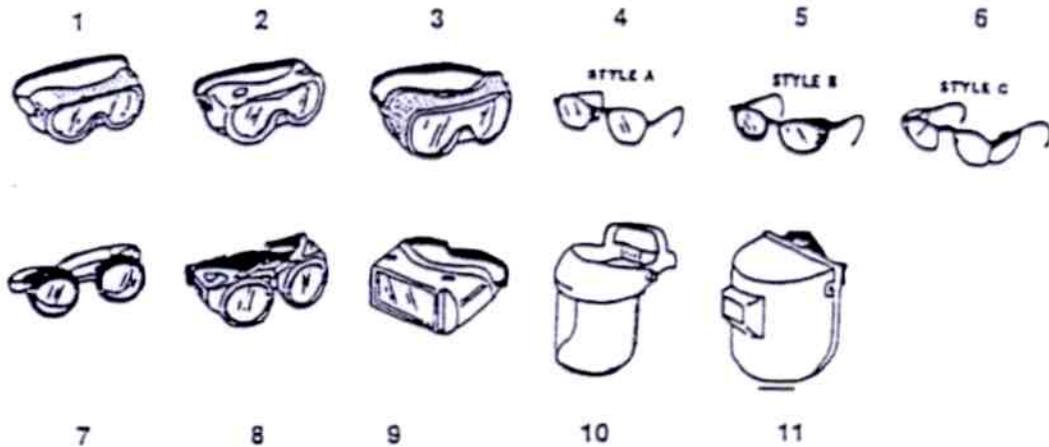
If so, what?

What was done to remedy it?

Supervisor

Date

SELECTION CHART FOR EYE & FACE PROTECTION FOR USE
IN INDUSTRY, SCHOOLS, AND COLLEGES



- | | |
|---|---|
| <p>1. GOGGLES, Flexible Fitting, Regular Ventilation</p> <p>2. GOGGLES, Flexible Fitting, Hooded Ventilation</p> <p>3. GOGGLES, Cushioned Fitting, Rigid Body</p> <p>4. SAFETY GLASSES, without Sideshields</p> <p>5. SAFETY GLASSES, Eyecup Type Sideshields</p> <p>6. SAFETY GLASSES, Semi-/Flat-Fold Sideshields</p> <p>7. FILTER LENSES, Eyecup Type, Tinted Lenses (Illustrated)</p> <p>7A. CHIPPING GOGGLES, Eyecup Type, Clear Safety Lenses (Not Illustrated)</p> | <p>8. WELDING GOGGLES, Coverspec Type, Tinted Lenses (Illustrated)</p> <p>8A. CHIPPING GOGGLES, Coverspec Type, Clear Safety Lenses (Not Illustrated)</p> <p>9. WELDING GOGGLES, Coverspec Type, Tinted Plate Lens</p> <p>10. FACE SHIELD, Plastic or Mesh Window</p> <p>11. WELDING HELMET</p> |
|---|---|

Remember - Eye protection does not protect unless it is worn and used properly.

EYE SAFETY AND RECOMMENDATIONS

ACTIVITY OR OPERATION	EYE HAZARDS	EYE PROTECTIVE DEVICE(S)
TECHNOLOGY EDUCATION General shop/laboratory operations (power, carpentry, electricity, metal work, woodworking, masonry, etc.)	Flying chips, particles, objects	Spectacles with sideshields, goggles, DV*
Lubricating, spray painting, steam and solvent cleaning, finishing materials	Dust, grease, hot steam, splashing liquids	Goggle, cup or cover type, IV
ENERGY/POWER/TRANSPORT General operations	Mists	Goggle, no ventilation
Lubricating, spray painting, steam and solvent cleaning	Flying chips, particles, Dust	Spectacles with sideshields or goggles, DV* Goggle, cup or cover type, IV
Battery Servicing	Grease, hot steam, splashing	Goggle, cup or cover type, with IV Goggle, cup or cover type, IV Goggle, no ventilation
Painting, mixing and chemical preparation	Acid, sparks, explosion Mists Splashing	Goggle, cup or cover type, IV Goggle, no ventilation
CONSTRUCTION/PRODUCTION/MFG General operations	Mists	Goggle, cup or cover type, IV Goggle, no ventilation
Chemicals, solvents, finishing materials pickling, etching	Flying chips, particles and objects	Spectacles with sideshields or goggles with DV
Kiln firing, dry mixing, glass firing, throwing	Dust Mists Acids, splashing Splashing, pressurized sprays	Goggle, cup or cover type, IV Goggle, no ventilation Goggle, cup or cover type, IV
Core and moldmaking, chipping, grinding, general operations	Clay and glaze particles, explosion (firing)	Spectacles with sideshields or goggles, DV*
Heating, melting and pouring metal	Chips, flying particles	Spectacles with sideshields or goggles with DV
Silver soldering, chasing and smelting, hammering Carving, stamping, cementing, buffing	Splashing, spluttering	Goggles with tinted plastic lenses and IV and a full faceshield
Electric arc welding	Southering metal, sparks, flying objects Flying particles	Spectacles with sideshields or goggles with DV* Spectacles with sideshields or goggles with IV*
Gas welding, cutting, burning and metalizing	Welding flash, sparks, spluttering, molten metal, air bubble explosions	Welding helmet with filter lens over safety spectacles with sideshields**
Chipping, grinding	Flying sparks and metal Flying chips, slag particles	Welding goggles over safety spectacles with sideshields** Spectacles with sideshields or goggles with DV
ELECTRICITY/ELECTRONICS General operation	Flying glass, solder spasm	Spectacles, sideshields or goggle with DV
Cathode tube servicing	Implosion, flying glass	Spectacles, sideshields or goggle with DV
Chemical etching	Acid, splashing	Goggle, cup or cover type, with IV
COMMUNICATIONS Cutting, stitching, drilling	Flying objects	Spectacles with sideshields or goggles with DV* Goggle, cup or cover type, with IV
Chemical mixing, solvents	Splashing	
Air brush, spray painting, chemical mixing solvents, photographic solvents	Pressurized sprays	Goggle, cup or cover type, IV
SCIENCE Chemical handling, experimenting, glass handling, dissecting, heating Laser experiments	Splashing, flying particles	Goggle, cup or cover type, with IV
	Severe retinal burns, (operators and observers must be protected)	Eye protection devices which are in compliance with ANSI Z136.1-1980
Chemicals, solvents, finishing materials	Splashing, pressurized sprays	Goggle, cup or cover type, with IV

*Add face shield for severe exposure.

•• DV = Direct ventilation

IV = Indirect ventilation

**See specialized references for selection of shade number of welding filters.

Head Protection

Head protection must be available in building construction or in using a boom to raise and lower objects. Generally, head protection should be provided whenever there is danger of falling objects or materials.

Hard hats (Figure 1), used in building construction are usually made of light-weight materials such as aluminum, plastic, or fiberglass. For health reasons, hard hats should have replaceable sweatbands, be noncombustible, water resistant, solvent resistant and, if worn near electrical equipment, nonconductors.

All hard hats must also be of industrial quality, and meet the requirements and specifications of the American National Standards Institute, Safety Requirements for Industrial Head Protection, (ANSI Z89.1-1981).

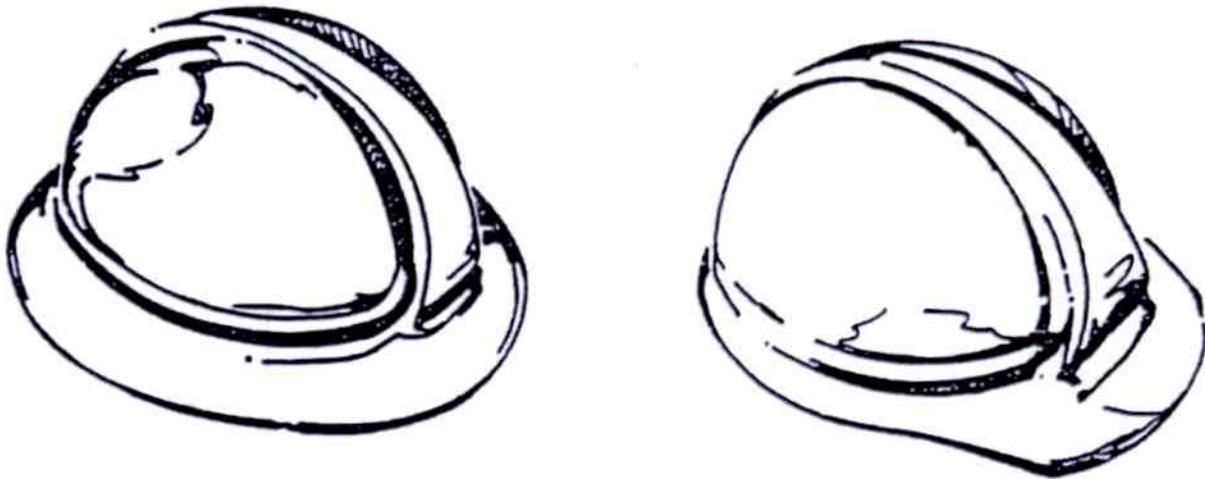


Figure 1. Hard Hats

Another potential head hazard is long hair. Long hair can be caught in rotating equipment such as drills, lathes, and other power tools. Long hair must be tied back or covered with a cap or hair net.

In welding areas or other areas where sparks or flames are present, fire resistant coverings should be provided for the long hair. These coverings should be without visors. During welding, these coverings must be worn under the welding helmets.

RECOMMENDED NOISE STANDARDS

Decibels	Activity
70.....	Normal speaking voice at 3 feet
75.....	Classroom teaching voice at 3 feet
80.....	Inside car (windows open—55 mph)
80-90	Grinder, lathe, arc welding
90-99	Saws, router, lawn mower
100-109	Wood jointer, pneumatic press
115	Planer, firecrackers
120-129	Pneumatic air hoist, internal combustion engine test
130	Jet engine and loud rock and roll concert

Permissible Noise Exposures ¹		
Duration per day in hours	<i>MODESE Administrative Guidelines for School Safety</i>	Sound Level dBA slow response
8.....	90
6.....	85.....	92
4.....	90.....	95
3.....	97	
2.....	95.....	100
1.5.....	102	
1.....	100.....	105
.5.....	105.....	110
.25 or less	110.....	115

¹ No exposure to continuous or intermittent noise in excess of 115 dBA!

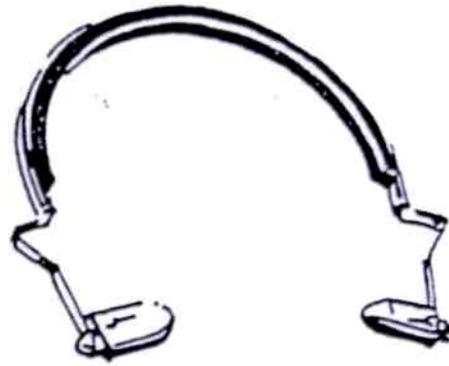
Hearing Protection

In noise-hazardous areas, there are three devices that provide hearing protection to the user. They are:

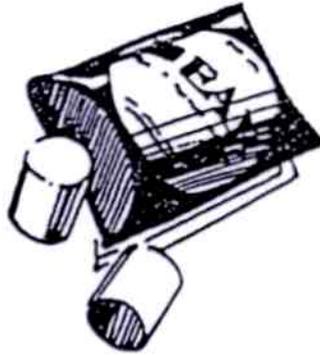
1. Muff type (Figure 2). These protectors require no fitting by professionally trained personnel. Jaw movements will not break the ear seal thus rendering them ineffective. They provide the highest degree of noise reduction.
2. Soft cushion type (Figure 2). These protectors are air cushioned pads which provide a seal at the entrance to the ear canal. They are used by persons who prefer not to push plugs into the ear canals and who find the wider headband muff type too bulky.
3. Disposable plug type (Figure 2). These devices provide hygienic and effective protection. There may be, however, a few individuals who find it difficult to insert plugs into the ear because their ear canal is much smaller than normal.



Muff Type



Soft Cushion Type



Disposable Plug Type

Figure 2. Hearing Protective Devices

Protective Gloves

Finger injuries are the most frequently occurring industry accident. Therefore, the use of hand protective devices should be seriously considered. Proper gloves should be provided in areas where the probability of irritation or burns exist. These areas include: welding and all hot metals, sand blasting, plastics and any area where dangerous cleaning chemicals are used. A danger also exists in the handling of stock materials such as metals, rough lumber and plywood. Flameproof gauntlet gloves should be provided for welding and hot metal uses.

A special heat glove which provides greater mobility should be made available for handling items which are hot but not as extreme as molten or forged metal. These gloves are also applicable to hot plastics areas. Molten metal should only be handled in a crucible. Forged metals are to be handled with tongs.

Armored leather gloves should be made available to aid in the handling of stock materials. These protect the skin from cuts, slivers and other abrasions.

Butyl rubber gloves provide protection to hands from such agents as acids, peroxides, fuels, acetone, methyl ethyl ketone, liquid plastics, plasticizers, catalysts, alcohol and oils.

Respiratory Protection

There are hazardous areas where employees may be required to wear personal respiratory devices (Table 1). The air purifying devices consist of a mask which covers the nose and mouth to provide protection by removing the contaminant from the air, using a filter/cartridge, before it is inhaled (Figure 3).

TABLE 1
GUIDE FOR SELECTION OF RESPIRATORS

Hazard	Respirator
Oxygen Deficiency	Self-contained breathing apparatus. Bose mask with blower. Combination air-line respirator with auxiliary self-contained air supply or an air-storage receiver with alarm.
Gas and Vapor Contaminants Immediately dangerous to life or health.	Self-contained breathing apparatus. Bose mask with blower. Air-purifying, full facepiece respirator with chemical canister (gas mask). Self-rescue mouthpiece respirator (for escape only). Combination air-line respirator with auxiliary self-contained air supply or an air-storage receiver with alarm.
Not immediately dangerous to life or health.	Air-line respirator. Bose mask without blower. Air-purifying, half-mask or mouthpiece respirator with chemical cartridge.
Particulate Contaminants Immediately dangerous to life or health.	Self-contained breathing apparatus. Bose mask without blower. Air-purifying, full facepiece respirator with appropriate filter. Self-rescue mouthpiece respirator (for escape only). Combination air-line respirator with auxiliary self-contained air supply or an air-storage receiver with alarm.
Not immediately dangerous to life or health.	Air-purifying, half-mask or mouthpiece respirator with filter pad or cartridge. Air-line respirator. Air-line abrasive-blasting respirator. Bose mask without blower.
Combination gas, vapor, and particulate contaminants Immediately dangerous to life or health.	Self-contained breathing apparatus. Bose mask with blower. Air-purifying, full facepiece respirator with chemical canister or appropriate filter (gas mask with filter). Self-rescue mouthpiece respirator (for escape only). Combination air-line respirator with auxiliary self-contained air supply or an air-storage receiver with alarm.
Not immediately dangerous to life or health.	Air-line respirator. Bose mask without blower. Air-purifying, half-mask or mouthpiece respirator with chemical cartridge and appropriate filter.

Note: "Immediately dangerous to life and health" is defined as a condition that either poses an immediate threat to life and health or an immediate threat to severe exposure to contaminants, such as radioactive materials, which are likely to have adverse effects on health.

From American National Standards Institute, Practices for Respiratory Protection, (ANSI Z88.2-1969).

Respirators are manufactured for the following respiratory hazards commonly found in industry:

1. Nuisance dusts (nontoxic irritants such as wood, cement, etc.)
2. Toxic dusts (lead, selenium, etc.)
3. Mists (spray painting and finishing, electroplating, etc.)
4. Heated metal or chemical fumes (zinc, exhaust, etc.)

In each case, engineering controls, such as hoods and dust/spray collecting systems, should be considered first in the elimination of respiratory hazards. Personal devices should only be the secondary precautionary method to be used.

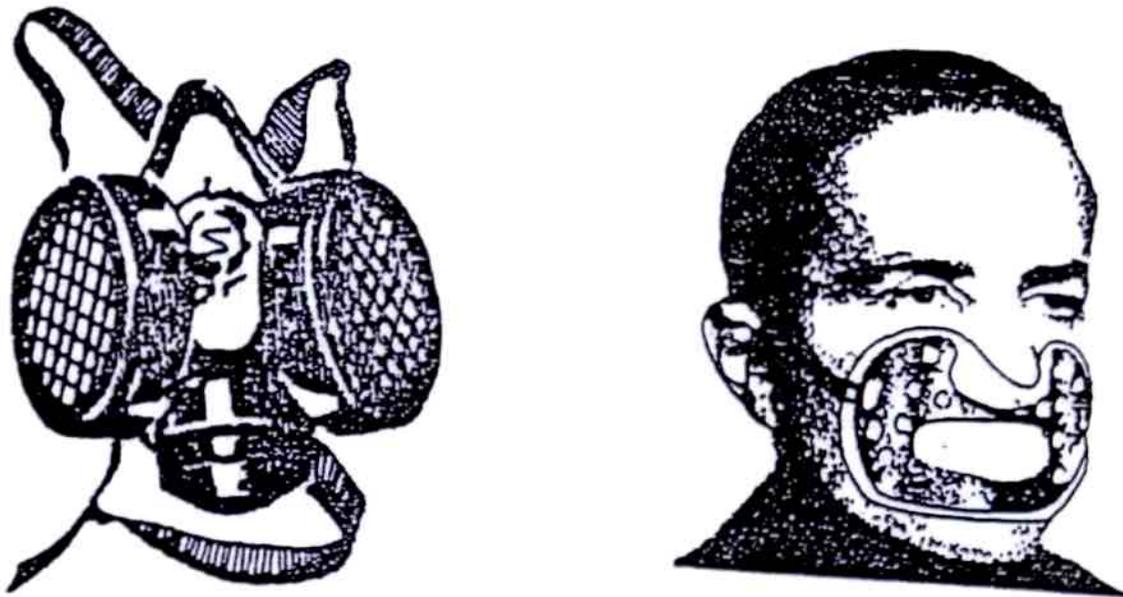


Figure 3. Respirators

³ The Fire Prevention Plan and The Emergency Action Plan must be a written plan* and must include at least

*Except as provided for in 29 CFR 1910.38 (a)(5)(iii)/1910.38 (b)(4)(ii).

