

# WISCONSIN STATE USE BOARD ANNUAL REPORT

FISCAL YEAR 2008





## A MESSAGE FROM THE GOVERNOR



Dear Friends:

Our State Use Program and its affiliated organizations are working diligently to make sure that every individual with a severe disability has the opportunity to experience economic independence.

The State Use Program offers training and job opportunities for the severely disabled. The program is made up of an eight-member State Use Board, 68 Community Rehabilitation Programs, and staff attached to the Department of Administration.

This unique program has been effective in lowering the high rates of unemployment among persons with disabilities. At the same time, the program's participants have achieved a greater degree of self-sufficiency and self-reliance.

I enthusiastically endorse the program and encourage all State agencies and political subdivisions across Wisconsin to use the services and products provided by the State Use Program.

Your continued cooperation is greatly appreciated.

Sincerely,

A handwritten signature in black ink that reads "Jim Doyle". The signature is written in a cursive, flowing style.

Jim Doyle, Governor

## STATE USE BOARD MISSION

THE WISCONSIN STATE USE BOARD STRIVES TO MAXIMIZE STATE AGENCY CONTRACTING, INCLUDING THE UNIVERSITY OF WISCONSIN SYSTEM, WITH WISCONSIN QUALIFIED WORK CENTERS, INSURING THE PROCUREMENT OF QUALITY PRODUCTS AND SERVICES WHILE PROVIDING A POSITIVE IMPACT ON THE EMPLOYMENT OF INDIVIDUALS WITH SEVERE DISABILITIES.



## EXECUTIVE SUMMARY

Wisconsin's State Use Program, created by the 1989 State Use Law, was enacted for the purpose of providing gainful employment for the thousands of Wisconsinites with severe disabilities across the State who seek job opportunities in their communities.

The law, Wis. Stat. 16.752, requires all State agencies to purchase products and services from in-state, nonprofit work centers employing persons with severe disabilities when the work center is able to meet State specifications and provide the product or service at fair market value. The work centers provide long-term, transferable work experience and marketable job skill training for people with disabilities that increase their independence and self-sufficiency.

In Fiscal Year 2008, work centers reported annual sales to State agencies totaling **\$14,289,211**. This represents an increase of **6%** from the previous year. The increase is a result of new contracts such as plastic cutlery, spices and freshman orientation food service for the University of Wisconsin-Milwaukee campus, and continued expansion of current product lines.

Of the **66** nonprofit work centers certified to do business under the State Use Program in Fiscal Year 2008, **42** work centers (**66%**) did some business with the State.

The State Use Program has grown from its infancy to an established program providing job opportunities in both large and small local communities throughout the state, thereby stimulating economic growth in Wisconsin. In FY08, the State Use Program provided **\$1,980,843** in wages, with an average wage of **\$6.58/hour**, for workers with severe disabilities. The dollars paid out in State Use wages advance the economic independence and self-reliance of Wisconsinites with disabilities.

The State Use Program has provided job opportunities to Wisconsin's residents with severe disabilities who would otherwise face countless obstacles to securing employment. In FY08, **3,068** workers with disabilities were employed on State Use contracts.

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# STATE USE BOARD FISCAL YEAR 2008 ACCOMPLISHMENTS

**The State Use Board continued to make favorable progress in Fiscal Year 2008.**

The eight-member, Governor appointed State Use Board is attached to the Department of Administration and has numerous duties and responsibilities defined in the State Use Law (s.16.752, Wis. Stat.).

The Board meets quarterly on the second Thursday of January, April, July and October and encourages comments and questions from the public at each of its meetings to ensure the Board is cognizant of developing opportunities, issues and concerns.

The State Use Board continued to make favorable progress in Fiscal Year 2008.

It established policies and procedures to effectively and efficiently manage the program and addressed the needs and concerns of work centers and State agencies. Some examples of FY08 Board activities include:

## **Fair Market Review Implementation**

One of the Board's duties, as defined in the statute, is to annually review prices paid by State agencies for commodities and services provided by work centers to ensure fair market pricing. In FY08, the Board implemented an annual price review for **118** State Use Program contracts and made any adjustments necessary to establish fair market pricing.

## **New Joint Venture Contracts**

The Board continued to demonstrate leadership in identifying opportunities for work centers to market their products and services to State agencies by encouraging Wisconsin nonprofit work centers to collaborate with for-profit companies to gain needed expertise and technical experience. During FY08, these collaborations resulted in two new State Use contracts to provide seasoning and plastic cutlery to the State.