EMERGENCY ACTION PLAN

1. Emergency escape procedures and escape route assignments
2. Procedures for employees who stay behind to continue critical plant operations before they must evacuate
3. Procedures to account for all employees after the evacuation is completed
4. Rescue and medical duties for employees who will perform those duties
5. Preferred means of reporting fires and other emergencies
6. Names or regular job titles of persons or departments who can be contacted for (1) more information or (2) an explanation of duties under the plan
7. An established employee alarm system

REFERENCE: 29 CFR 1910.165

8. Types of evacuation to be used in emergency circumstances
9. Training -- before the plan is implemented -- of enough designated persons to help with a safe and orderly evacuation

FIRE PREVENTION PLAN

1. A list of (1) major fire hazards in the workplace, (2) their proper handling and storage procedures, (3) potential sources of ignition and their control procedures, and (4) the type of fire protection equipment or systems needed to control a fire involving the fire hazards
2. Names or regular job titles of personnel responsible for maintaining equipment and the systems installed to prevent or control ignitions of fires
3. Names or regular job titles of personnel responsible for controlling fuel source hazards
4. Housekeeping procedures for preventing flammable and combustible waste materials and residues from accumulating
5. Training for employees about the fire hazards of the materials and processes to which they are exposed

NOTE: Employers must review those parts of the fire prevention plan which the employee must know to protect the employee in the event of an emergency.

EMPLOYEE ALARM SYSTEM

NOTE: For exceptions to these rules, see 29 CFR 1910.165 (a)(1-3).

Requirements of the System

1. Provide warning for needed emergency action as called for in the emergency action plan, or

Provide warning for reaction time for the safe escape of employees from the workplace or the immediate work area, or both
2. Be recognized above levels of ambient noise or light by all employees in the affected areas
3. Be distinctive and recognizable as a signal to evacuate the work area or to act according to the emergency action plan

Other Requirements

1. Employers must explain to each employee the preferred means of reporting emergencies

EXAMPLES: Manual pull-box alarms, public address systems, radio or telephone alarm systems, etc.

2. Employers must post emergency telephone numbers near telephones, or employee notice boards, and other conspicuous places when telephones are a means of reporting emergencies

NOTE: Where a communication system also serves as the employee alarm system, all emergency messages must have priority over all non-emergency messages.

3. Employers must establish procedures for sounding emergency alarms in the workplace

NOTE: For exceptions to this rule, see 29 CFR 1910.165(b)(5).

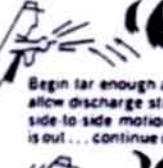
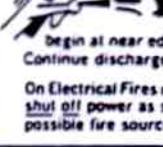
Fire Safety

The nature of work in industry at times requires exposure to fire, heat and various combustible materials. Fire protection and prevention equipment should be provided in all company facilities. The following equipment and procedures are considered essential in a fire safety program:

1. Bulk storage for flammable materials in an area removed from the main building.
2. Underwriters Laboratories listed oily waste containers for oily and paint-soaked rags.
3. Inspection and testing of fire extinguishers at regular intervals to make sure that they are fully charged and in proper working condition.
4. Instructions for employees and supervisors in the location on proper use of fire extinguishers and other fire fighting equipment.
5. Posting of fire alarm and evacuation procedures.
6. Locations of remote shutoff valve or switches for gas or oil-fired equipment, and procedures to de-energize electrical equipment in an emergency, should be known by employees and supervisors.
7. Approved fire blanket for each area where open flame or welding occurs.
8. Fire extinguisher(s) of the proper type located in each facility and clearly labeled.
9. Properly vented fire resistant metal storage cabinets for paints, thinners and other flammable materials.
10. Precaution taken against accumulation of saw dust in the air, around machinery and around workbenches by:
 - a. using a fixed exhaust system.
 - b. using a mobile vacuum unit for general cleanup.
 - c. installing small vacuum units on dust-making equipment (sanders, grinders, grinding wheels, wire wheels, polishing buffs, etc.).
11. Handling gas cylinders of oxygen, acetylene, argon, carbon dioxide, etc., with extreme caution.
12. Use of check valves on welding blowpipes.

13. Oxygen cylinders in storage to be separated from fuel/gas cylinders a minimum distance of 20 feet or placed behind a non-combustible barrier at least five feet high having a fire resistance rating of at least one-half hour.
14. Cylinders without an attached safety cap are never to be handled.
15. Full or empty cylinders are to be marked or tagged.
16. Cylinders are to be stored in an upright position away from other combustible materials and away from heat sources and direct sunlight.

Use the RIGHT TYPE Extinguisher:

<p>USE WATER TYPE</p>		<p>for Ordinary Combustible Fires</p>	 <p>Direct WATER stream at base of fire (not at smoke). Use side-to-side motion to wet all burning surface. Break apart and soak deep-seated fires. Warning — Do NOT use water on flammable liquid fires (splashes) or electrical fires (shock).</p>
<p>USE REGULAR DRY CHEMICAL TYPE</p>		<p>for Flammable Liquid Fires</p>	 <p>On Flammable Liquid Fires — direct the discharge of REGULAR DRY CHEMICAL across entire fire front. Begin far enough away to avoid splashing and allow discharge stream to fan out. Use quick side-to-side motion as you progress. When fire is out... continue discharge to prevent reflash.</p>
<p>USE CO₂ TYPE Carbon Dioxide</p>		<p>and for Electrical Equipment Fires</p>	 <p>CARBON DIOXIDE has limited range. So get close. For flammable liquid fires, begin at near edge. Sweep slowly, side to side. Continue discharge to prevent reflash.</p> <p>On Electrical Fires using DRY CHEMICAL or CO₂ — shut off power as soon as possible to remove possible fire source.</p>
<p>USE MULTI-PURPOSE DRY CHEMICAL TYPE</p>		<p>— for Ordinary Combustible Fires — for Flammable Liquid Fires — for Electrical Equipment Fires</p>	<p>Use MULTI-PURPOSE DRY CHEMICAL the same as regular dry chemical on Class B or C fires. On Class A fires — coat all exposed surfaces. Stand by in case of rekindling (or wet down).</p>
<p>USE FOAM TYPE</p>		<p>for Flammable Liquid Fires</p>	 <p>Use FOAM on flammable liquid fires. To avoid splashing curve stream upward so foam falls lightly, or direct stream at floor so foam spreads. For fires in containers, direct stream at back wall so foam flows forward. Work all sides for best coverage.</p>
<p>Use Dry Powder Type Extinguishants</p>		<p>— for Combustible Metal Fires (These metals, in finely divided form, need special fire attack.)</p>	<p>Special Dry Powder Extinguishants are used for designated metals — may be applied by scoop, shovel or extinguisher.</p>

Electrical Safety

All employees must realize that any electrical circuit is a potential hazard, regardless of the amount of voltage or current present. The hazard or resulting accident can generally be traced to defective equipment, unsafe work practices and a lack of knowledge of the dangers of electricity.

1. Defective equipment. Types of equipment frequently involved in electrical accidents include motor-driven equipment, control devices, portable electric tools, switches and panels.
 - a. Improperly grounded equipment (ground wires missing, broken, or improperly connected).
 - b. Open conduits, switch boxes, damaged or worn connections and exposed live wires.
 - c. Insulation which is defective, inadequate, worn, frayed, wet, oily or deteriorated, creating short circuit possibilities and energizing equipment frames.
 - d. Defective switches, receptacles, extension cords and lamp sockets.
 - e. Dirty motor windings, improperly adjusted brushes and worn commutators.

- f. Improperly connected power tools and defective insulation in portable tools.
 - g. Broken housings and loose or vibrating machine parts which might contact and energize tool or machine frames and expose live surfaces to operator.
2. Unsafe practices and work procedures can result in electrical accidents and fires. Some of the common unsafe acts committed in industry which are to be avoided are:
- a. Using ungrounded equipment and portable tools (except double insulated tools) or removing ground connections.
 - b. Using defective tools or equipment in need of repair.
 - c. Using equipment which does not meet the approval of the Underwriters Laboratories for the intended purpose.
 - d. Cleaning electrical panels, switch boxes, motors and other electrical equipment with water or dangerous solvents.
 - e. Overloading circuits or overfusing circuits by using wrong size or type of fuse or circuit breaker.
 - f. Failure to use explosion-proof fixtures, switches, motors or other spark-proof items in hazardous locations.
 - g. Failing to positively lock out or otherwise de-energize and tag equipment or circuits to be worked on. (Relying on gloves, rubber mats, etc., for insulation while carrying out electrical installation or repair.)
 - h. Installing or extending electrical facilities in a manner not meeting the requirements of the National Electrical Code.
 - i. Closing switches or circuit breakers repetitively when there is a fault in the circuit.
 - j. Using light duty, ungrounded extension cords for industrial service.
 - k. Failing to maintain clear access to electrical panels (clearance of 30" is required by the federal code).
 - l. Using extension cords in place of permanent wiring installations.
 - m. Overloading motors, insulation, wires and/or electrical accessories.
 - n. Disconnecting electrical cords by pulling on the cords rather than on the plugs.
 - o. Using metal ladders while working on electrical equipment.
 - p. Failing to properly label switch panels and boxes.

Lifting Heavy Objects

Individual lifting capabilities vary with a person's physical condition, build and stature. The National Safety Council recommends the following procedure for lifting heavy objects, regardless of the person's physical condition (Figure 4):

1. Part your feet so that one foot is alongside the object to be lifted and the other is behind.
2. Crouch close to the object and keep your back straight, nearly vertical.
3. Tuck in your chin so that your neck and head continue the straight-back line. (This position helps keep your spine straight and firm.)
4. Grip the object firmly with both hands. Use the palms of your hands as well as your fingers.
5. Draw the object close to you and tuck your arms and elbows close to your body.
6. Position your body so that its weight is centered over your feet. Start the lift by pushing on your rear foot as you straighten up.

6

1. Part feet
2. Crouch - back straight
3. Tuck in chin
4. Grip object
5. Draw object close - tuck in arms
6. Lift object

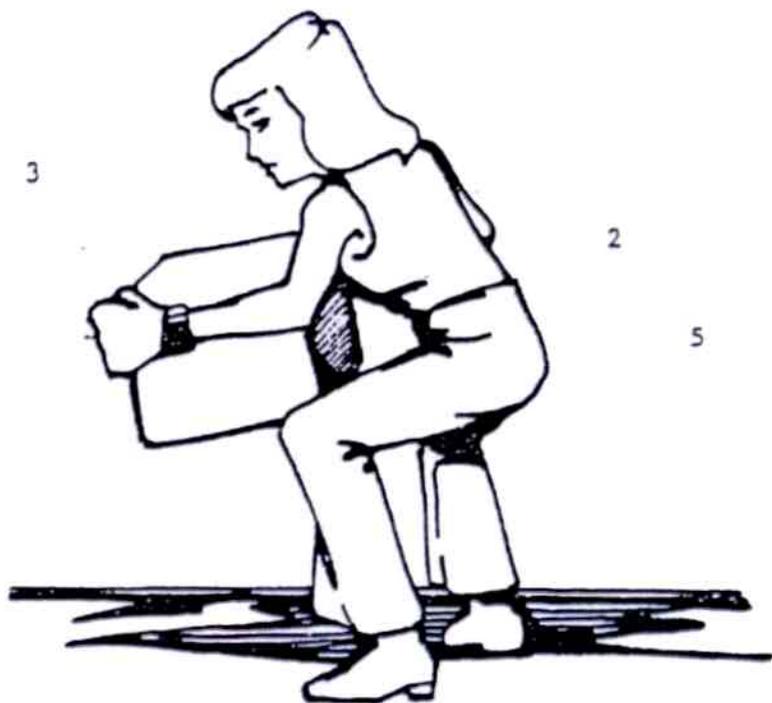


Figure 4. Lifting Heavy Objects

1

(SAMPLE PAGE) WORKSHOP LOCKOUT SAFETY POLICIES AND PROCEDURES

PURPOSE:

Safety is our company's top priority. Effective lockout procedures will protect authorized staff during equipment servicing and repair. Lockout procedures must be used whenever machine servicing requires a staff person to bypass machine safeguarding, exposing him or her to unexpected machine movement or startup. Specifically, whenever a guard must be removed or whenever the staff person must place any part of his/her body into an area where injury could occur if the machinery were accidentally activated. It does not apply to cord and plug connected equipment.

RESPONSIBILITY:

Only the appropriate staff person(s) who have been instructed in the lockout procedure have the authority to engage in this activity. Qualified staff who do not follow the appropriate lockout procedure will be subject to disciplinary action.

BASIC LOCKOUT RULES:

1. All machinery must be locked out during servicing and maintenance when staff are exposed to injury from accidental startup or machine movement.
2. Do not attempt to operate any locked out switch, valve, or other energy isolating device.

LOCKOUT HARDWARE:

Every employee authorized to perform lockout procedures will be assigned the lock(s) he or she needs to safely lockout and repair company equipment. Lockout hardware shall be used only for lockout. It shall not be used on toolboxes, lockers, or for any other reason.

PREPARATION:

Make a survey to locate all devices which will need to be isolated and to make certain which switch(s), valve(s), or other energy isolating devices apply to the equipment to be locked out. More than one energy source (ie electrical, mechanical, etc.) may be involved.

SEQUENCE OF LOCKOUT PROCEDURE:

1. Be prepared for lockout. Be familiar with the sources of hazardous energy for the equipment that will be serviced.
2. Notify affected staff members and employees that the machine is about to be shut down and locked out.
3. Turn off the machine and any other auxiliary equipment that could pose a hazard during servicing.
4. Maneuver the switch, valve or other energy isolating device(s) so that the machinery is isolated from its energy source(s). Stored energy (such as that in springs, elevated machine members, rotating flywheels, hydraulic systems, and air, gas, steam, or water pressure etc.) must be dissipated or restrained by methods such as repositioning, blocking, bleeding down etc.
5. Apply lock(s) to all switches, valves, or other energy isolating devices with the assigned individual locks.
6. After making sure that no staff and employees are exposed, make an additional check to assure that the energy sources have been disconnected, operate the pushbutton or other normal operating controls to make sure the machinery does not operate.

CAUTION: BE SURE TO RETURN THE OPERATING CONTROL(S) TO ITS "NEUTRAL" OR "OFF" POSITION AFTER THIS TEST.

7. The machinery is now locked out.

RESTORING MACHINES TO NORMAL OPERATIONS

1. Remove tools and unnecessary equipment from the machine and work area.
2. Inspect the machine and its components. Make sure the machinery is ready to be operated.
3. Make sure all staff and employees are clear of the machine.
4. Re-attach any guards.
5. Remove all lockout devices.
6. Notify affected staff and employees that lockouts have been removed and the machine is ready for operation.
7. Restore energy to the machine by operating all switches, valves, etc., that were previously locked out.

CORD AND PLUG CONNECTED MACHINERY

Use the following procedures to protect yourself from unexpected machine startup or movement when servicing cord and plug connected equipment.

1. Unplug machinery from its electrical socket.
2. Keep the plug in your possession at all times during servicing: OR keep the plug within arm's reach and in your line of sight at all times during equipment servicing.
3. Lockout or control any other sources of hazardous energy that could cause injury during servicing.

HAZARD ANALYSIS

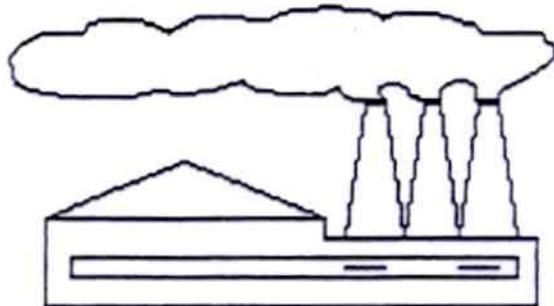
Hazard analysis identifies hazardous energy that must be controlled to protect staff and employee from injury during machinery maintenance. The sources of hazardous energy fall into the following categories:

- ELECTRICAL: Electricity powers the motors and controls which start, stop, and control the speed of machinery. Locking out electricity will prevent electrical shock and the startup of electrically powered components. Some machine tools and their auxiliary equipment may have more than one source of electrical energy.
- MECHANICAL: Mechanical energy allows one machine component to physically move another. The most common sources are flywheels, gears, crankshafts, rams, and springs. Mechanical hazards will often have to be blocked, rather than locked.
- PNEUMATIC: Pneumatic energy creates motion (or support) through the use of compressed air or gas. Sources of pneumatic energy may need to be blocked, locked, and/or bled to prevent unintentional movement of machine components. Lockable valves that will block and/or bleed compressed air may need to be placed on air lines.
- HYDRAULIC: Hydraulic energy uses fluid under pressure to create support and/or machine movement. Like pneumatic energy, it may need to be blocked, locked, and/or bled to prevent unintentional machine movement.
- THERMAL: Thermal energy, the energy of heat or cold, is often a by-product of many manufacturing or assembly processes. In many cases, the only way to prevent injury from thermal energy is to lock or block it's source (typically electricity or gas), and allow it to dissipate.
- OTHER SOURCES: Chemicals, liquids, gases, etc.

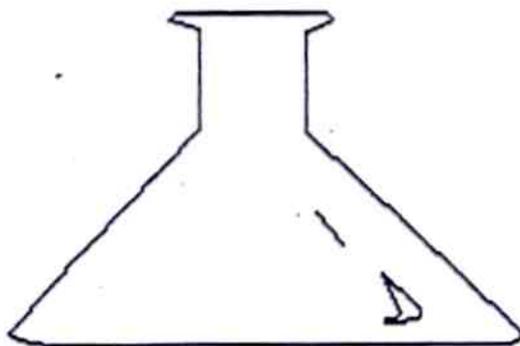
STAFF LOCKOUT SAFETY TRAINING TEST

Name: _____ Date: _____

1. Unauthorized persons are allowed to lockout machinery.
A. True B. False
2. A machine must be locked out if guards are removed or bypassed during servicing.
A. True B. False
3. Many machines have more than one source of hazardous energy that may need to be controlled by locking out, blocking, or dissipating.
A. True B. False
4. Routine machine servicing that takes place without having to remove guards requires the use of lockout procedures.
A. True B. False
5. Machinery that is not being used must be locked out.
A. True B. False
6. It is O.K. to work on a machine while its flywheel is spinning.
A. True B. False
7. You should make sure all tools are removed before taking locks off and starting a machine.
A. True B. False
8. Springs can cause sudden movement while repairing machinery and should be blocked or otherwise made safe.
A. True B. False
9. Before working on machinery, its operating controls should be operated after it is locked out to make sure the machine is safe.
A. True B. False



HAZARD COMMUNICATION PROGRAM



HAZARD COMMUNICATION PROGRAM

- I. Select a hazardous communications coordinator
(a trainer is optional)
- II. Inventory hazardous chemicals
 - A. list the hazardous chemicals at your workplace
(such as warning labels and MSDS's)
- III. Label all hazardous chemical containers, requirements include:
 - A. identity of chemical
 - B. appropriate hazard warnings and precautions
 - C. name, address and phone of source
 - D. first aid instructions
 - E. method of disposal
- IV. Material Safety Data Sheet requirements: (for each chemical) Note: there is no standard form
 - A. identity of the substance
 - B. name, address and phone of source
 - C. physical and chemical characteristics
 - D. fire and explosive hazards
 - E. reactivity information
 - F. health hazards
 - G. precautions for handling, use and storage
 - H. personal protective measures
 - I. emergency first aid

** Copies of MSDS sheets should be available to employees
- V. Employee Training- basic information
 - A. inform employees of hazard chemical they may encounter
 - B. explain physical and health hazards
 - C. explain how to recognize hazardous chemicals by color, odor, and appearance
 - D. identify hazards most likely to be encountered
 - E. hazards of non-routine jobs
 - F. instruct employees in proper handling, storage and safety precautions (i.e., clothing, equipment)
 - G. point out things you are doing to protect employees such as ventilation or engineering changes
 - H. explain warning labels- alert for damaged labels to be replaced
 - I. explain material safety data sheets
 - J. review details of your hazardous communication program with your employees

** (it would be wise to have your employees sign a statement that they have received this training)

** (updating is also required when new materials are used or revised)

VI. Written Compliance Plan

- A. document in writing each step of your hazard communications plan
- B. this plan includes:
 1. list hazardous materials located in workplace
 2. describe labeling and warning system
 3. describe methods of explaining MSDS's
 4. document how you will train your employees (the method)
 5. describe training for non-routine jobs

BENEFITS:

- 1> Both company and employees benefit in having a quick and safe response to an emergency
- 2> Safer, more productive workplace
- 3> It may allow you the opportunity to replace hazardous chemicals



Material Safety Data Sheet

May be used to comply with OSHA's Hazard Communication Standard, 29 CFR 1910.1200. Standard must be consulted for specific requirements.

U.S. Department of Labor

Occupational Safety and Health Administration
(Non-Mandatory Form)
Form Approved
OMB No. 1218-0072



IDENTITY <i>(As Used on Label and List)</i> 	Note: Blank spaces are not permitted. If any item is not applicable, or no information is available, the space must be marked to indicate that.
---	---

Section I

Manufacturer's Name	Emergency Telephone Number
Address <i>(Number, Street, City, State, and ZIP Code)</i>	Telephone Number for Information
	Date Prepared
	Signature of Preparer <i>(optional)</i>

Section II - Hazardous Ingredients/Identity Information

Hazardous Components (Specific Chemical Identity; Common Name(s))	OSHA PEL	ACGIH TLV	Other Limits Recommended	% <i>(optional)</i>

Section III - Physical/Chemical Characteristics

Boiling Point		Specific Gravity (H ₂ O = 1)	
Vapor Pressure (mm Hg)		Melting Point	
Vapor Density (AIR = 1)		Evaporation Rate (Butyl Acetate = 1)	
Solubility in Water			
Appearance and Odor			

Section IV - Fire and Explosion Hazard Data

Flash Point (Method Used)	Flammable Limits	LEL	UEL
Extinguishing Media			
Special Fire Fighting Procedures			
Unusual Fire and Explosion Hazards			

(Reproduce locally)

OSHA 174, Sept. 1985

Section V - Reactivity Data

Stability	Unstable		Conditions to Avoid
	Stable		
Incompatibility (<i>Materials to Avoid</i>)			
Hazardous Decomposition or Byproducts			
Hazardous Polymerization	May Occur		Conditions to Avoid
	Will Not Occur		

Section VI - Health Hazard Data

Route(s) of Entry:	Inhalation?	Skin?	Ingestion?
Health Hazards (<i>Acute and Chronic</i>)			
Carcinogenicity:	NTP?	IARC Monographs?	OSHA Regulated?
Signs and Symptoms of Exposure			
Medical Conditions Generally Aggravated by Exposure			
Emergency and First Aid Procedures			

Section VII - Precautions for Safe Handling and Use

--

Steps to Be Taken in Case Material is Released or Spilled
Waste Disposal Method
Precautions to Be taken in Handling and Storing
Other Precautions

Section VIII - Control Measures

Respiratory Protection (<i>Specify Type</i>)		
Ventilation	Local Exhaust	Special
	Mechanical (<i>General</i>)	Other
Protective Gloves	Eye Protection	
Other Protective Clothing or Equipment		
Work/Hygienic Practices		

* U.S.G.P.O.: 1986 - 491 - 529/45775

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Occupational Safety & Health Administration
200 Constitution Avenue, NW
Washington, DC 20210

Page last updated

MATERIAL SAFETY DATA SHEET

General Safety Rules

1. KNOW your company policy for access to MSDSs

NOTE: Do you know where MSDSs are filed? Do you know the steps to follow at your job site for access to MSDSs?

2. CHECK the MSDS for a hazardous chemical before you use the chemical

NOTE: Use the MSDS to prevent accidents with hazardous chemicals, as well as to respond safely to an emergency situation that involves the chemical.

3. IDENTIFY the hazards of working with or handling a hazardous chemical

NOTE: Identify the health hazards and the physical hazards.

4. FOLLOW the warnings and guidelines stated on each MSDS

NOTE: Know the characteristics of the hazardous chemical and any precautions to take before you handle the chemical.

5. PLAN any emergency procedures in advance for the hazardous chemical(s) that you will use

NOTE: Use the MSDS to plan your response to any possible emergency situations involving the chemical.

6. REFER to each MSDS for the hazardous chemicals in your work area(s) as often as necessary

CAUTION: DO NOT WAIT FOR AN ACCIDENT TO HAPPEN BEFORE CHECKING THE MSDS.

CHEMICAL INFORMATION LIST

General Safety Rules

NOTE: Follow all OSHA guidelines for listing hazardous chemicals.

1. IDENTIFY the hazardous chemical(s) in your work area(s) from the CIL

NOTE: Do you know how hazardous chemicals are listed at your job site (for the job site as a whole or for each work area)?

2. REFER to the appropriate MSDS for any chemical listed on the CIL for your work area(s)

NOTE: Check the CIL and any MSDSs for hazardous chemicals in your work area(s) before you use the chemical.

3. MATCH the hazardous chemicals listed on the CIL with the MSDSs on file

NOTE: You should have a MSDS for each hazardous chemical on your CIL. Each chemical with a MSDS should be listed on a CIL.

4. KEEP the CIL for your work area(s) visible at all times

NOTE: The CIL for each work area tells other persons about the hazardous chemicals and possible hazards that are in the work area.

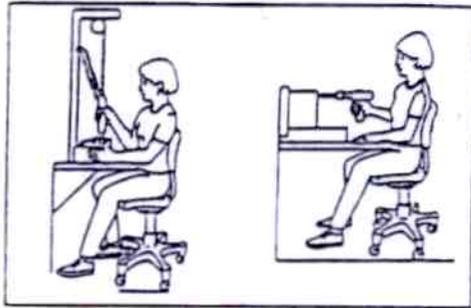
5. UPDATE any CIL when new hazardous chemicals are added or when a hazardous chemical is removed

NOTE: Know the current hazards that exist in each work area.

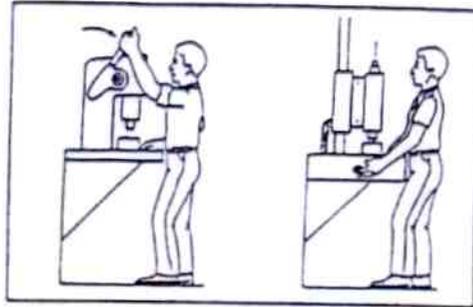
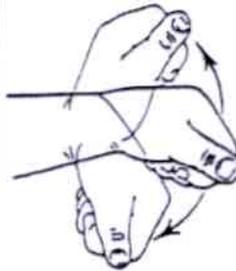
Setting Up A Workstation

Ergonomics Developing a good ergonomics program :

ERGONOMICS IS A WAY OF THINKING ABOUT THE DESIGN OF TOOLS AND EQUIPMENT, THE LAYOUT OF WORKPLACES AND THE OVERALL ORGANIZATION OF WORK.



Jobs should be set up so you do not work with a bent wrist.



Use machines and equipment to do the work. A power press is better than a manual press.

Design tools and equipment to keep your wrist in a neutral or natural position.



Reduce difficulty with reaching by: a) reducing dimensions of the work area surface, b) tilting the work surface, c) providing cut-outs into the work surface, d) providing "lazy susans", e) using spring loaded bins, f) making use of adjustable height stands, g) using chutes and hoppers, h) and using suspended tooling.



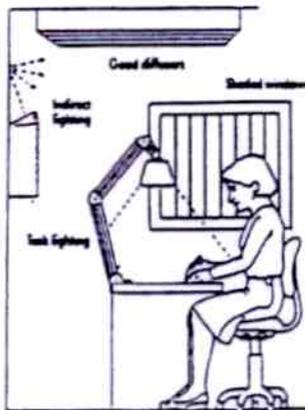
WORKSTATION DESIGN CONSIDERATIONS

STANDING

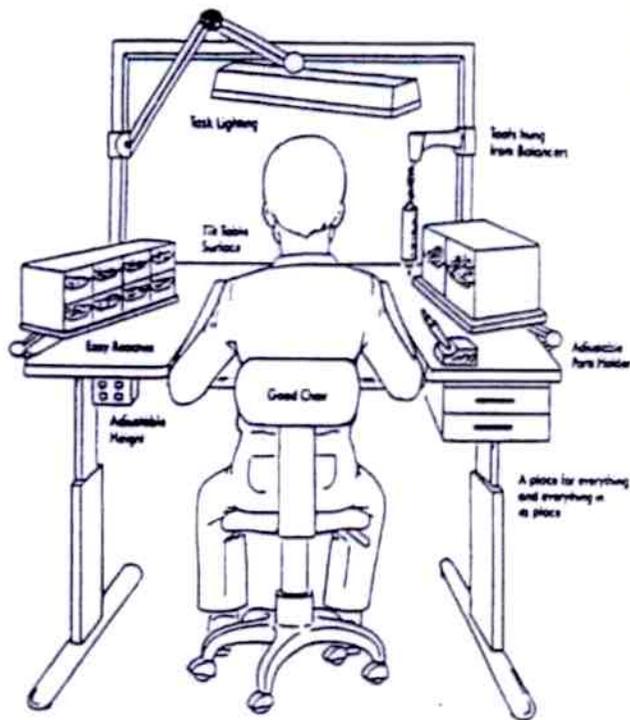
Continuous standing can cause fatigue and stress on your back, legs and feet particularly standing on hard surfaces. Opportunities to change positions, move around or alternate between sitting and standing, use anti-fatigue cushion mats and cushioned insole shoes will help greatly to reduce stress and fatigue.

SITTING

People whose entire working day requires them to sit deserve good chairs. Inadequate chairs can contribute to back stress, circulation problems, fatigue and discomfort. An alternate to chairs or stools is a "sit-lean" stand. Employees can prop themselves up against these supports which reduces certain exertion without really sitting. Employees are easily able to move around without the effort of getting in and out of a chair.



Designing the workplace for maintainability can also eliminate some awkward activities in the production process.



In the design of a workplace, consider:

Physical issues – furniture, equipment, heights, reaches, mobility, and good lighting

Usability – making the workplace user-friendly

Work organization – accounting for issues such as responsibility, job-decision latitude, and good work/rest schedules

DISPLAYS/SIGNS

Signs and labels should contrast with their background. In some situations, language and literacy may be an issue, and pictorials should be considered.

Digital displays are best when precise information is required.

Gauges are faster for giving general indication.

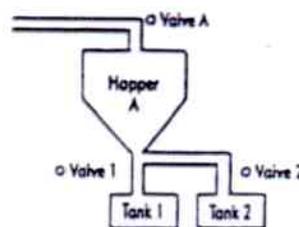
Displays help organize complex information, such as process controls.

Other design issues to consider are:

- a) Warnings must be distinct from all other signals. This may mean using a horn when many lights are displayed or a flashing light in a noisy environment.
- b) Patterns enable employees to recognize information quickly and accurately.
- c) Redundancy provides the same information in several forms and can reduce errors.

For example:

- 1) Warning signals that include both lights and sound.
- 2) Mailing addresses that include both a written address and a zip code.



MOST FREQUENTLY ASKED QUESTIONS

- 1 Q Are back-up alarms required?
A Only on construction sites or if a physical disability dictates. (Blind or deaf)
- 2 Q Can front end attachments or extended forks be added to forklifts? 4.2.1 & 4.2.2 ANSI
A Not without the manufacturer's prior written approval.
- 3 Q Are spinner knobs permitted? 4.2.7 (new 1993) ANSI
A Spinner knobs are permitted and must be within the periphery of the wheel and installed by the manufacturer.
- 4 Q If someone has been trained by a previous employer do they have to be retrained?
A See 4.19.2 ANSI and compare to new 1910.178 (I)(6)(ii). It is possible that prior experience and training could suffice under the new law. However, documentation requirements under the new standard make it extremely difficult such that new operators will require training in almost all circumstances.
- 5 Q Are seat belts and/or wing end seats required? 5.3.19 ANSI
A If seat belts or wing end seats are installed they must be used. They may not be added or removed from the lift except by manufacturer or their representative.
- 6 Q How often do forklifts have to be inspected? 5.5.1 ANSI
A At the beginning of each shift.
- 7 Q How do LP tanks have to be installed?
A They must be oriented on the locator pin when mounted horizontally.
1910.110 (e)(5)(iv)(b)
- 8 Q Can more than one person ride on a forklift?
A No, unless there is a second seat installed by the manufacturer for that purpose.

- 9 Q May dock locks be used as a substitute for chocks?
- A Yes, if the dock lock has been locked to the IC Bar and verified.
See OSHA Instruction STD 1-11.7 dated August 5th, 1981
- 10 Q Are hard hats required to be worn by operators when operating lifts? 1910.132 (d)(1)
- A Yes, if the company has performed a personal protective equipment hazard assessment and has determined the use of hard hats may prevent an accident.
- 11 Q Are fixed jacks required? 1910.178 (k)(3)
- A If there is a danger from the weight of the load being loaded to the front end of the truck when the tractor is uncoupled from the trailer, fixed jacks must be used.
- 12 Q Do both rear wheels need to be chocked?
- A Yes, both sides
- 13 Q Whose responsibility is it to chock the wheels, the truck driver or the lift operator?
- A Either, but the lift operator must verify the wheels have been chocked.
- 14 Q Are scissors lifts and "cherry picker" type lifts covered by the powered industrial truck standard?
- A No - these are specialized lifts. See generally CFR 1910.66 & 67 or the Construction Standards.

POWERED INDUSTRIAL TRUCKS

STATISTICS THE STANDARD

The following section (I) of CFR 1910.178 titled "Operator Training" replace the ~~former~~ section. The ~~former~~ standard is comprehensive and related solely to training. This change indicates the emphasis OSHA places on training as a means to improve workplace safety.

1910.178 Powered industrial trucks.

(I) Operator training.

(1) Operator qualifications

- (i) The employer shall ensure that each potential operator of a powered industrial truck is capable of performing the duties that are required of the job.
- (ii) In determining operator qualifications, the employer shall ensure that each potential operator has received the training required by this paragraph (I), that each potential operator has been evaluated by a designated person while performing the required duties, and that each potential operator performs those operations competently.

(2) Training program implementation

- (i) The employer shall implement a training program and ensure that only trained drivers who have successfully completed the training program are allowed to operate powered industrial trucks. Exception: Trainees under the direct supervision of a designated person shall be allowed to operate a powered industrial truck provided the operation of the vehicle is conducted in an area where other employees are not near and the operation of the truck is under controlled conditions.
- (ii) Training shall consist of a combination of classroom instruction (Lecture, discussion, video tapes, and/or conference) and practical training (demonstrations and practical exercises by the trainee)
- (iii) All training and evaluations shall be conducted by a designated person who has the requisite knowledge, training and experience to train powered industrial truck operators and judge their competency.

(3) Training program content

Powered industrial truck operator trainees shall be trained in the following topics unless the employer can demonstrate that some of the topics are not needed for safe operation.

- (i) Truck related topics.
 - (A) All operating instructions, warnings and precautions for the types of trucks the operator will be authorized to operate;
 - (B) Similarities to and differences from the automobile;
 - (C) Controls and instrumentation, location, what they do and how they work;

- (D) Power plant operation and maintenance.
- (E) Steering and maneuvering.
- (F) Visibility (including restrictions due to loading).
- (G) Fork and attachment adaptation, operation and limitations of their utilization.
- (H) Vehicle capacity.
- (I) Vehicle stability.
- (J) Vehicle inspection and maintenance.
- (K) Refueling or charging, recharging batteries.
- (L) Operating limitations, and
- (M) Any other operating instruction, warning or precaution listed in the operator's manual for the type vehicle which the employee is being trained to operate

(ii) *Workplace related topics*

- (A) Surface conditions where the vehicle will be operated.
- (B) Composition of probable loads and load stability.
- (C) Load manipulation, stacking, un-stacking.
- (D) Pedestrian traffic.
- (E) Narrow aisles and other restricted places of operation.
- (F) Operating in hazardous classified locations.
- (G) Operating the truck on ramps and other sloped surfaces that could affect the stability of the vehicle.
- (H) Other unique or potentially hazardous environmental conditions that exist or may exist in the workplace, and
- (I) Operating the vehicle in closed environments and other areas where insufficient ventilation could cause a buildup of carbon monoxide or diesel exhaust.

(iii) The requirements of this section.

(4) Evaluation and refresher or remedial training

- (i) Sufficient evaluation and remedial training shall be conducted so that the employee retains and uses the knowledge, skills and ability needed to operate the powered industrial truck safely.
- (ii) An evaluation of the performance of each powered industrial truck operator shall be conducted at least annually by a designated person.
- (iii) Refresher or remedial training shall be provided when there is reason to believe that there has been unsafe operation, when an accident or a near-miss occurs or when an evaluation indicates that the operator is not capable of performing the assigned duties.

(5) Certification

- (i) The employer shall certify that each operator has received the training, has been evaluated as required by this paragraph, and has demonstrated competency in the performance of the operator's duties. The certification shall include the name of the trainee, the date of training, and the signature of the person performing the training and evaluation.
- (ii) The employer shall retain the current training materials and course outline or the name and address of the person who conducted the training if it was conducted by an outside trainer

(6) Avoidance of Duplication Training

(i) Each current truck operator who has received training in any of the elements specified in paragraph (I)(3) of this section for the type of trucks the employee is authorized to operate and the type workplace that the trucks are being operated in need not be retrained in those elements if the employer certifies in accordance with paragraph (I)(5)(i) of this section that the operator has been evaluated to be competent to perform those duties

(ii) Each new truck operator who has received training in any of the elements specified in paragraph (I)(3) of this section for the types of trucks the employee will be authorized to operate and the type of workplace in which the trucks will be operated need not be retrained in those elements before initial assignment in the workplace if the employer has written documentation of the training and if the employee is evaluated pursuant to paragraph (I)(4) of this section to be competent.