## **Education and Outreach**

One of the duties of the Board is to aid in the identification of commodities and services procured by State agencies.

A presentation from the Wisconsin Housing and Economic Development Authority staff was provided at a Board meeting to educate work centers about possible funding sources available for new product development.

University of Wisconsin System Administration procurement officials met with the Board to describe the methods for procuring campus foodservice and explore possible work center contracting opportunities.

During FY08, the Board added a standing item to each Board meeting agenda that enables work centers the time and forum to share their success stories and best practices relating to contracting with the State of Wisconsin.

## Research and Development

In FY08, the State Use Program received numerous requests from work centers for information on how the State buys certain products and services. Obtaining this purchasing information is the first step for a work center in analyzing its ability to contract with the State. Board staff did extensive investigation and provided research results on annual procurement volumes, contract specifications, prices, samples and terms and conditions. Examples of some of the commodities and services researched are:

- Department of Natural Resources –  
Concessionaires in State Parks
- Fresh Produce
- File Folders
- Ear Plugs
- Note Pads
- Plastic Serving Trays
- Bottled Water
- Food Service for Freshman Orientation,  
UW-Milwaukee Campus



## FISCAL YEAR 2008 PROGRAM RESULTS

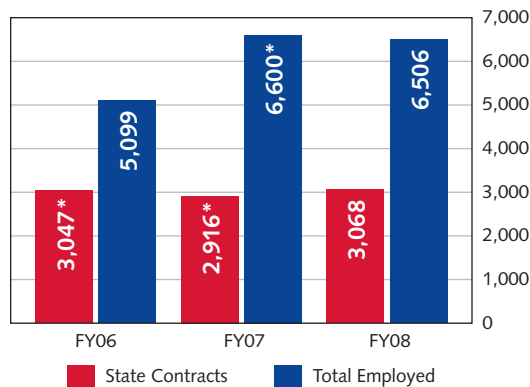
The State Use Program gives Wisconsinites with disabilities the same opportunity as everyone else to have a job, develop self esteem and fully participate in society.

The State Use Program is an example of State government operating at its best. Through the program, people with disabilities are provided the opportunity to work in a supported environment, receive vocational training and earn a living by their own efforts while providing State agencies with quality goods and services. Although percentages of dollars spent are good measures of the program's success, the ultimate objective of the State Use Program is more jobs and better jobs for people with severe disabilities.

During FY08, State Use Program contracts expanded job opportunities that provided employment for **3,068** Wisconsin citizens with disabilities who worked **301,129** hours and earned **\$1,980,843** in wages.

The graph below compares the total number of individuals with disabilities employed by the work centers to the number of individuals with disabilities employed on State contracts.

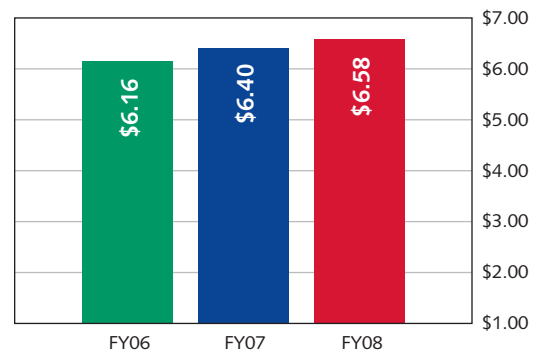
**Work Center Employment of Persons with Disabilities**



\*Data corrected to reflect information reported by work centers.

The State Use Program gives Wisconsinites with disabilities the same opportunity as everyone else to have a job, develop self esteem and fully participate in society. FY08 saw continued growth in the wages earned by peoples with disabilities employed through the State Use Program.

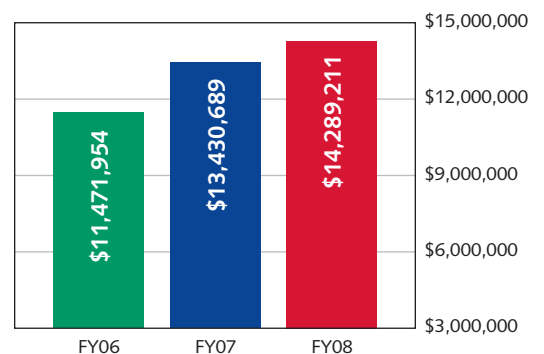
**Average Direct Labor Hourly Wage**



In Fiscal Year 2008, work centers reported total purchases from State agencies increased by **6%** over the last fiscal year.