77-15
Note to paragraph (I): Appendices A and B at the end of ~~the~~ section provide non-mandatory guidance to assist employers in implementing this paragraph (I).

Appendixes to 1910.178

(Non-mandatory appendix to paragraph (I) of this section)

A-1. Operator Selection

A-1.1. Prospective operators of powered industrial trucks should be identified based upon their ability to be trained and accommodated to perform job functions that are essential to the operation of a powered industrial truck. Determination of the capabilities of a prospective operator to fulfill the demands of the job should be based upon the tasks that the job demands.

A-1.2. The employer should identify all the aspects of the job that the employee must meet/perform when doing his or her job. These aspects could include the level at which the employee must see and hear, the physical demands of the job, and the environmental extremes of the job.

A-1.3. One factor to be considered is the ability of the candidate to see and hear within reasonably acceptable limits. Included in the vision requirements are the ability to see at distance and peripherally. In certain instances, there also is a requirement for the candidate to discern different colors, primarily red, yellow and green.

A-1.4. The environmental extremes that might be demanded of a potential powered industrial truck operator include that ability of the person to work in areas of excessive cold or heat.

A-1.5. After an employee has been trained and appropriate accommodations have been made, the employer needs to determine whether the employee can safely perform the job.

A-2. The Method(s) of Training

A-2.1 Among the many methods of training are the lecture, conference, demonstration, test (written and/or oral) and the practical exercise. In most instances, a combination of these methods have been successfully used to train employees in the knowledge, skills and abilities that are essential to perform the job function that the employee is being trained to perform. To enhance the training and to make the training more understandable to the employee, employers and other trainers have used movies, slides, video tapes and other visual presentations. Making the presentation more understandable has several advantages including

- (1) The employees being trained remain more attentive during the presentation if graphical presentation are used, thereby increasing the effectiveness of the training,
- (2) The use of visual presentations allows the trainer to ensure that the necessary information is covered during the training,
- (3) The use of graphics makes better utilization of the training time by decreasing the need for the instructor to carry on long discussions about the instructional material,

A-3 Training Program Content

A-3.1 Because each type (make and model) powered industrial truck has different operating characteristics, limitations and other unique features, an optimum employee training program for powered industrial truck operators must be based upon the type vehicles that the employee will be trained and authorized to operate. The training must also emphasize the features of the workplace which must include the general safety rules applicable to the operation of all powered industrial trucks.

A-3.2 Selection of the methods of training the operators has been left to the reasonable determination of the employer. Whereas some employees can assimilate instructional materials while seated in a classroom, other employees may learn best by observing the conduct of operations (demonstration) and/or by having to personally conduct the operations (practical exercise). In some instances, an employee can receive valuable instruction through the use of electronic mediums, such as the use of video tapes and movies. In most instances, a combination of the different training methods may provide the mechanism for providing the best training in the least amount of time. OSHA has specified at paragraph (I)(2)(ii) of this section that the training must consist of a combination classroom instruction and practical exercise. The use of both these modes of instruction is the only way of assuring that the trainee has received and comprehended the instruction and can utilize the information to safely operate a powered industrial truck.

A-4. Initial Training

A-4.1 The following is an outline of a generalized forklift operator training program.

- (1) Characteristics of the powered industrial truck(s) the employee will be allowed to operate:
 - (a) Similarities to and differences from the automobile,
 - (b) Controls and instrumentation: location, what they do and how they work,
 - (c) Power plant operation and maintenance,
 - (d) Steering and maneuvering,

- (e) Visibility.
 - (f) Fork and/or attachment adaption, operation and limitations of their utilization.
 - (g) Vehicle stability.
 - (i) Vehicle inspection and maintenance.
 - (j) Refueling or charging, recharging batteries.
 - (k) Operating limitations.
 - (l) Any other operating instruction, warning or precaution listed in the operator's manual for the type vehicle which the employee is being trained to operate.
- (2) The operating environment
- (a) Floor surfaces and/or ground conditions where the vehicle will be operated.
 - (b) Composition of probable loads and load stability.
 - (c) Load manipulation, stacking un-stacking.
 - (d) Pedestrian traffic.
 - (e) Narrow aisle and restricted place operation.
 - (f) Operating in classified hazardous locations.
 - (g) Operating the truck on ramps and other sloped surfaces that could affect the stability of the vehicle.
 - (h) Other unique or potentially hazardous environmental conditions that exist or may exist in the workplace.
 - (i) Operating the vehicle in closed environments and other areas where insufficient ventilation could cause a buildup of carbon monoxide or diesel exhaust.
- (3) The requirements of this OSHA Standard.

A-5. Trainee Evaluation

A-5.1. The provisions of these proposed requirements specify that an employee evaluation be conducted both as part of the training and after completion of the training.

The initial evaluation is useful for many reasons, including:

- (1) the employer can determine what methods of instruction will produce a proficient truck operator with the minimum of time and effort,
- (2) the employer can gain insight into previous training that the trainee has received, and
- (3) a determination can be made as to whether the trainee will be able to successfully operate a powered industrial truck. This initial evaluation can be completed by having the employee fill out a questionnaire, by an oral interview, or by a combination of these mechanisms. In many cases, answers received by the employee can be substantiated by contact with other employees or previous employers.

A-6. Refresher or Remedial Training

A-6.1 (The type information listed at paragraph A-6.2 of this appendix would be used when the training is more than an on-the-spot corrections having to be made.) When an on-the-spot correction is used, the person making the correction should point out the incorrect manner of operation of the truck or other unsafe act being conducted, tell the employee how to do the operation correctly, and then ensure that the employee does the operation correctly.

A-6.2. The following items may be used when a more general, structured retraining program is utilized to train employees and eliminate unsafe operation of the vehicle:

- (1) Common unsafe situations encountered in the workplace.
- (2) Unsafe methods of operating observed or known to be used.
- (3) The need for constant attentiveness to the vehicle, the workplace conditions and the manner in which the vehicle is operated.

A-6.3. Details about the above subject areas need to be expanded upon so that the operator received all the information which is necessary for the safe operation of the vehicle. Insight into some of the specifics of the above subject areas may be obtained from the vehicle manufacturers' literature, the national consensus standards [e.g. the ANSIB56 series of standards (current revisions)] and this OSHA Standard.

Appendix B—Stability of Powered Industrial Trucks

(Non-mandatory appendix to paragraph (I) of this section)

B.1 Definitions

To understand the principle of stability, understanding definitions of the following is necessary:

Center of gravity is that point of an object at which all of the weight of an object can be considered to be concentrated.

Counterweight is the weight that is a part of the basic structure of a truck that is used to offset the weight of a load and to maximize the resistance of the vehicle to tipping over.

Fulcrum is the axis of rotation of the truck when it tips over.

Grade is the slope of any surface that is usually measured as the number of feet of rise or fall over a hundred foot horizontal distance (this measurement is designated as a percent).

Lateral stability is the resistance of a truck to tipping over sideways.

Line of action is an imaginary vertical line through the center of gravity of an object.

Load center is the horizontal distance from the edge of the load (or the vertical face of the forks or other attachment) to the line of action through the center of gravity of the load.

Longitudinal stability is the resistance of a truck to overturning forward or rearward.

Moment is the product of the weight of the object times the distance from a fixed point. In the case of a powered industrial truck, the distance is measured from the point that the truck will tip over to the line of action of the object. The distance is always measured perpendicular to the line of action.

Track is the distance between wheels on the same axle of the vehicle.

Wheelbase is the distance between the centerline of the front and rear wheels of a vehicle

B-2 General

B-2.1 Stability determination for a powered industrial truck is not complicated once a few basic principles are understood. There are many factors that influence vehicle stability. Vehicle wheelbase, track, height and weight distribution of the load, and the location of the counterweights of the vehicle (if the vehicle is so equipped), all contribute to the stability of the vehicle.

B-2.2 The "stability triangle", used in most discussions of stability, is not mysterious but is used to demonstrate truck stability in rather simple fashion.

B-3 Basic Principles

B-3.1 The determination of whether an object is stable is dependent on the moment of an object at one end of a system being greater than, equal to or smaller than the moment of an object at the other end of that system. This is the same principle on which a see saw or teeter-totter works, that is, if the product of the load and distance from the fulcrum (moment) is equal to the moment at the other end of the device, the device is balanced and it will not move. However, if there is a greater moment at one end of the device, the device will try to move downward to the end with the greater moment.

B-3.2 Longitudinal stability of a counterbalanced powered industrial truck is dependent on the moment of the vehicle and the moment of the load. In other words, if the mathematic product of the load moment (the distance is from the front wheels, the point about which the vehicle would tip forward) the system is balanced and will not tip forward. However, if the load-moment is greater than the vehicle-moment, the greater load-moment will force the truck to tip forward.

B-4 The Stability Triangle

B-4.1 Almost all counterbalanced powered industrial trucks have a three point suspension system, that is, the vehicle is supported at three points. This is true even if it has four wheels. The steer axle of most trucks is attached to the truck by means of a pivot pin in the center of the axle. This three point support forms a triangle called the stability triangle when the points are connected with imaginary lines. Figure 1 depicts the stability triangle.

B-4.2 When the line of action of the vehicle or load-vehicle falls within the stability triangle, the vehicle is stable and will not tip over. However, when the line of action of the vehicle or the vehicle/load combination falls outside the stability triangle, the vehicle is unstable and may tip over. (See Figure 2.)

Definition

Chemical Information List -- Written record of all of the hazardous chemicals present at your job site. The Chemical Information List (CIL) provides valuable information to you and to fire fighters about the type and the location of the materials classified as hazardous that are present at your job site

OSHA Requirements

Your Chemical Information List must

1. List the hazardous chemicals known to be present at your job site
2. Use an identity [for the chemical] that is referenced on the appropriate MSDS
3. Apply to the job site as a whole or to individual work areas

NOTE: The Chemical Information List should record all of the hazardous chemicals for which you have a MSDS, and you should have a MSDS for every hazardous chemical on the Chemical Information List.

MATERIAL SAFETY DATA SHEET

Heading and Manufacturer's Data

Material Safety Data Sheet

May be used to comply with OSHA's Hazard Communication Standard, 29 CFR 1910.1200. Standard must be consulted for specific requirements.

U.S. Department of Labor

Occupational Safety and Health Administration
(Non-Mandatory Form)
Form Approved
OMB No. 1218-0072



IDENTITY (As Used on Label and List) ①		<i>Note: Blank spaces are not permitted. If any item is not applicable, or no information is available, the space must be marked to indicate that.</i>	
Section I			
Manufacturer's Name ②		Emergency Telephone Number ②	
Address (Number, Street, City, State, and ZIP code)		Telephone Number for Information ②	
		Date Prepared	
		Signature of Preparer (optional) ②	

1. How is this chemical referred to?
How many names exist for this chemical?
2. Who is responsible for preparing or distributing this MSDS?
Who can I contact for more information about this chemical and about any emergency procedures to follow?

MATERIAL SAFETY DATA SHEET

Hazardous Ingredients General Terms

1. Hazardous Components -- The chemical and common name of hazardous ingredients, including all synonyms

ANSWERS: Is this chemical a mixture? What are the hazards of the individual ingredients?

2. PEL -- Permissible Exposure Limit, or the concentration of a chemical to which you may be exposed without ill effects for 8 hours daily, 40 hours per week, for the rest of your career. PEL is expressed in parts per million (ppm), parts per billion (ppb), or milligrams per cubic meter (mg/m³). PEL is the exposure limit set by OSHA

NOTE: The Permissible Exposure Limit can vary from one person to another, depending on habits of personal hygiene, smoking, and other factors. The PEL for one person may not be the same as the PEL for another person.

ANSWERS: How much of this chemical can I be exposed to 8 hours per day, 40 hours per week, for the rest of my career without any ill effects?

3. TLV -- Threshold Limit Value, or the concentration of a chemical to which you may be exposed without ill effects for 8 hours daily, 40 hours per week, for the rest of your career. TLV is the permissible exposure limit used by the American Conference of Governmental Industrial Hygienists (ACGIH)

ANSWERS: How much of this chemical can I be exposed to 8 hours per day, 40 hours per week, for the rest of my career without any ill effects?

4. Percent (%) -- The percentage of the total substance accounted for by a hazardous ingredient

ANSWERS: How much of this substance is made of a hazardous ingredient?

5. Other Limits -- Limits recommended by the manufacturer or importer of the hazardous substance

ANSWERS: What other limits should I know about?

6. CAS Number -- Chemical Abstracts Service number that specifically identifies chemicals

ANSWERS: How can I find the specific chemical name of this substance as it is identified by the Chemical Abstracts Service?

MATERIAL SAFETY DATA SHEET

Hazardous Ingredients

Section II - Hazardous Ingredients/Identity Information

Hazardous Components (Specific Chemical Identity; Common Name(s))	OSHA PEL	ACGIH TLV	Other Limits Recommended	% (optional)
①	②	②	④	③
⑤				

1. Is this chemical a mixture?
What are the hazards of the individual ingredients?
2. How much of this chemical can I be exposed to 8 hours per day, 40 hours per week, for the rest of my career without any ill effects?
3. How much of this substance is made of a hazardous ingredient?
4. What other limits should I know about?
5. How can I find the specific chemical name of this substance as it is identified by the Chemical Abstracts Service?

Physical/Chemical Data
General Terms

1. Boiling Point -- The temperature at which a liquid changes to a vapor, usually given in degrees Fahrenheit at the sea-level pressure of 14.70 psi (760 millimeters of mercury)

ANSWERS: At what temperature will this chemical change to a vapor (to become a possible inhalation hazard)?

2. Vapor Pressure -- The pressure exerted by a saturated vapor -- a vapor at the temperature of the boiling point corresponding to its pressure -- above its own liquid, expressed in millimeters of mercury (Hg). Usually, the higher the vapor pressure, the faster the liquid will enter the air

ANSWERS: How fast does this chemical enter the air (to become a possible inhalation hazard)?

3. Vapor Density -- The ratio of the density of a volume of vapor to the density of an equal volume of air. Air has a vapor density of (1). Vapors with a density less than (1) rise in air, while those with a density greater than (1) sink

ANSWERS: Will this chemical as a vapor rise or sink in the air? (If the vapor rises in air, then it could become a possible inhalation hazard.)

4. Specific Gravity -- The ratio of the weight of a volume of material compared to the weight of an equal volume in water. Water has a specific gravity of (1). Liquids and solids with a specific gravity less than (1) float on water, while those with a specific gravity greater than (1) sink

ANSWERS: Will this chemical float on water or sink?

5. Evaporation Rate -- The rate at which a substance will vaporize, compared to the rate of vaporization of a known substance such as butyl acetate

ANSWERS: How fast does this chemical enter the air (to become a possible inhalation hazard)?

6. Solubility in Water -- The amount of a substance that can be dissolved in a given volume of water, usually expressed as milligrams per liter (mg/l)

7. Appearance and Odor -- The appearance and/or odor of the substance

ANSWERS: Can I detect this chemical by the way it looks and/or by the way it smells?

MATERIAL SAFETY DATA SHEET

Physical/Chemical Data

Section III - Physical/Chemical Characteristics

Boiling Point	①	Specific Gravity (H ₂ O=1)	④
Vapor Pressure (mm Hg)	②	Melting Point	
Vapor Density (Air=1)	③	Evaporation Rate (Butyl Acetate=1)	⑤
Solubility in Water	⑥		
Appearance and Odor	⑦		

1. At what temperature will this chemical change to a vapor (to become a possible inhalation hazard)?
2. How fast does this chemical enter the air (to become a possible inhalation hazard)?
3. Will this chemical as a vapor rise or sink in the air? (If the vapor rises in air, then it could become a possible inhalation hazard.)
4. Will this chemical float on water or sink?
5. How fast does this chemical enter the air (to become a possible inhalation hazard)?
6. Can this chemical be mixed in water?
7. Can I detect this chemical by the way it looks and/or by the way it smells?

MATERIAL SAFETY DATA SHEET

Fire and Explosion Hazards General Terms

1. Flash Point -- The lowest temperature at which a liquid will ignite in the presence of a flame, but will not continue to burn. Usually expressed in degrees Fahrenheit. Should also indicate the method of determining the flash point, since different methods result in different figures

The lower the flash point, the higher the flammability of the liquid

ANSWERS: How flammable is this chemical as a liquid? How soon will the liquid burst into flame (become a possible fire and explosion hazard) in the presence of an ignition source?

2. Flammable (Explosive) Limits -- The range over which a vapor mixed with air will flash or explode in the presence of an ignition source (instead of burning). The range is between the LEL (Lower Explosive Limit) and the UEL (Upper Explosive Limit). LEL and UEL show the lowest and the highest amount of a chemical (percentage) in a mixture of the chemical with the air, that will cause the mixture to be explosive (See below)

Higher Hazard if

1. Chemical has a low LEL -- A small amount of the chemical in air can explode
2. Chemical has a wide range between LEL and UEL -- Chemical in air can explode under many conditions

Lower Hazard if

1. Chemical has a narrow range between LEL and UEL -- Chemical in air can explode only under certain conditions

ANSWERS: How explosive is this chemical in air?

3. Extinguishing Media -- Substances needed to control the hazardous material in case of fire. Uses generic names such as water, sand, fog, foam, dry chemical, etc

ANSWERS: What equipment do I need to put out a fire that involves this chemical?

4. Special Firefighting Procedures -- The "substance-specific" procedures to follow to control a fire emergency

ANSWERS: What should I do (and not do) when responding to a fire that involves this chemical?

5. Unusual Fire/Explosion Hazards -- Any fire hazards from burning or overheating the hazardous material, such as chemical reactions, changes in the material's composition, or other hazards in extinguishing the fire

ANSWERS: What other hazards could result if this chemical burns or explodes?

MATERIAL SAFETY DATA SHEET

Fire and Explosion Hazards

Section IV - Fire and Explosion Hazard Data

Flash point	①	Flammable Limits	②	LEL	UEL
Extinguishing Media	③				
Special Fire Fighting Procedures	④				
Unusual Fire and Explosion Hazards	⑤				

1. How flammable is this chemical as a liquid?
How soon will the liquid burst into flame (to become a possible fire and explosion hazard) in the presence of an ignition source?
2. How explosive is this chemical in air?
3. What equipment do I need to put out a fire that involves this chemical?
4. What should I do (and NOT do) when responding to a fire that involves this chemical?
5. What other hazards could result if this chemical burns or explodes?

MATERIAL SAFETY DATA SHEET

Reactivity Hazards
General Terms

1. Stability -- Indicates whether a chemical is stable or unstable under normal conditions, and includes any conditions to avoid

ANSWERS: Under what conditions is this chemical stable and unstable? What conditions should I avoid?