The following graph demonstrates progress toward the State Use Program's goal of increased dollars spent with Wisconsin certified work centers.

**Total State Use Purchases**



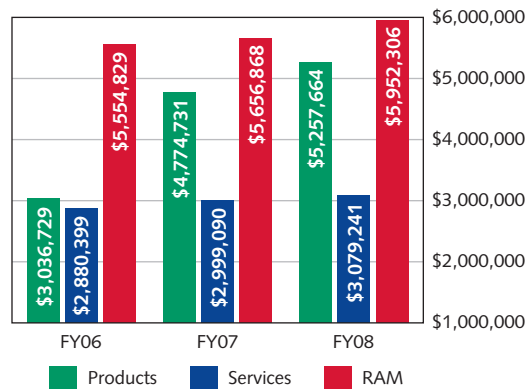


# DISTRIBUTION OF STATE USE CONTRACTS

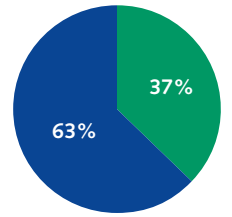
The State Use Board has advanced the concept of social entrepreneurship where both the social mission of jobs for people with disabilities and the commercial business mission of providing products and services to State agencies could be satisfied.

The graph that follows illustrates total annual dollars spent with work centers between product, service and rest area maintenance (RAM) contracts. While the sales of services have remained steady, the program has experienced continued growth in the development of products provided to State agencies.

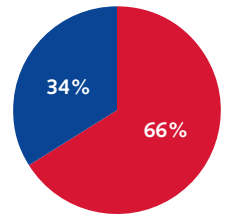
**Distribution of State Use Contracts**



**FY08 Total Services & Products**



**FY08 Services & RAM**



- Products
- Services
- RAM

During FY08, the program continued to open doors to opportunity by providing people with disabilities with job skills and training that enhance their lives. Through the State Use Program, certified work centers are guaranteed the opportunity to show they can offer Wisconsin State agencies quality products and services at competitive prices while providing good jobs, decent pay and self-determined futures to people with disabilities.



## WORK CENTER PRODUCTS AND SERVICES

Work Center	City	Products & Services
Aspiro, Inc.	Green Bay	Janitorial, Mailing, Sewing
Barron County Developmental Disabilities Services, Inc.	Barron	RAM
Bethesda Lutheran Homes and Services, Inc.	Watertown	Contact Work Center
Black River Industries, Inc.	Medford	RAM, Lawncare, Janitorial, Sewing
Brooke Industries, Inc.	Fond du Lac	Janitorial, Mailing, Packaging
Careers Industries, Inc.	Racine	Trash Can Liners
Challenge Center, Inc.	Superior	Confidential Paper Shredding
Chippewa River Industries	Chippewa Falls	RAM
Clark County Adult Development Service	Greenwood	RAM
Counseling & Development Center, Inc.	Phillips	Janitorial, Mailing
Crawford County Opportunity Center, Inc D/B/A Opportunity Center	Prairie du Chien	Floor Covering/Mats
Curative Care Network	West Allis	RAM
Diverse Options, Inc.	Ripon	Socks, Admission Kits
Diversified Services Center, Inc.	Siren	T-Shirts
East Shore Industries, Inc.	Algoma	Mops
Eisenhower Center, Inc.	Milwaukee	Mailing, Packaging
Focuscorp, Inc.	Madison	Mailing, Packaging
Fox River Industries	Berlin	Printing
Goodwill Industries Northern Wisconsin & Upper Michigan, Inc.	Marinette	Metal Work, Packaging
Goodwill Industries of Southeastern WI, Inc.	Milwaukee	Janitorial, Packaging
Green Valley Enterprises, Inc.	Beaver Dam	Janitorial, Packaging
Greenco Industries, Inc.	Monroe	Toothpaste, Bras
Handishop Industries, Inc.	Tomah	RAM, Janitorial
Headwaters, Inc.	Rhineland	RAM, Janitorial, Sewing
Highline Corporation	Hurley	RAM
Hodan Center, Inc.	Mineral Point	Janitorial, Packaging, Concessions
Holiday House of Manitowoc County, Inc.	Manitowoc	RAM
Indianhead Enterprises, Inc.	Menomonie	RAM
Industries for the Blind, Inc.	West Allis	Brushes, Writing Instruments
Innovative Services, Inc.	Green Bay	Contact Work Center
Kandu Industries, Inc.	Janesville	Concessions
Kenosha Achievement Center, Inc.	Kenosha	Foodservice, Janitorial, RAM
L.E. Phillips Career Development Center, Inc.	Eau Claire	RAM, Plaques, Breakfast Trays