2. Incompatibility -- Any materials that should not be in contact with the chemical

ANSWERS: What materials should I keep away from this chemical?

3. Hazardous Decomposition/By-Products -- Any hazardous substances produced by the hazardous material as a result of burning, reacting with other substances, or other processes

ANSWERS: What other hazardous substances could be created by this chemical, and under what conditions?

4. Hazardous Polymerization -- The change in energy level when two or more molecules of the hazardous material combine to form a repeating structural unit. Includes any conditions to avoid

ANSWERS: What could happen if the chemical changes, and under what conditions could it change?

Section V - Reactivity Data

Stability	Unstable	①	Conditions to Avoid	①
	Stable	①		
Incompatibility (<i>Materials to Avoid</i>)		②		
Hazardous Decomposition or Byproducts		③		
Hazardous Polymerization	May Occur	④	Conditions to Avoid	④
	Will not Occur	④		

1. Under what conditions is this chemical stable and unstable? What conditions should I avoid?
2. What materials should I keep away from this chemical?
3. What other hazardous substances could be created by this chemical, and under what conditions?
4. What could happen if the chemical changes, and under what conditions could it change?

HAZARDOUS MATERIALS

ROUTES OF ENTRY

Route	Examples	Precautions*
Inhalation	Breathing mists, dust, vapors, particles	Use adequate and proper ventilation Wear personal protective equipment such as respirators, gloves
Absorption	Being exposed to a hazardous material through the skin	Wear personal protective equipment such as gloves Keep hazardous substances in designated areas only Clean up spills and leaks immediately Avoid direct contact with a hazardous material -- wash thoroughly after contact
Ingestion	Swallowing something that has become contaminated Touching the mouth with a hand after contact with a hazardous substance	Keep hazardous substances in designated areas only Wear personal protective equipment such as gloves Wash thoroughly after contact and before touching anything Allow no food items in work areas with hazardous substances

*Examples of possible solutions only. Always check the Material Safety Data Sheet for specific precautions to take.

MATERIAL SAFETY DATA SHEET

Health Hazards
General Terms

1. Route(s) of Entry -- Can the chemical be (1) inhaled, (2) absorbed through the skin, or (3) ingested?

ANSWERS: Can this chemical be a health hazard if I inhale, absorb, or eat it somehow?

2. Health Hazards -- Any acute (short-term) or chronic (long-term) health hazards associated with the chemical

ANSWERS: Can this chemical have any possible short-term or long-term health effects?

3. Carcinogen -- If the chemical is a carcinogen (cancer-causing), based on ratings from

National Toxicology Program (NTP), Annual Report on Carcinogens (latest edition), or

International Agency for Research on Cancer (IARC), Monographs (latest editions), or

Occupational Safety and Health Administration (OSHA), 29 CFR Part 1910, Subpart Z, Toxic and Hazardous Substances

NOTE: The National Institute for Occupational Safety and Health (NIOSH) publishes the Registry of Toxic Effects of Chemical Substances. The Registry indicates whether a chemical has been found to be a potential carcinogen by NTP or IARC.

ANSWERS: Could this chemical cause cancer?

4. Signs/Symptoms of Exposure -- The most common signs or symptoms of overexposure to the hazardous material. Includes signs and symptoms from both acute and chronic exposure

ANSWERS: What are possible signs of short-term and long-term overexposure to this chemical?

5. Emergency/First-Aid Procedures -- The "substance-specific" emergency and first-aid procedures for treating cases of overexposure to the hazardous material

ANSWERS: What first-aid or emergency procedures should I follow in case of overexposure to this chemical?

6. Medical Conditions -- Any medical conditions that may be aggravated or worsened due to overexposure to the hazardous material

ANSWERS: Do I have any medical conditions that could be aggravated or worsened if I am overexposed to this chemical?

MATERIAL SAFETY DATA SHEET

Health Hazards

Section VI - Health Hazard Data

Route(s) of Entry:	Inhalation?	Skin?	Ingestion?
Health Hazards (Acute and Chronic)	②	①	
Carcinogenicity:	③	NTP?	AIRC Monographs? OSHA Regulated?
Signs & Symptoms of Exposure	④		
Medical Conditions Generally Aggravated by Exposure	⑥		
Emergency and First Aid Procedures	⑤		

1. Can this chemical be a health hazard if I inhale, absorb, or ingest it somehow?
2. Can this chemical have any possible short-term or long-term health effects?
3. Could this chemical cause cancer?
4. What are possible signs of short-term and long-term overexposure to this chemical?
5. What first-aid or emergency procedures should I follow in case of overexposure to this chemical?
6. Do I have any medical conditions that could be aggravated or worsened if I am overexposed to this chemical?

Special Precautions or
Precautions for Safe Handling and Use
General Terms

1. Spill/Leak Procedures -- Methods for controlling spills and leaks involving the chemical, including the equipment needed and any precautions to take

ANSWERS: How should I control a spill or leak that involves this chemical?

2. Waste Disposal Method -- The permissible and the prohibited method(s) for disposing of the hazardous waste created by the chemical during operations and processes

ANSWERS: How can I safely dispose of any waste products from this chemical?

3. Handling/Storing Precautions -- Any special handling and/or storage precautions to take with the hazardous material

ANSWERS: How should I safely handle and store this chemical?

4. Other Precautions -- Any other precautions to take when using the hazardous material

ANSWERS: Should I follow any other precautions with this chemical?

Section VII - Precautions for Safe Handling and Use

Steps to Be Taken in Case Material is Released or Spilled

①

Waste Disposal Method

②

Precautions to Be Taken in Handling and Storing

③

Other Precautions

④

1. How should I control a spill or leak that involves this chemical?
2. How can I safely dispose of any waste products from this chemical?
3. How should I safely handle and store this chemical?
4. Should I follow any other precautions with this chemical?

Control Measures
General Terms

1. Respiratory Protection -- The types of required breathing protection when using the chemical

ANSWERS: What kinds of respiratory equipment must I use with this chemical (such as respirator, gas mask, hood, suit, etc.)?

2. Ventilation -- The types of required ventilation around the chemical, such as local exhaust, mechanical, special, or other forms of ventilation

ANSWERS: Are special types of ventilation required in areas where this chemical is used?

3. Eye Protection -- The types of required eye protection when using the chemical

ANSWERS: What kinds of eye protection must I use with this chemical (such as goggles, face shield, etc.)?

4. Protective Gloves -- The types of protective gloves required when using the chemical

ANSWERS: What kinds of gloves must I use with this chemical (such as for protection against chemical reactions, extreme heat or cold, etc.)?

5. Work/Hygienic Practices -- The proper work and good health practices to follow when using the chemical

ANSWERS: What good health practices should I follow to help control the hazards from working with this chemical?

6. Other -- Any other kinds of protective clothing or equipment required or recommended when using the chemical

ANSWERS: Are other kinds of equipment and/or protective clothing needed when using this chemical?

NOTE: Using tobacco or smoking can affect your exposure to a hazardous chemical.

MATERIAL SAFETY DATA SHEET

Control Measures

Section VIII - Control Measures

Respiratory Protection (Specify Type)				①
Ventilation	Local Exhaust	②	Special	②
	Mechanical (General)	②	Other	②
Protective Gloves		④	Eye Protection	
Other Protective Clothing or Equipment				⑥
Work/Hygienic Practices				⑤

1. What kinds of respiratory equipment must I use with this chemical?
2. Are special types of ventilation required in areas where this chemical is used?
3. What kinds of eye protection must I use with this chemical?
4. What kinds of gloves must I use with this chemical?
5. What good health practices should I follow to help control the hazards from working with this chemical?
6. Are other kinds of equipment and/or protective clothing needed when using this chemical?

LABELS

Responsibilities for Labeling

NOTE: Check the applicable standards and OSHA guidelines.

Employers

1. ENSURE that each container of hazardous chemicals in the workplace is labeled, tagged or marked with (a) the identity of the hazardous chemical(s) in the container, and (b) appropriate hazard warnings

EXCEPTION: Employers are not required to label portable containers into which hazardous chemicals are transferred from labeled containers and which are intended only for the immediate use of the employee who performs the transfer.

2. NOT TO REMOVE or DEFACE existing labels on incoming containers of hazardous chemicals

EXCEPTION: Unless the container is immediately marked with the required information.

3. ENSURE that labels or other forms of warning are legible, in English, and prominently displayed on the container, or readily available in the work area throughout each work shift

EXCEPTION: Employers having employees who speak other languages may add the information in their language to the material presented, as long as the information is also presented in English.

4. USE (at the employer's choice) signs, placards, process sheets, batch tickets, operating procedures or other written materials instead of affixing labels to individual stationary process containers

DEPARTMENT OF LABOR

Payment Method Instructions

Two methods are available to pay certified employees in the sheltered workshops. One method is by piece rate and the other is an hourly rate. You must remember that according to the Department of Labor, "an individual whose earning or productive capacity is not impaired for the work being performed cannot be employed under a certificate issued pursuant to this part and must be paid at least the applicable minimum wage. An individual whose earning or productive capacity is impaired to the extent that the individual is unable to earn at least the applicable minimum wage, may be paid a commensurate wage, but only after the employer has obtained a certificate authorizing payment of special minimum wages from the appropriate office of the Wage and Hour Division of the Department of Labor." Workers paid under special minimum wage certificates shall be paid wages commensurate with those paid experienced non-disabled workers employed in the vicinity in which they are employed for essentially the same type, quality, and quantity of work. ("Commensurate" wage is a special minimum wage paid to a worker with a disability which is based on the worker's individual productivity in proportion to the wage and productivity of experienced non-disabled workers performing the same type, quality, and quantity of work in the vicinity in which the individual under certificate is employed. For example, the commensurate wage of a worker with a disability who is 75% as productive as the average experienced non-disabled worker, taking into consideration the type, quality, and quantity of work of the disabled worker, would be set at 75% of the wage paid to the non-disabled worker. A commensurate wage is always a special minimum wage, i.e., a wage below the statutory minimum.

The following terms shall be met for workers with disabilities employed at hourly rates:

- 1) Hourly rates shall be based upon the prevailing hourly wage rates paid to experienced workers not disabled for the job doing essentially the same type of work and using similar methods for equipment in the vicinity.
- 2) An initial evaluation of workers productivity shall be made within the first month after employment begins in order to determine the worker's commensurate wage rate. The results of the evaluation shall be recorded and worker's wages shall be adjusted accordingly no later than the first complete pay period following the initial evaluation. Each worker is entitled to commensurate wages for all hours worked. Where the wages paid to the worker during pay periods prior to the initial evaluation were less than the commensurate wage indicated by the evaluation, the employer must compensate the worker for any such difference unless it can be demonstrated that the initial payments reflected the commensurate wage due at that time.
- 3) Upon completion of not more than six months of employment, a review shall be made with respect to the quantity and quality of work of each hourly rate worker with a disability as compared to that of non-disabled workers engaged in similar work or work requiring similar skills and the findings shall be recorded. The workers productivity shall then be reviewed and the findings recorded at least every six months there after. A review and recording of productivity shall also be made after a worker changes jobs and at least every six months there after. The workers wages shall be adjusted accordingly no later than the first complete pay period following each review. Conducting

reviews at six month intervals should be viewed as a minimum requirement since workers with disabilities are entitled to commensurate wages for all hours worked. Reviews must be conducted in a manner and frequency to insure payment of commensurate wages. For example, evaluations should not be conducted before a worker has had an opportunity to become familiar with the job or at a time when the worker is fatigued or subject to conditions that result in less than normal productivity.

- 4) Each review should contain, as a minimum and in addition to the data cited above, the following: name of the individual being reviewed; date and time of the review, and name/position of the individual doing the review.

In establishing **piece rates** for workers with disabilities, the following criteria shall be used.

- 1) Industrial work measurement methods such as stop watch time studies, predetermined time systems, standard data, or other measurement methods (hereinafter referred to as "work measurement methods") shall be used by the employer to establish standard production rates of workers not disabled for the work to be performed. The employer has the responsibility of demonstrating that a particular method is generally accepted by industrial engineers and has been properly executed. No specific training or certification will be required. Where work measurement methods have already been applied by another employer or source, and documentation exists to show that the methods used are the same, it is not necessary to repeat these methods to establish production standards.
 - a) The piece rates shall be based on the standard production rates (number of units an experienced worker not disabled for the work is expected to produce per hour) and the prevailing industry wage rate paid experienced non-disabled workers in the vicinity for essentially the same type and quality of work or for work requiring similar skill. (Prevailing industry wage rate divided by the standard number of units per hour equals the piece rate.)
 - b) Piece rates shall not be less than the prevailing piece rates paid experienced workers not disabled for the work doing the same or similar work in the vicinity when such piece rates exist and can be compared with the actual employment situations of the workers with disabilities.
- 2) Any work measurement method used to establish piece rates shall be verifiable through the use of established industrial work measurement techniques.
 - a) If stop watch time studies are made, they shall be made with a person or persons whose productivity represents normal or near normal performance. If their productivity does not represent normal or near normal performance, adjustments of performance shall be made. Such adjustments, sometimes called "performance rating" or "leveling" shall be made only by a person knowledgeable in this technique, as evidenced by

successful completion of training in this area. The persons observed should be given time to practice the work to be performed in order to provide them with an opportunity to overcome the initial learning curve. The persons observed shall be trained to use the specific work method and tools which are available to workers with disabilities employed under special minimum wage certificates.

- b) Appropriate time shall be allowed for personal time, fatigue, and unavoidable delays. Generally, not less than 15% allowances (9-10 minutes per hour) shall be used in conducting time studies.
- c) Work measurements shall be conducted using the same work method that will be utilized by the workers with disabilities. When modifications such as jigs or fixtures are made to production methods to accommodate special needs of individual workers with disabilities, additional work measurements need not be conducted where the modifications enable the workers with disabilities to perform the work or increase productivity but would impede a worker without disabilities. Where workers with disabilities do not have a method available to them, as for example where an adequate number of machines are not available, a second work measurement should be conducted.

ALL ABOUT THE EMPLOYMENT STANDARDS ADMINISTRATION

The Employment Standards Administration (ESA), the largest agency within the U.S. Department of Labor, enforces and administers laws governing legally-mandated wages and working conditions, including child labor, minimum wages, overtime and family and medical leave; equal employment opportunity in businesses with federal contracts and subcontracts; workers' compensation for certain employees injured on their jobs; internal union democracy and financial integrity, and union elections, which protect the rights of union members; and other laws and regulations governing employment standards and practices.

ESA and its four component programs - - the Office of Federal Contract Compliance Programs, the Office of Labor-Management Standards, the Office of Workers' Compensation Programs and the Wage and Hour Division - - have closely monitored and enforced laws protecting the wage, hours, equal employment opportunity, working conditions and injury compensation of workers. While each program has an established identity of its own, all work together to support, protect and defend the rights of American workers under these labor laws.

WAGE AND HOUR DIVISION

The Wage and Hour Division was established in 1938 to administer the landmark **Fair Labor Standards Act (FLSA)**, which includes minimum wage, overtime pay and child labor provisions. In 1938, about 12 million workers were covered by the then-minimum wage of 25 cents an hour. Today, more than 113 million full and part-time workers in the private sector and in federal, state and local governments are protected by the law. However, since 1938 the Wage and Hour Division's responsibilities have grown to include other laws and regulations which protect workers against unfair employment practices.

In addition to the FLSA, Wage and Hour has responsibility for enforcement and administration of a number of other labor laws. These programs include government contract labor standards statutes, the Migrant and Seasonal Agricultural Worker Protection Act, the Employee Polygraph Protection Act, various so-called "whistleblower" protection laws, and immigration laws which provide certain employment standards and worker protections.

The **Family and Medical Leave Act of 1993 (FMLA)**, which became effective August 5, 1993, requires private sector employers of 50 or more employees and public agencies to provide eligible employees up to 12 weeks of unpaid leave each year for the birth of a child, placement of an adopted or foster child; to care for a child, spouse or parent with a serious health condition; and, for the employee's own serious health condition. The FMLA also requires covered employers to continue health benefits coverage during the leave, and restoration of the employee upon completion of leave, to the same or an equivalent job.

The **Migrant and Seasonal Agricultural Workers Protection Act ((MSPA)** sets standards for

migrant and seasonal farmworkers regarding wages, housing, and transportation. MSPA requires that contractors of migrant farmworkers register with the federal government, and notify prospective workers of the wages and working conditions before they are hired. MSPA also requires that housing provided for the workers meet certain minimum standards for health and safety, and that workers be transported in vehicles that meet certain safety standards.

The Wage and Hour Division is also responsible for laws setting wage and hour standards for federal contractors. The **Davis-Bacon and Related Acts** cover workers on Federal construction contracts, and on construction contracts that are federally-financed in whole or in part. The **McNamara-O'Hara Service Contract Act** applies to workers on federal service contracts, and the **Walsh-Healey Public Contracts Act** applies to workers on federal supply contracts.

Wage and Hour also has certain responsibilities under the **Immigration and Nationality Act, as amended by the Immigration Reform and Control Act of 1986, the Immigration Nursing Relief Act of 1989, the Immigration Act of 1990, and the Miscellaneous Technical Amendments to the Immigration and Nationality Act.** The Immigration Reform and Control Act responsibilities include: (1) enforcement of the labor standards protections for temporary nonimmigrant agricultural workers admitted to the U.S. under the H-2A program; and (2) inspection for compliance with the recordkeeping requirements of the employer sanctions provisions.

The **Immigration Nursing Relief Act of 1989** provides for the enforcement of employment conditions attested to by employers of H-1A temporary alien nonimmigrant registered nurses. Similarly, the **Immigration Act of 1990**, as amended by the Miscellaneous Technical Amendments to the Immigration and Nationality Act, establishes worker protection provisions, to be enforced by the Wage and Hour Division, applicable to foreign students, nonimmigrant workers in "specialty occupations" and foreign crewmembers performing longshore work.

The **Employee Polygraph Protection Act** prohibits most private employers (federal, state and local government employers are exempted from the Act) from using any lie detector tests either for pre-employment screening or during the course of employment. Polygraph tests, but no other types of lie detector tests, are permitted under limited circumstances subject to certain restrictions.

The "whistleblower" protection laws prohibit discrimination against workers who complain about safety violations in certain industries (i.e., nuclear plants, water treatment plants, waste disposal plants, etc.). These laws protect workers who alert the proper authorities of dangers to the public safety.

The Wage and Hour Division's enforcement activities are carried out by Investigators in district and regional offices across the nation.

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

For more than 30 years, since 1965, the **Office of Federal Contract Compliance Programs (OFCCP)** has had the responsibility of assuring that employers doing business with the federal government comply with the equal employment opportunity (EEO) and the affirmative action provisions of their contracts. OFCCP administers and enforces three equal employment opportunity programs that apply to federal contractors and subcontractors: Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, and the affirmative action provisions of the Vietnam Era Veteran's Readjustment Assistance Act of 1974.

Executive Order 11246, as amended, prohibits covered federal contractors and subcontractors, and federally-assisted construction contractors and subcontractors, from discriminating in employment decisions on the basis of race, color, religion, sex or national origin. The order also requires federal contractors take affirmative action to ensure that equal opportunity is provided in all aspects of their employment.

Section 503 of the 1973 Rehabilitation Act, as amended, prohibits employment discrimination against qualified individuals with disabilities. Section 503 also imposes an affirmative duty upon contractors to accommodate the limitations of their employees with disabilities and to take steps to recruit, hire and advance in employment qualified individuals with disabilities.

The affirmative action provisions of the **Vietnam-Era Veterans Readjustment Assistance Act of 1974, as amended (38 USC 4212)** prohibit discrimination and require federal contractors and subcontractors to take affirmative action to employ and advance in employment veterans of Vietnam and special disabled veterans of all wars.

Federal contractors or subcontractors subject to the laws administered by OFCCP employ more than 22 percent of the U.S. labor force (26 million workers).

OFCCP enforces these equal employment opportunity and affirmative action requirements primarily through compliance reviews and complaint investigations. OFCCP's enforcement activities are carried out by compliance officers in district and regional offices across the nation, who conduct more than 4,000 compliance reviews and investigate more than 800 complaints each year.

OFCCP also shares enforcement authority for the regulations requiring equal employment opportunity and affirmative actions in apprenticeship programs; Title I of the American With Disabilities Act; the Immigration Reform and Control Act; and the Family and Medical Leave Act.

OFFICE OF LABOR-MANAGEMENT STANDARDS

Administers and enforces provisions of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA), and sections of various other acts (Postal Reorganization Act, Civil Service Reform Act and Foreign Service Act) within the responsibility of the Secretary of Labor. OLMS *seeks to promote internal union democracy and financial integrity and to protect the rights of union members*. OLMS also administers the Secretary of Labor's statutory responsibilities for the Transit Employee Protection Program and for other employee protection programs.

OFFICE OF WORKERS' COMPENSATION PROGRAMS

The Office of Workers' Compensation Programs (OWCP) had its origins in an organization established in 1916 to administer claims under the **Federal Employees' Compensation Act**. The program has existed since then under various names. Benefits are available under this Act and its amendments to more than three million federal white and blue collar employees, members of the Peace Corps and Vista volunteers.

OWCP also administers the **Longshore and Harbor Workers' Compensation Act of 1927**. This Act covers all maritime workers injured or killed upon the navigable waters of the U.S., as well as employees working on adjoining piers, docks and terminals, plus a number of other groups included

through an extension of the Act. Compensation under this Act is paid by employers who are self-insured, or through insurance policies provided by private insurers to employers.

The Black Lung Benefits Reform Act of 1977 is the third major program administered by OWCP. It provides monthly payments and medical treatment to coal miners totally disabled from pneumoconiosis (black lung) arising from their employment in the nation's coal mines, and monthly payments to their surviving dependents.

OWCP's compensation assistance is carried out by claims examiners in district offices across the nation.

Revised: November 25, 1996

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ADDITIONAL PROVISIONS OF FAIR LABOR STANDARDS AMENDMENTS OF 1977
(91 Stat. 1245)

[PUBLIC LAW 95-151]

[95TH CONGRESS] [FIRST SESSION]

AN ACT

To amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair Labor Standards Amendments of 1977."

[Sections 2(a) through 2(d) and sections 3 through 14, inclusive, of the Fair Labor Standards Amendments of 1977 amend the Fair Labor Standards Act of 1938, and are incorporated in their proper place in the Act.]

Increase in Minimum Wage

SEC. 2. * * *

(e) (1) There is established the Minimum Wage Study Commission (hereinafter in this subsection referred to as the "Commission") which shall conduct a study of the Fair Labor Standards Act of 1938 and the social, political, and economic ramifications of the minimum wage, overtime, and other requirements of that Act. Such study shall include but not be limited to —

(A) the beneficial effects of the minimum wage, including its effect in ameliorating poverty among working citizens;

(B) the inflationary impact (if any) of increases in the minimum wage prescribed by that Act;

(C) the effect (if any) such increases have on wages paid employees at a rate in excess of the rate prescribed by that Act;

(D) the economic consequence (if any) of authorizing an automatic increase in the rate prescribed in that Act on the basis of an increase in a wage, price, or other index;

(E) the employment and unemployment effects (if any) of providing a different minimum wage for youth, and the employment and unemployment effects (if any) on handicapped and aged individuals of an increase in such rate and of providing a different minimum wage rate for such individuals;

(F) the effect (if any) of the full-time student certification program on employment and unemployment;

(G) the employment and unemployment effects (if any) of the minimum wage;

(H) the exemptions from the minimum wage and overtime requirements of that Act;

(I) the relationship (if any) between the Federal minimum wage rates and public assistance programs, including the extent to which employees at such rates are also eligible to receive food stamps and other public assistance;

(J) the overall level of noncompliance with that Act; and

(K) the demographic profile of minimum wage workers.

(2) The Commission shall conduct a study concerning the extent to which the exemptions from the minimum wage and overtime requirements of the Fair Labor Standards Act of 1938 may apply to employees of conglomerates, and shall make a report, within one year after the date of the appointment of the members of the Commission, of the results of such study. For the purposes of this paragraph a "conglomerate" means an establishment (A) which controls, is controlled by, or is under common control with, another establishment the activities of which are not related for a common business purpose to the activities of the establishment employing such employees and (B) whose annual gross volume of sales made or business done, when combined with the annual gross volume of sales made or business done by each establishment which controls, is controlled by, or is under common control with, the establishment employing such employee, exceeds \$100,000,000 (exclusive of excise taxes at the retail level which are separately stated). The report shall include an analysis of the effects of eliminating the exemptions from the minimum wage and overtime requirements of such Act that may currently apply to the employees of such conglomerates.

(3) The Commission shall make a report of the results of the study conducted pursuant to paragraph (1) thirty-six months after the date of the appointment of the members of the Commission. The report shall include such recommendations for legislation as the Commission determines are appropriate. The Commission may make interim or additional reports which it determines are appropriate. Each report shall be made to the President and to the Congress. The Commission shall cease to exist thirty days after the submission of the report required by this paragraph.

(4) (A) The Commission shall consist of eight members as follows:

- (i) Two members appointed by the Secretary of Labor.
- (ii) Two members appointed by the Secretary of Commerce.
- (iii) Two members appointed by the Secretary of Agriculture.
- (iv) Two members appointed by the Secretary of Health, Education, and Welfare.

The appointments authorized under this paragraph shall be made within 180 days after the date of enactment of this subsection.

(B) The Chairperson shall be selected by the members of the Commission. Any vacancy in the Commission shall not affect its powers and shall be filled in the same manner in which the original appointment was made.

(C) (i) Except as provided in clause (ii), members of the Commission who are officers or employees of the Federal Government shall serve without compensation. Other members, while engaged in the activities of the Commission, shall be paid at a rate equal to the per diem equivalent of the annual rate payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(ii) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(5) (A) The Commission may prescribe such rules as may be necessary to carry out its duties under this subsection.

(B) The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as it deems advisable.

(C) Upon request of the Commission, the head of any Federal department or agency is authorized to detail, on a reimbursable basis, any of the personnel of such department or agency to the Commission to assist it in carrying out its duties under this subsection.

(D) The Department of Labor shall furnish such professional, technical, and research assistance as required by the Commission.

(E) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request to carry out its duties under this subsection.

(F) The Commission may secure directly from any department or agency of the United States such information as the Commission may require to carry out its duties under this subsection. Upon request of the Commission, the head of any such department or agency shall furnish such information to the Commission.

(G) The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(6) (A) The Chairperson may appoint an executive director of the Commission who shall perform such duties as the Chairperson may prescribe.

(B) With approval of the Chairperson, the executive director may appoint and fix the pay of such clerical personnel as are necessary for the Commission to carry out its duties.

(C) The executive director and staff shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates but at rates not in excess of the annual rate payable for grade GS-18 of the General Schedule under section 5332 of such title.

(D) The executive director, with the concurrence of the Chairperson, may obtain temporary and intermittent services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

Effective Date

SEC. 15. (a) Except as provided in sections 3, 14, and subsection (b) of this section, the amendments made by this Act shall take effect January 1, 1978.

(b) The amendments made by sections 8, 9, 11, 12, and 13 shall take effect on the date of the enactment of this Act.

(c) On and after the date of the enactment of this Act, the Secretary of Labor shall take such administrative action as may be necessary for the implementation of the amendments made by this Act.

Approved November 1, 1977.

ADDITIONAL PROVISIONS OF FAIR LABOR STANDARDS AMENDMENTS OF 1974
(88 Stat. 55)

[PUBLIC LAW 93-259]

[93RD CONGRESS] [SECOND SESSION]

AN ACT

To amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair Labor Standards Amendments of 1974."

[Sections 2 through 6(d)(1) and sections 7 through 27, inclusive, of the Fair Labor Standards Amendments of 1974 amend the Fair Labor Standards Act of 1938, and are incorporated in their proper place in the Act. Section 6(d)(2)(A) and (B) amends the Portal-to-Portal Act of 1947 and is set forth below.]

Federal and State Employees

SEC. 6. * * *

(2) (A) Section 6 of the Portal-to-Portal Pay Act of 1947 is amended by striking out the period at the end of paragraph (c) and by inserting in lieu thereof a semicolon and by adding after such paragraph the following:

"(d) with respect to any cause of action brought under section 16(b) of the Fair Labor Standards Act of 1938 against a State or a political subdivision of a State in a district court of the United States on or before April 18, 1973, the running of the statutory periods of limitation shall be deemed suspended during the period beginning with the commencement of any such action and ending one hundred and eighty days after the effective date of the Fair Labor Standards Amendments of 1974, except that such suspensions shall not be applicable if in such action judgement has been entered for the defendant on the grounds other than State immunity from Federal jurisdiction."

(B) Section 11 of such Act is amended by striking out "(b)" after "section 16."

Effective Date

SEC. 29. (a) Except as otherwise specifically provided, the amendments made by this Act shall take effect on May 1, 1974.

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

Approved April 8, 1974.

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ADDITIONAL PROVISIONS OF FAIR LABOR STANDARDS AMENDMENTS OF 1966
(80 Stat. 830)

[PUBLIC LAW 89-601]

[89TH CONGRESS] [SECOND SESSION]

AN ACT

To amend the Fair Labor Standards Act of 1938 to extend its protection to additional employees, to raise the minimum wage, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair Labor Standards Amendments of 1966."

[Sections 101 to 501, inclusive, and section 601 (a) of the Fair Labor Standards Amendments of 1966 amend the Fair Labor Standards Act of 1938, and are incorporated in their proper place in the Act.]

STATUTE OF LIMITATIONS

SEC. 601. * * *

(b) Section 6(a) of the Portal-to-Portal Act of 1947 (Public Law 49, Eightieth Congress) is amended by inserting before the semicolon at the end thereof the following: ", except that a cause of action arising out of a willful violation may be commenced within three years after the cause of action accrued."

EFFECTIVE DATE

SEC. 602. Except as otherwise provided in this Act, the amendments made by this Act shall take effect on February 1, 1967. On and after the date of the enactment of this Act the Secretary is authorized to promulgate necessary rules, regulations, or orders with regard to the amendments made by this Act.

STUDY OF EXCESSIVE OVERTIME

SEC. 603. The Secretary of Labor is hereby instructed to commence immediately a complete study of present practices dealing with overtime payments for work in excess of forty hours per week and the extent to which such overtime work impedes the creation of new job opportunities in American industry. The Secretary is

further instructed to report to the Congress by July 1, 1967, the findings of such survey with appropriate recommendations.

CANAL ZONE EMPLOYEES AND
PANAMA CANAL STUDY

SEC. 604. The Secretary of Labor, in cooperation with the Secretary of Defense and the Secretary of State, shall (1) undertake a study with respect to (A) wage rates payable to Federal employees in the Canal Zone engaged in employment of the kind described in paragraph (7) of section 202 of the Classification Act of 1949 (5 U.S.C. 1082(7)) and (B) the requirements of an effective and economical operation of the Panama Canal, and (2) report to the Congress not later than July 1, 1968, the results of his study together with such recommendations as he may deem appropriate.

STUDY OF WAGES PAID HANDICAPPED
CLIENTS IN SHELTERED WORKSHOPS

SEC. 605. The Secretary of Labor is hereby instructed to commence immediately a complete study of wage payments to handicapped clients of sheltered workshops and of the feasibility of raising existing wage standards in such workshops. The Secretary is further instructed to report to the Congress by July 1, 1967, the findings of such study with appropriate recommendations.

PREVENTION OF DISCRIMINATION
BECAUSE OF AGE

SEC. 606. The Secretary of Labor is hereby directed to submit to the Congress not later than January 1, 1967, his specific legislative recommendations for implementing the conclusions and recommendations contained in his report on age discrimination in employment made pursuant to section 715 of Public Law 88-352. Such legislative recommendations shall include, without limitation, provisions specifying appropriate enforcement procedures, a particular administering agency, and the standards, coverage, and exemptions, if any, to be included in the proposed enactment.

Approved September 23, 1966.

ADDITIONAL PROVISIONS OF FAIR LABOR STANDARDS AMENDMENTS OF 1961
(75 Stat. 65)

[PUBLIC LAW 87-30]

[87TH CONGRESS] [FIRST SESSION]

AN ACT

To amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the Act of \$1.25 an hour, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair Labor Standards Amendments of 1961."

[Sections 2 to 12, inclusive, of the Fair Labor Standards Amendments of 1961 amend the Fair Labor

Standards Act of 1938, and are incorporated in their proper place in the Act.]

EFFECTIVE DATE

SEC. 14. The amendments made by this Act shall take effect upon the expiration of one hundred and twenty days after the date of its enactment, except as otherwise provided in such amendments and except that the authority to promulgate necessary rules, regulations, or orders with regard to amendments made by this Act, under the Fair Labor Standards Act of 1938 and amendments thereto, including amendments made by this Act, may be exercised by the Secretary on and after the date of enactment of this Act.

Approved May 5, 1961.

ADDITIONAL PROVISIONS OF FAIR LABOR STANDARDS AMENDMENTS OF 1949
(63 Stat. 917)

[PUBLIC LAW 398 — 81ST CONGRESS]

[CHAPTER 736 — FIRST SESSION]

AN ACT

To provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair Labor Standards Amendments of 1949."

[Sections 2 to 15, inclusive, of the Fair Labor Standards Amendments of 1949 amend the Fair Labor Standards Act of 1938, and are incorporated in their proper place in the Act.]

MISCELLANEOUS AND EFFECTIVE DATE

SEC. 16. (a) The amendments made by this Act shall take effect upon the expiration of ninety days from the date of its enactment; except that the amendment made by section 4 shall take effect on the date of its enactment.

(b) Except as provided in section 3(o) and in the last sentence of section 16(c) of the Fair Labor Standards Act of 1938, as amended, no amendment made by this Act shall be construed as amending, modifying, or repealing any provision of the Portal-to-Portal Act of 1947.

(c) Any order, regulation, or interpretation of the Administrator of the Wage and Hour Division or of the Secretary of Labor, and any agreement entered into by the Administrator or the Secretary, in effect under the provisions of the Fair Labor Standards Act of 1938, as amended, on the effective date of this Act, shall remain in

effect as an order, regulation, interpretation, or agreement of the Administrator or the Secretary, as the case may be, pursuant to this Act, except to the extent that any such order, regulation, interpretation, or agreement may be inconsistent with the provisions of this Act, or may from time to time be amended, modified, or rescinded by the Administrator or the Secretary, as the case may be, in accordance with the provisions of this Act.¹

(d) No amendment made by this Act shall affect any penalty or liability with respect to any act or omission occurring prior to the effective date of this Act; but, after the expiration of two years from such effective date, no action shall be instituted under section 16(b) of the Fair Labor Standards Act of 1938, as amended, with respect to any liability accruing thereunder for any act or omission occurring prior to the effective date of this Act.

(e) No employer shall be subject to any liability or punishment under the Fair Labor Standards Act of 1938, as amended (in any action or proceeding commenced prior to or on or after the effective date of this Act), on account of the failure of said employer to pay an employee compensation for any period of overtime work performed prior to July 20, 1949, if the compensation paid prior to July 20, 1949 for such work was at least equal to the compensation which would have been payable for such work had section 7(d) (6) and (7) and section 7(g) of the Fair Labor Standards Act of 1938, as amended, been in effect at the time of such payment.

(f) Public Law 177, Eighty-first Congress, approved July 20, 1949, is hereby repealed as of the effective date of this Act.²

Approved, October 26, 1949.

¹ Effective May 24, 1950, all functions of Administrator were transferred to the Secretary of Labor by Reorganization Plan No. 6 of 1950, 64 Stat. 1263. See text set out under section 4(a) of the Fair Labor Standards Act.

² The provisions of the repealed statute are now contained in substance in sections 7(e)(5), (6), (7), and (h) of the Fair Labor Standards Act, as amended.

**PERTINENT PROVISIONS AFFECTING THE FAIR LABOR STANDARDS ACT
FROM THE PORTAL-TO-PORTAL ACT OF 1947
(61 Stat. 84)**

[PUBLIC LAW 49 — 80TH CONGRESS]

[CHAPTER 52 — FIRST SESSION]

[H.R. 2157]

AN ACT

To relieve employers from certain liabilities and punishments under the Fair Labor Standards Act of 1938, as amended, the Walsh-Healey Act, and the Bacon-Davis Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PART I

FINDINGS AND POLICY

SECTION 1. (a) The Congress hereby finds that the Fair Labor Standards Act of 1938, as amended, has been interpreted judicially in disregard of long-established customs, practices, and contracts between employers and employees, thereby creating wholly unexpected liabilities, immense in amount and retroactive in operation, upon employers with the results that, if said Act as so interpreted or claims arising under such interpretations were permitted to stand, (1) the payment of such liabilities would bring about financial ruin of many employers and seriously impair the capital resources of many others, thereby resulting in the reduction of industrial operations, halting of expansion and development, curtailing employment, and the earning power of employees; (2) the credit of many employers would be seriously impaired; (3) there would be created both an extended and continuous uncertainty on the part of industry, both employer and employee, as to the financial condition of productive establishments and a gross inequality of competitive conditions between employers and between industries; (4) employees would receive windfall payments, including liquidated damages, of sums for activities performed by them without any expectation of reward beyond that included in their agreed rates of pay; (5) there would occur the promotion of increasing demands for payment to employees for engaging in activities no compensation for which had been contemplated by either the employer or

employee at the time they were engaged in; (6) voluntary collective bargaining would be interfered with and industrial disputes between employees and employers and between employees and employees would be created; (7) the courts of the country would be burdened with excessive and needless litigation and champertous practices would be encouraged; (8) the Public Treasury would be deprived of large sums of revenues and public finances would be seriously deranged by claims against the Public Treasury for refunds of taxes already paid; (9) the cost to the Government of goods and services heretofore and hereafter purchased by its various departments and agencies would be unreasonably increased and the Public Treasury would be seriously affected by consequent increased cost of war contracts; and (10) serious and adverse effects upon the revenues of Federal, State, and local governments would occur.