Work Center	City	Products & Services
Lakeland Industries	Shawano	Packaging
Lakeside Curative Services	Racine	Gloves, Seasoning
Lincoln County Services/ Lincoln Industries	Merrill	Workboots, Oxfords
Madison Area Rehabilitation Centers, Inc. (MARC)	Madison	Janitorial
Milwaukee Center for Independence	Milwaukee	Janitorial
N.E.W. Curative Rehabilitation, Inc.	Green Bay	Mailing, Packaging
New Hope Center, Inc.	Chilton	Janitorial, Mailing, Packaging
New View Industries	Gillett	Stakes, Laths
Northwoods Inc. of Wisconsin	Portage	RAM
ODC Government Services, Inc.	Wisconsin Rapids	Contact Work Center
Opportunities, Inc.	Fort Atkinson	RAM
Opportunity Development Centers, Inc.	Wisconsin Rapids	Shipping
Pathways of Wisconsin, Inc.	Madison	Janitorial
Polk County Adult Development Center, Inc.	Balsam Lake	RAM
Portal Industries, Inc.	Grafton	Packaging
Regional Enterprises for Adults And Children, Inc. (REACH)	Eau Claire	Janitorial
RCS Empowers, Inc. (formerly Rehab. Center of Sheboygan, Inc.)	Sheboygan	Janitorial, Mailing, Packaging
Riverfront, Inc.	La Crosse	Janitorial, RAM
Saint Coletta of Wisconsin, Inc.	Jefferson	Janitorial, Mailing, Packaging
Southwest Opportunities Center, Inc.	Lancaster	Contact Work Center
St Croix Industries / Extended Opportunities	New Richmond	Janitorial, RAM
Sunshine House, Inc.	Sturgeon Bay	Contact Work Center
Superior Vocations Center, Inc.	Superior	Janitorial, RAM, Landscaping
The Threshold, Inc.	West Bend	Janitorial
Valley Packaging Industries, Inc.	Appleton	Food and Beverage Packaging
Ventures Unlimited, Inc.	Shell Lake	RAM, Janitorial, Shoes
Vernon Area Rehabilitation Center, Inc. (VARC)	Viroqua	RAM
VIP Services, Inc.	Elkhorn	RAM, Janitorial
Waukesha Training Center, Inc.	Waukesha	RAM, Janitorial
Waupaca County Industries	Manawa	RAM
Wausaukee Enterprises, Inc.	Wausaukee	Janitorial, Mailing, Packaging
Waushara Industries, Inc.	Wautoma	RAM
Wiscraft, Inc.	Milwaukee	Scrubber Floor Pads

## STATE USE BOARD MEMBERS

David M. Dumke, Board Chair  
Field Services Representative  
Wisconsin Counties Association  
Representation: Public Member

Michael Casey  
Special Education Teacher  
Cassville School District  
Representation: Public Member

Marie Danforth  
Social Services Supervisor  
Division of Mental Health  
Department of Health Services  
Representation: Mental Health

Joseph D'Costa  
Director, Bureau of Management Services  
Division of Vocational Rehabilitation  
Department of Workforce Development  
Representation: Vocational Rehabilitation

Nicholas C. George, Jr.  
President  
Midwest Food Processors Association, Inc.  
Representation: Private Business

Andrew Moyer  
Executive Assistant  
Department of Administration  
Representation: Department of Administration

Bill Smith  
Executive Director  
National Federation of Independent Businesses  
Representation: Small Business

Jean Zweifel  
Chief Executive Officer  
Greenco Industries, Inc.  
Representation: Work Center

## STATE USE BOARD STAFF

Laura Rice  
Director  
Wisconsin State Use Program  
Department of Administration

Matthew Olson  
State Use Program Assistant  
Department of Administration



**FOR FURTHER INFORMATION ON THE STATE USE PROGRAM, PLEASE CONTACT:**

Laura Rice, Director  
State Use Program  
P.O. Box 7867  
Madison, WI 53707-7867

Phone (608) 266-5462 Fax (608) 267-0600

Please visit our website at: <http://stateuseprogram.wi.gov/>