The Congress further finds that all of the foregoing constitutes a substantial burden on commerce and a substantial obstruction to the free flow of goods in commerce.

The Congress, therefore, further finds and declares that it is in the national public interest and for the general welfare, essential to national defense, and necessary to aid, protect, and foster commerce, that this Act be enacted.

The Congress further finds that the varying and extended periods of time for which, under the laws of the several States, potential retroactive liability may be imposed upon employers, have given and will give rise to great difficulties in the sound and orderly conduct of business and industry.

The Congress further finds and declares that all of the results which have arisen or may arise under the Fair Labor Standards Act of 1938, as amended, as aforesaid, may (except as to liability for liquidated damages) arise with respect to the Walsh-Healey and Bacon-Davis Acts and that it is therefore, in the national public interest and for the general welfare, essential to national defense, and necessary to aid, protect, and foster commerce, that this Act shall apply to the Walsh-Healey Act and the Bacon-Davis Act.

(b) It is hereby declared to be the policy of the Congress in order to meet the existing emergency and to correct existing evils (1) to relieve and protect interstate commerce from practices which burden and obstruct it; (2) to protect the right of collective bargaining; and (3) to define and limit the jurisdiction of the courts.

PART III

FUTURE CLAIMS

SEC. 4. RELIEF FROM CERTAIN FUTURE CLAIMS UNDER THE FAIR LABOR STANDARDS ACT OF 1938, AS AMENDED, THE WALSH-HEALEY ACT, AND THE BACON-DAVIS ACT. —

(a) Except as provided in subsection (b), no employer shall be subject to any liability or punishment under the Fair Labor Standards Act of 1938, as amended, the Walsh-Healey Act, or the Bacon-Davis Act, on account of the failure of such employer to pay an employee minimum wages, or to pay an employee overtime compensation, for or on account of any of the following activities of such employee engaged in on or after the date of the enactment of this Act —

(1) walking, riding, or traveling to and from the actual place of performance of the principal activity or activities which such employee is employed to perform, and

(2) activities which are preliminary to or postliminary to said principal activity or activities, which occur either prior to the time on any particular workday at which such employee commences, or subsequent to the time on any particular workday at which he ceases, such principal activity or activities.

For purposes of this subsection, the use of an employer's vehicle for travel by an employee and activities performed by an employee which are incidental to the use of such vehicle for commuting shall not be considered part of the employee's principal activities if the use of such vehicle for travel is within the normal commuting area for the employer's business or establishment and the use of the employer's vehicle is subject to an agreement on the part of the employer and the employee or representative of such employee.¹

(b) Notwithstanding the provisions of subsection (a) which relieve an employer from liability and punishment with respect to an activity, the employer shall not be so relieved if such activity is compensable by either —

(1) an express provision of a written or nonwritten contract in effect, at the time of such activity, between such employee, his agent, or collective-bargaining representative and his employer; or

(2) a custom or practice in effect, at the time of such activity, at the establishment or other place where such employee is employed, covering such activity, not inconsistent with a written or nonwritten contract, in effect at the time of such activity, between such employee, his agent, or collective-bargaining representative and his employer.

(c) For the purposes of subsection (b), an activity shall be considered as compensable under such contract provision

or such custom or practice only when it is engaged in during the portion of the day with respect to which it is so made compensable.

(d) In the application of the minimum wage and overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, of the Walsh-Healey Act, or of the Bacon-Davis Act, in determining the time for which an employer employs an employee with respect to walking, riding, traveling or other preliminary or postliminary activities described in subsection (a) of this section, there shall be counted all that time, but only that time, during which the employee engages in any such activity which is compensable within the meaning of subsections (b) and (c) of this section.

PART IV

MISCELLANEOUS

SEC. 6. STATUTE OF LIMITATIONS. — Any action commenced on or after the date of the enactment of this Act to enforce any cause of action for unpaid minimum wages, unpaid overtime compensation, or liquidated damages, under the Fair Labor Standards Act of 1938, as amended, the Walsh-Healey Act, or the Bacon-Davis Act —

(a) if the cause of action accrues on or after the date of the enactment of this Act — may be commenced within two years after the cause of action accrued, and every such action shall be forever barred unless commenced within two years after the cause of action accrued, *except that a cause of action arising out of a willful violation may be commenced within three years after the cause of action accrued.²*

(d) *with respect to any cause of action brought under section 16(b) of the Fair Labor Standards Act of 1938 against a State or a political subdivision of a State in a district court of the United States on or before April 18, 1973, the running of the statutory periods of limitation shall be deemed suspended during the period beginning with the commencement of any such action and ending one hundred and eighty days after the effective date of the Fair Labor Standards Amendments of 1974, except that such suspension shall not be applicable if in such action judgment has been entered for the defendant on the grounds other than State immunity from Federal jurisdiction.³*

¹ The final paragraph of section 4(a) was added by section 2102 of the Small Business Job Protection Act of 1996, effective August 20, 1996. Sections 2101, 2102, and 2103 of that Act may be cited as the Employee Commuting Flexibility Act of 1996.

² As amended by section 601 of the Fair Labor Standards Amendments of 1966, 80 Stat. 830.

³ Added by the Fair Labor Standards Amendments of 1974, 88 Stat. 55.

SEC. 7. DETERMINATION OF COMMENCEMENT OF FUTURE ACTIONS. — In determining when an action is commenced for the purposes of section 6, an action commenced on or after the date of the enactment of this Act under the Fair Labor Standards Act of 1938, as amended, the Walsh-Healey Act, or the Bacon-Davis Act, shall be considered to be commenced on the date when the complaint is filed; except that in the case of a collective or class action instituted under the Fair Labor Standards Act of 1938, as amended, or the Bacon-Davis Act, it shall be considered to be commenced in the case of any individual claimant —

(a) on the date when the complaint is filed, if he is specifically named as a party plaintiff in the complaint and his written consent to become a party plaintiff is filed on such date in the court in which the action is brought; or

(b) if such written consent was not so filed or if his name did not so appear — on the subsequent date on which such written consent is filed in the court in which the action was commenced.

SEC. 10. RELIANCE IN FUTURE ON ADMINISTRATIVE RULINGS, ETC. —

(a) In any action or proceeding based on any act or omission on or after the date of the enactment of this Act, an employer shall be subject to any liability or punishment for or on account of the failure of the employer to pay minimum wages or overtime compensation under the Fair Labor Standards Act of 1938, as amended, the Walsh-Healey Act, or the Bacon-Davis Act, if he pleads and proves that the act or omission complained of was in good faith in conformity with and in reliance on any written administrative regulation, order, ruling, approval, or interpretation, of the agency of the United States specified in subsection (b) of this section, or any administrative practice or enforcement policy of such agency with respect to the class of employers to which he belonged. Such a defense, if established, shall be a bar to the action or proceeding, notwithstanding that after such act or omission, such administrative regulation, order, ruling, approval, interpretation, practice, or enforcement policy is modified or rescinded or is determined by judicial authority to be invalid or of no legal effect.

(b) The agency referred to in subsection (a) shall be —

(1) in the case of the Fair Labor Standards Act of 1938, as amended — the Administrator of the Wage and Hour Division of the Department of Labor;

SEC. 11. LIQUIDATED DAMAGES. — In any action commenced prior to or on or after the date of the enactment of this Act to recover unpaid minimum wages, unpaid overtime compensation, or liquidated damages, under the Fair Labor Standards Act of 1938, as amended, if the employer shows to the satisfaction of the court that the act or omission giving rise to such action was in good faith and that he had reasonable grounds for believing that his act or omission was not a violation of the Fair Labor Standards Act of 1938, as amended, the court may, in its sound discretion, award no liquidated damages or award any amount thereof not to exceed the amount specified in section 16⁴ of such Act.

SEC. 13. DEFINITIONS. —

(a) When the terms "employer," "employee," and "wage" are used in this Act in relation to the Fair Labor Standards Act of 1938, as amended, they shall have the same meaning as when used in such Act of 1938.

(e) As used in section 6 of the term "State" means any State of the United States or the District of Columbia or any Territory or possession of the United States.

SEC. 14. SEPARABILITY. — If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 15. SHORT TITLE. — This Act may be cited as the "Portal-to-Portal Act of 1947."

Approved May 14, 1947.

⁴ The Fair Labor Standards Amendments of 1974 struck "(b)" after "section 16."

ADDITIONAL PROVISIONS OF EQUAL PAY ACT OF 1963
(77 Stat. 56)

[PUBLIC LAW 88-38]

[88TH CONGRESS, S. 1409]

[JUNE 10, 1963]

AN ACT

To prohibit discrimination on account of sex in the payment of wages by employers engaged in commerce or in the production of goods for commerce.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Equal Pay Act of 1963."

DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby finds that the existence in industries engaged in commerce or in the production of goods for commerce of wage differentials based on sex —

- (1) depresses wages and living standards for employees necessary for their health and efficiency;
- (2) prevents the maximum utilization of the available labor resources;
- (3) tends to cause labor disputes, thereby burdening, affecting, and obstructing commerce;
- (4) burdens commerce and the free flow of goods in commerce; and

(5) constitutes an unfair method of competition.

(b) It is hereby declared to be the policy of this Act, through exercise by Congress of its power to regulate commerce among the several States and with foreign nations, to correct the conditions above referred to in such industries.

[Section 3 of the Equal Pay Act of 1963 amends section 6 of the Fair Labor Standards Act by adding a new subsection (d). The amendment is incorporated in the revised text of the Act.]

EFFECTIVE DATE

SEC. 4. The amendments made by this Act shall take effect upon the expiration of one year from the date of its enactment: *Provided*, That in the case of employees covered by a bona fide collective bargaining agreement in effect at least thirty days prior to the date of enactment of this Act, entered into by a labor organization (as defined in section 6(d)(4) of the Fair Labor Standards Act of 1938, as amended), the amendments made by this Act shall take effect upon the termination of such collective bargaining agreement or upon the expiration of two years from the date of enactment of this Act, whichever shall first occur.

Approved June 10, 1963, 12 m.

Regulations: Part 525

Employment of Workers With Disabilities Under Special Certificates



Title 29, Part 525 of the
Code of Federal Regulations

U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division

WH - 1249
Revised August 1989

PART 525—EMPLOYMENT OF WORKERS WITH DISABILITIES UNDER SPECIAL CERTIFICATES

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525.24	Advisory Committee on Special Minimum Wages.

AUTHORITY: 52 Stat. 1060, as amended (29 U.S.C. 201-219); Pub. L. 99-486, 100 Stat. 1229 (29 U.S.C. 214).

SOURCE: 54 FR 32928, Aug. 10, 1989, unless otherwise noted.

§ 525.1 Introduction.

The Fair Labor Standards Amendments of 1986 (Pub. L. 99-486, 100 Stat. 1229) substantially revised those provisions of the Fair Labor Standards Act of 1938 (29 U.S.C. 201) (FLSA) permitting the employment of individuals disabled for the work to be performed (workers with disabilities) at special minimum wage rates below the rate that would otherwise be required by statute. These provisions are codified at section 14(c) of the FLSA and:

(a) Provide for the employment under certificates of individuals with disabilities at special minimum wage rates which are commensurate with those paid to workers not disabled for the work to be performed employed in the vicinity for essentially the same type, quality, and quantity of work;

(b) Require employers to provide written assurances that wage rates of individuals paid on an hourly rate basis be reviewed at least once every six months and that the wages of all employees be reviewed at least annually to reflect changes in the prevailing wages paid to experienced individuals not disabled for the work to be performed employed in the locality for essentially the same type of work;

(c) Prohibit employers from reducing the wage rates prescribed by certificate in effect on June 1, 1986, for two years;

(d) Permit the continuance or establishment of work activities centers; and

(e) Provide that any employee receiving a special minimum wage rate pursuant to section 14(c), or the parent or guardian of such an employee, may petition for a review of that wage rate by an administrative law judge.

§ 525.2 Purpose and scope.

The regulations in this part govern the issuance of all certificates authorizing the employment of workers with disabilities at special minimum wages pursuant to section 14(c) of FLSA.

§ 525.3 Definitions.

(a) "FLSA" means the Fair Labor Standards Act of 1938, as amended.

(b) "Secretary" means the Secretary of Labor or the Secretary of Labor's authorized representative.

(c) "Administrator" means the Administrator of the Wage and Hour Division, U.S. Department of Labor, or the Administrator's authorized representative.

(d) "Worker with a disability" for the purpose of this Part means an individual whose earning or productive capacity is impaired by a physical or mental disability, including those relating to age or injury, for the work to be performed. Disabilities which may affect earning or productive capacity include blindness, mental illness, mental retardation, cerebral palsy, alcoholism, and drug addiction. The following, taken by themselves, are not considered disabilities for the purposes of this part: Vocational, social, cultural, or educational disabilities; chronic unemployment; receipt of welfare benefits; nonattendance at school; juvenile delinquency; and, correctional parole or probation. Further, a disability which may affect earning or productive capacity for one type of work may not affect such capacity for another.

(e) "Patient worker" means a worker with a disability, as defined above, employed by a hospital or institution providing residential care where such worker receives treatment or care without regard to whether such worker is a resident of the establishment.

(f) "Hospital or institution," hereafter referred to as "institution," is a public or private, nonprofit or for-profit facility primarily engaged in (i.e., more than 50 percent of the income is attributable to) providing residential care for the sick, the aged, or the mentally ill or retarded, including but not limited to nursing homes, intermediate care facilities, rest homes, convalescent homes, homes for the elderly and infirm, halfway houses, residential centers for drug ad-

dicts or alcoholics, and the like, whether licensed or not licensed.

(g) "Employ" is defined in FLSA as "to suffer or permit to work." An employment relationship arises whenever an individual, including an individual with a disability, is suffered or permitted to work. The determination of an employment relationship does not depend upon the level of performance or whether the work is of some therapeutic benefit. However, an individual does not become an employee if engaged in such activities as making craft products where the individual voluntarily participates in such activities and the products become the property of the individual making them, or all of the funds resulting from the sale of the products are divided among the participants in the activity or are used in purchasing additional materials to make craft products.

(h) "Special minimum wage" is a wage authorized under a certificate issued to an employer under this part that is less than the statutory minimum wage.

(i) "Commensurate" wage is a special minimum wage paid to a worker with a disability which is based on the worker's individual productivity in proportion to the wage and productivity of experienced nondisabled workers performing essentially the same type, quality, and quantity of work in the vicinity in which the individual under certificate is employed. For example, the commensurate wage of a worker with a disability who is 75% as productive as the average experienced nondisabled worker, taking into consideration the type, quality, and quantity of work of the disabled worker, would be set at 75% of the wage paid to the nondisabled worker. For purposes of these regulations, a commensurate wage is always a special minimum wage, i.e., a wage below the statutory minimum.

(j) "Vicinity" or "locality" means the geographic area from which the labor force of the community is drawn.

(k) "Experienced worker" means a worker who has learned the basic elements or requirements of the work to be performed, ordinarily by completion of a probationary or training period. Typically, such a worker will have received at least one pay raise after successful completion of the probationary or training period.

§ 525.4 Patient workers.

With respect to patient workers, as defined in § 525.3(e), a major factor in determining if an employment relationship exists is whether the work performed is of any consequential economic benefit to the institution. Generally, work shall be considered to be of consequential economic benefit if it

the type that workers without disabilities normally perform, in whole or in part in the institution or elsewhere. However, a patient does not become an employee if he or she merely performs personal housekeeping chores, such as maintaining his or her own quarters, or receives a token remuneration in connection with such services. It may also be possible for patients in family-like settings such as group homes to rotate or share household tasks or chores without becoming employees.

§ 525.5 Wage payments.

(a) An individual whose earning or productive capacity is not impaired for the work being performed cannot be employed under a certificate issued pursuant to this part and must be paid at least the applicable minimum wage. An individual whose earning or productive capacity is impaired to the extent that the individual is unable to earn at least the applicable minimum wage may be paid a commensurate wage, but only after the employer has obtained a certificate authorizing payment of special minimum wages from the appropriate office of the Wage and Hour Division of the Department of Labor.

With respect to patient workers employed in institutions, no deduction can be made from such individuals' commensurate wages to cover the cost of room, board, or other services provided by the facility. Such an individual must receive his or her wages free and clear, except for amounts deducted for taxes assessed against the employee and any voluntary wage assignments directed by the employee. (See Part 531 of this title.) However, it is not the intention of these regulations to preclude the institution thereafter from assessing or collecting charges for room, board, and other services actually provided to an individual to the extent permitted by applicable Federal or State law and on the same basis as it assesses and collects from nonworking patients.

§ 525.6 Compensable time.

Individuals employed subject to this part must be compensated for all hours worked. Compensable time includes not only those hours during which the individual is actually performing productive work but also includes those hours when no work is performed but the individual is required by the employer to remain available for the next assignment. However, where the individual is completely relieved from duty and is not required to remain available for the next assignment, such time will not be considered compensable time. For example, an individual employed by a rehabilitation facility would not be engaged in a compensable activity where

such individual is completely relieved from duty but is provided therapy or the opportunity to participate in an alternative program or activity in the facility not involving work and not directly related to the worker's job (e.g., self-help skills training, recreation, job seeking skills training, independent living skills, or adult basic education). The burden of establishing that such hours are not compensable rests with the facility and such hours must be clearly distinguishable from compensable hours. (For further information on compensable time in general under FLSA, see Part 785 of this title.)

§ 525.7 Application for certificates.

(a) Application for a certificate may be filed by any employer with the Regional Office of the Wage and Hour Division having administrative jurisdiction over the geographic area in which the employment is to take place.

(b) The employer shall provide answers to all of the applicable questions contained on the application form provided by the Regional Office.

(c) The application shall be signed by the employer or the employer's authorized representative.

§ 525.8 Special provisions for temporary authority.

(a) Temporary authority may be granted to an employer permitting the employment of workers with disabilities pursuant to a vocational rehabilitation program of the Veterans Administration for veterans with a service-incurred disability or a vocational rehabilitation program administered by a State agency.

(b) Temporary authority is effective for 90 days from the date the appropriate section of the application form is signed and completed by the duly designated representative of the State agency or the Veterans Administration. Such authority may not be renewed or extended by the issuing agency.

(c) The signed application constitutes the temporary authority to employ workers with disabilities at special minimum wage rates. A copy of the application must be forwarded within 10 days to the appropriate Regional Office of the Wage and Hour Division. Upon receipt, the application will be reviewed and, where appropriate, a certificate will be issued by the Regional Office. Where additional information is required or certification is denied, the applicant will receive notification from the Regional Office.

§ 525.9 Criteria for employment of workers with disabilities under certificates at special minimum wage rates.

(a) In order to determine that special minimum wage rates are necessary

in order to prevent the curtailment of opportunities for employment, the following criteria will be considered:

(1) The nature and extent of the disabilities of the individuals employed as these disabilities relate to the individuals' productivity;

(2) The prevailing wages of experienced employees not disabled for the job who are employed in the vicinity in industry engaged in work comparable to that performed at the special minimum wage rate;

(3) The productivity of the workers with disabilities compared to the norm established for nondisabled workers through the use of a verifiable work measurement method (see § 525.12(h)) or the productivity of experienced nondisabled workers employed in the vicinity on comparable work; and,

(4) The wage rates to be paid to the workers with disabilities for work comparable to that performed by experienced nondisabled workers.

(b) In order to be granted a certificate authorizing the employment of workers with disabilities at special minimum wage rates, the employer must provide the following written assurances concerning such employment:

(1) In the case of individuals paid hourly rates, the special minimum wage rates will be reviewed by the employer at periodic intervals at a minimum of once every six months; and,

(2) Wages for all employees will be adjusted by the employer at periodic intervals at a minimum of once each year to reflect changes in the prevailing wages paid to experienced nondisabled individuals employed in the locality for essentially the same type of work.

§ 525.10 Prevailing wage rates.

(a) A prevailing wage rate is a wage rate that is paid to an experienced worker not disabled for the work to be performed. The Department recognizes that there may be more than one wage rate for a specific type of work in a given area. An employer must be able to demonstrate that the rate being used as prevailing for determining a commensurate wage was objectively determined according to the guidelines contained in this section.

(b) An employer whose work force primarily consists of nondisabled workers or who employs more than a token number of nondisabled workers doing similar work may use as the prevailing wage the wage rate paid to that employer's experienced nondisabled employees performing similar work. Where an agency places a worker or workers with disabilities on the premises of an employer described above, the wage paid to the employer's experienced workers may be used as prevailing.

An employer whose work force primarily consists of workers disabled for the work to be performed may determine the prevailing wage by ascertaining the wage rates paid to the experienced nondisabled workers of other employers in the vicinity. Such data may be obtained by surveying comparable firms in the area that employ primarily nondisabled workers doing similar work. The firms surveyed must be representative of comparable firms in terms of wages paid to experienced workers doing similar work. The appropriate size of such a sample will depend on the number of firms doing similar work but should include no less than three firms unless there are fewer firms doing such work in the area. A comparable firm is one which is of similar size in terms of employees or which competes for or bids on contracts of a similar size or nature. Employers may contact other sources such as the Bureau of Labor Statistics or private or State employment services where surveys are not practical. If similar work cannot be found in the area defined by the geographic labor market, the closest comparable community may be used.

(d) The prevailing wage rate must be based upon the wage rate paid to experienced nondisabled workers as determined elsewhere in these regulations. Employment services which only provide entry level wage data are not acceptable as sources for prevailing wage information as required in these regulations.

(e) There is no prescribed method for tabulating the results of a prevailing wage survey. For example, either a weighted or unweighted average would be acceptable provided the employer is consistent in the methodology used.

(f) The prevailing wage must be based upon work utilizing similar methods and equipment. Where the employer is unable to obtain the prevailing wage for a specific job to be performed on the premises, such as collating documents, it would be acceptable to use as the prevailing wage the wage paid to experienced individuals employed in similar jobs such as file clerk or general office clerk, requiring the same general skill levels.

(g) The following information should be recorded in documenting the determination of prevailing wage rates:

- (1) Date of contact with firm or other source;
- (2) Name, address, and phone number of firm or other source contacted;
- (3) Individual contacted within firm or source;
- (4) Title of individual contacted;
- (5) Wage rate information provided;
- (6) Brief description of work for which wage information is provided;

(7) Basis (or the conclusion that wage rate is not based upon an entry level position. (See also § 525.10(c).)

(h) A prevailing wage may not be less than the minimum wage specified in section 6(a) of FLSA.

§ 525.11 Issuance of certificates.

(a) Upon consideration of the criteria cited in these regulations, a special certificate may be issued.

(b) If a special minimum wage certificate is issued, a copy shall be sent to the employer. If denied, the employer will be notified in writing and told the reasons for the denial, as well as the right to petition under § 525.18.

§ 525.12 Terms and conditions of special minimum wage certificates.

(a) A special minimum wage certificate shall specify the terms and conditions under which it is granted.

(b) A special minimum wage certificate shall apply to all workers employed by the employer to which the special certificate is granted provided such workers are in fact disabled for the work they are to perform.

(c) A special minimum wage certificate shall be effective for a period to be designated by the Administrator. Workers with disabilities may be paid wages lower than the statutory minimum wage rate set forth in section 6 of FLSA only during the effective period of the certificate.

(d) Workers paid under special minimum wage certificates shall be paid wages commensurate with those paid experienced nondisabled workers employed in the vicinity in which they are employed for essentially the same type, quality, and quantity of work.

(e) Workers with disabilities shall be paid not less than one and one-half times their regular rates of pay for all hours worked in excess of the maximum workweek applicable under section 7 of FLSA.

(f) The wages of all workers paid a special minimum wage under this part shall be adjusted by the employer at periodic intervals at a minimum of once a year to reflect changes in the prevailing wages paid to experienced individuals not disabled for the work to be performed employed in the vicinity for essentially the same type of work.

(g) Each worker with a disability and, where appropriate, a parent or guardian of the worker, shall be informed, orally and in writing, of the terms of the certificate under which such worker is employed. This requirement may be satisfied by making copies of the certificate available. Where a worker with disabilities displays an understanding of the terms of a certificate and requests that other

parties not be informed, it is not necessary to inform a parent or guardian.

(h) In establishing piece rates for workers with disabilities, the following criteria shall be used:

(1) Industrial work measurement methods such as stop watch time studies, predetermined time systems, standard data, or other measurement methods (hereinafter referred to as "work measurement methods") shall be used by the employer to establish standard production rates of workers not disabled for the work to be performed. The Department will accept the use of whatever method an employer chooses to use. However, the employer has the responsibility of demonstrating that a particular method is generally accepted by industrial engineers and has been properly executed. No specific training or certification will be required. Where work measurement methods have already been applied by another employer or source, and documentation exists to show that the methods used are the same, it is not necessary to repeat these methods to establish production standards.

(i) The piece rates shall be based on the standard production rates (number of units an experienced worker not disabled for the work is expected to produce per hour) and the prevailing industry wage rate paid experienced nondisabled workers in the vicinity for essentially the same type and quality of work or for work requiring similar skill. (Prevailing industry wage rate divided by the standard number of units per hour equals the piece rate.).

(ii) Piece rates shall not be less than the prevailing piece rates paid experienced workers not disabled for the work doing the same or similar work in the vicinity when such piece rates exist and can be compared with the actual employment situations of the workers with disabilities.

(2) Any work measurement method used to establish piece rates shall be verifiable through the use of established industrial work measurement techniques.

(i) If stop watch time studies are made, they shall be made with a person or persons whose productivity represents normal or near normal performance. If their productivity does not represent normal or near normal performance, adjustments of performance shall be made. Such adjustments, sometimes called "performance rating" or "leveling" shall be made only by a person knowledgeable in this technique, as evidenced by successful completion of training in this area. The persons observed should be given time to practice the work to be performed in order to provide them with an opportunity to overcome the initial

learning curve. The persons observed shall be trained to use the specific work method and tools which are available to workers with disabilities employed under special minimum wage certificates.

(ii) Appropriate time shall be allowed for personal time, fatigue, and unavoidable delays. Generally, not less than 15% allowances (9-10 minutes per hour) shall be used in conducting time studies.

(iii) Work measurements shall be conducted using the same work method that will be utilized by the workers with disabilities. When modifications such as jigs or fixtures are made to production methods to accommodate special needs of individual workers with disabilities, additional work measurements need not be conducted where the modifications enable the workers with disabilities to perform the work or increase productivity but would impede a worker without disabilities. Where workers with disabilities do not have a method available to them, as for example where an adequate number of machines are not available, a second work measurement should be conducted.

(i) Each worker with a disability employed on a piece rate basis should be paid full earnings. Employers may "pool" earnings only where piece rates cannot be established for each individual worker. An example of this situation is a team production operation where each worker's individual contribution to the finished product cannot be determined separately. However, in such situations, the employer should make every effort to objectively divide the earnings according to the productivity level of each individual worker.

(j) The following terms shall be met for workers with disabilities employed at hourly rates:

(1) Hourly rates shall be based upon the prevailing hourly wage rates paid to experienced workers not disabled for the job doing essentially the same type of work and using similar methods or equipment in the vicinity. (See also § 525.10.)

(2) An initial evaluation of a worker's productivity shall be made within the first month after employment begins in order to determine the worker's commensurate wage rate. The results of the evaluation shall be recorded and the worker's wages shall be adjusted accordingly no later than the first complete pay period following the initial evaluation. Each worker is entitled to commensurate wages for all hours worked. Where the wages paid to the worker during pay periods prior to the initial evaluation were less than the commensurate wage indicated by the evaluation, the employer must compensate the worker for any such difference unless it can be demonstrat-

ed that the initial payments reflected the commensurate wage due at that time.

(3) Upon completion of not more than six months of employment, a review shall be made with respect to the quantity and quality of work of each hourly-rated worker with a disability as compared to that of nondisabled workers engaged in similar work or work requiring similar skills and the findings shall be recorded. The worker's productivity shall then be reviewed and the findings recorded at least every 6 months thereafter. A review and recording of productivity shall also be made after a worker changes jobs and at least every 6 months thereafter. The worker's wages shall be adjusted accordingly no later than the first complete pay period following each review. Conducting reviews at six-month intervals should be viewed as a minimum requirement since workers with disabilities are entitled to commensurate wages for all hours worked. Reviews must be conducted in a manner and frequency to insure payment of commensurate wages. For example, evaluations should not be conducted before a worker has had an opportunity to become familiar with the job or at a time when the worker is fatigued or subject to conditions that result in less than normal productivity.

(4) Each review should contain, as a minimum and in addition to the data cited above, the following: name of the individual being reviewed; date and time of the review; and, name and position of the individual doing the review.

§ 525.13 Renewal of special minimum wage certificates.

(a) Applications may be filed for renewal of special minimum wage certificates.

(b) If an application for renewal has been properly and timely filed, an existing special minimum wage certificate shall remain in effect until the application for renewal has been granted or denied.

(c) Workers with disabilities may not continue to be paid special minimum wages after notice that an application for renewal has been denied.

(d) Except in cases of willfulness or those in which the public interest requires otherwise, before an application for renewal is denied facts or conduct which may warrant such action shall be called to the attention of the employer in writing and such employer shall be afforded an opportunity to demonstrate or achieve compliance with all legal requirements.

§ 525.14 Posting of notices.

Every employer having workers who

are employed under special minimum wage certificates shall at all times display and make available to employees a poster as prescribed and supplied by the Administrator. The Administrator will make available, upon request, posters in other formats such as Braille or recorded tapes. Such a poster will explain, in general terms, the conditions under which special minimum wages may be paid and shall be posted in a conspicuous place on the employer's premises where it may be readily observed by the workers with disabilities, the parents and guardians of such workers, and other workers. Where an employer finds it inappropriate to post such a notice, this requirement may be satisfied by providing the poster directly to all employees subject to its terms.

§ 525.15 Industrial homework.

(a) Where the employer is an organization or institution carrying out a recognized program of rehabilitation for workers with disabilities and holds a special certificate issued pursuant to this part, certification under regulations governing the employment of industrial homeworkers (29 CFR Part 530) is not required.

(b) For all other types of employers, special rules apply to the employment of homeworkers in the following industries: Jewelry manufacturing, knitted outerwear, gloves and mittens, buttons and buckles, handkerchief manufacturing, embroideries, and women's apparel. (See 29 CFR Part 530.)

§ 525.16 Records to be kept by employers.

Every employer, or where appropriate (in the case of records verifying the workers' disabilities) the referring agency or facility, of workers employed under special minimum wage certificates shall maintain and have available for inspection records indicating:

(a) Verification of the workers' disabilities;

(b) Evidence of the productivity of each worker with a disability gathered on a continuing basis or at periodic intervals (not to exceed six months in the case of employees paid hourly wage rates);

(c) The prevailing wages paid workers not disabled for the job performed who are employed in industry in the vicinity for essentially the same type of work using similar methods and equipment as that used by each worker with disabilities employed under a special minimum wage certificate (see also § 525.10(b) and (d));

(d) The production standards and supporting documentation for nondisabled workers for each job being performed by workers with disabilities employed under special certificates; and

) The records required under all of the applicable provisions of Part 516 of this title, except that any provision pertaining to homemaker handbooks shall not be applicable to workers with disabilities who are employed by a recognized nonprofit rehabilitation facility and working in or about a home, apartment, tenement, or room in a residential establishment. (See § 525.15) Records required by this section shall be maintained and preserved for the periods specified in Part 516 of this title.

(Approved by the Office of Management and Budget under control number 1215-0017)

§ 525.17 Revocation of certificates.

(a) A special minimum wage certificate may be revoked for cause at any time. A certificate may be revoked:

(1) As of the date of issuance, if it is found that misrepresentations or false statements have been made in obtaining the certificate or in permitting a worker with a disability to be employed thereunder;

(2) As of the date of violation, if it is found that any of the provisions of FLSA or of the terms of the certificate have been violated; or

(3) As of the date of notice of revocation, if it is found that the certificate is no longer necessary in order to prevent curtailment of opportunities for employment, or that the requirements of these regulations other than those referred to in (a)(2) above have not been complied with.

(b) Except in cases of willfulness or those in which the public interest requires otherwise, before any certificate shall be revoked, facts or conduct which may warrant such action shall be called to the attention of the employer in writing and such employer shall be afforded an opportunity to demonstrate or achieve compliance with all legal requirements.

§ 525.18 Review.

Any person aggrieved by any action of the Administrator taken pursuant to this part may, within 60 days or such additional time as the Administrator may allow, file with the Administrator a petition for review. Such review, if granted, shall be made by the Administrator. Other interested persons, to the extent it is deemed appropriate, may be afforded an opportunity to present data and views.

§ 525.19 Investigations and hearings.

The Administrator may conduct an investigation, which may include a hearing, prior to taking any action pursuant to these regulations. To the extent it is deemed appropriate, the Administrator may provide an opportunity to other interested persons to present data and views. Proceedings

initiated pursuant to this section are separate from those taken pursuant to FLSA section 14(c)(5) and § 525.22.

§ 525.20 Relation to other laws.

No provision of these regulations, or of any special minimum wage certificate issued thereunder, shall excuse noncompliance with any other Federal or State law or municipal ordinance establishing higher standards.

§ 525.21 Lowering of wage rates.

(a) No employer may reduce the minimum hourly wage rate, guaranteed by a special minimum wage certificate in effect on June 1, 1986, of any worker with disabilities from June 1, 1986 until May 31, 1988, without prior authorization of the Secretary.

(b) This provision applies to those workers with disabilities who were:

(1) Employed during the pay period which included June 1, 1986, even if no work was performed during that pay period; and

(2) Employed under a group or individual special minimum wage certificate which specified a minimum guaranteed rate, i.e., a special certificate issued under former section 14(c) (1) or (2)(b) of FLSA.

(c) In order to obtain authority to lower the wage rate of a worker with a disability to whom this provision applies to a rate below the certificate rate, the employer must submit information as prescribed under this section to the appropriate Regional Office. The burden of establishing the necessity of lowering the wage of a worker with a disability rests with the employer.

(d) In reviewing a request to lower a wage rate of a worker with a disability, documented evidence of the following will be considered:

(1) Any change in the worker's disabling condition which has a substantially negative impact on productive capacity;

(2) Any change in the type of work being performed in the facility which would affect the productivity of the worker with a disability or which would result in the application of a lower prevailing wage rate;

(3) Any change in general economic conditions in the locality in which the work is performed which results in lower prevailing wage rates.

(e) A wage rate may not be lowered until authorization is obtained.

§ 525.22 Employee's right to petition.

(a) Any employee receiving a special minimum wage at a rate specified pursuant to subsection 14(c) of FLSA or the parent or guardian of such an employee may petition the Secretary to obtain a review of such special minimum wage rate. No particular form of petition is required, except that a peti-

tion must be signed by the individual, or the parent or guardian of the individual, and should contain the name and address of the employee and the name and address of the employee's employer. A petition may be filed in person or by mail with the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Room S3502, 200 Constitution Avenue NW., Washington, DC 20210. The petitioner may be represented by counsel in any stage of such proceedings. Upon receipt, the petition shall be forwarded immediately to the Chief Administrative Law Judge.

(b) Upon receipt of a petition, the Chief Administrative Law Judge shall, within 10 days of the receipt of the petition by the Secretary, appoint an Administrative Law Judge (ALJ) to hear the case. Upon receipt, the ALJ shall notify the employer named in the petition. The ALJ shall also notify the employee, the employer, the Administrator, and the Associate Solicitor for Fair Labor Standards of the time and place of the hearing. The date of the hearing shall be not more than 30 days after the assignment of the case to the ALJ. All the parties shall be given at least eight days' notice of such hearing. Because of the time constraints imposed by the statute, requests for postponement shall be granted only sparingly and for compelling reasons.

(c) Hearings held under this subpart shall be conducted, consistent with statutory time limitations, under the Department's rules of practice and procedure for administrative hearings found in 29 CFR Part 18. There shall be a minimum of formality in the proceeding consistent with orderly procedure. Any employer who intends to participate in the proceeding shall provide to the ALJ, and shall serve on the petitioner and the Associate Solicitor for Fair Labor Standards no later than 15 days prior to the commencement of the hearing, or as soon as practical depending on when the notice of a hearing as required under paragraph (b) of this section was received, that documentary evidence pertaining to the employee or employees identified in the petition which is contained in the records required by § 525.16 (a), (b), (c) and (d). The Administrator shall be permitted to participate by counsel in the proceeding upon application.

(d) In determining whether any special minimum wage rate is justified, the ALJ shall consider, to the extent evidence is available, the productivity of the employee or employees identified in the petition and the conditions under which such productivity was measured, and the productivity of other employees performing work of essentially the same type and quality