

WISCONSIN STATE USE BOARD MEETING

Thursday, April 6, 2023, at 10:00 a.m.

Held via Microsoft Teams

- I. The State Use Board meeting was called to order by Chairperson Tracy Nelson at 10:04 a.m.
- II. Introductions
 - a. Board members present:
 - i. Tracy Nelson, East Shore/Algoma Mops; Private Business representative; Chairperson
 - ii. Nickolas George, MFPA; Public representative
 - iii. Bill Smith, NFIB; Small Business representative
 - iv. Amy Grotzke, Department of Workforce Development; Vocational Rehabilitation representative
 - v. Jana Steinmetz, Department of Administration; Department of Administration representative
 - b. Board members absent:
 - i. *Vacant; Work Center representative*
 - ii. *Vacant; Mental Health representative*
 - iii. *Vacant; Other representative*
 - c. Board staff present:
 - i. Nadine Malm, Department of Administration
 - d. Others present:
 - i. Alison Hoffman, Lakeside Curative Services
 - ii. Amber Fallos, Black River Industries
 - iii. Ashby Rawstern, Embark Supportive Employment
 - iv. Jolene Wheeler, Northwoods Inc.
 - v. Lisa Davidson, Disability Service Provider Network
 - vi. Mike Snodgrass, Lakeside Curative Services
 - vii. Perry Cloud, Chippewa River Industries
 - viii. Rob Buettner, Beyond Vision
 - ix. James Kerlin, Beyond Vision
 - x. Stacey Marcum, Chippewa River Industries
 - xi. Linda Klean, Beyond Vision
 - xii. Charlene Orsted, Department of Corrections
 - xiii. Tammy Weber, Black River Industries
 - xiv. Lincoln Burr, Aspiro
 - xv. Leslie Larson, Endeavors, Inc.
 - xvi. Randy Klein, Greenco Industries, Inc.
- III. Discussion and approval of Wisconsin State Use Board Meeting Minutes of Thursday, February 23, 2023.
 - a. Motion to approve by Amy Grotzke.
 - b. Seconded by Nickolas George.
 - c. Approved unanimously.
- IV. DWD/DVR Update [Ms. Amy Grotzke]
 - a. Amy provided a short update on issues related to DWD/DVR. She noted that DVR and many districts are short staffed and are in the process of trying to hire and fill positions.

- b. Several WDA's (Workforce Development Areas) have waiting lists for services.
- c. Amy shared that the greatest current impact to DVR services are related to supported employment, including systematic instruction and job coaching. Regular job development and internships are also impacted.
- d. While all WDA's are impacted, the areas that are most affected are WDA 10 – Madison area, WDA 4 – Fond du Lac/Green Lake area, WDA 8 – Eau Claire, WDA's 2 & 3 – Milwaukee and Ozaukee Areas.
- e. If any work centers are interested in becoming a service provider, they should contact Amy.
- f. Despite the waiting lists, DVR should still meet their goals of job placement.

V. Set Aside for Work Boots and Oxford Shoes [Ms. Nadine Malm]

- a. Black River Industries and DOC have negotiated a new contract for oxford shoes and workboots with an estimated start date of July 1, 2023.
- b. An additional warehousing component is being added to the contract. BRI is purchasing BSI's inventory and will be fulfilling orders when the new contract begins.
 - i. Question from Bill Smith – Will the new components create additional jobs for individuals with disabilities?
 - 1. Answer – Amber Fallos affirmatively answered it would create at least three new positions for individuals with disabilities. She also indicated there were other components added to the contract that would create more jobs for individuals with disabilities.

VI. 2023 Annual State Use Program Recertification [Ms. Nadine Malm]

- a. Annual State Use Program Recertification documents were sent via DocuSign and are due Friday, April 7th. At this time, 40 of 47 work centers have responded. One organization did not recertify as they no longer had a work center. Once all responses have been received, Nadine will send the certificates to Tracy for signature via DocuSign. A final update will be provided at the next meeting.

VII. 2023 Fair Market Review [Ms. Nadine Malm]

- a. Nadine informed the Board the annual fair market review documents will be sent via DocuSign the week of July 3rd with a due date of July 28th.

VIII. State Use Program Subcommittee Report [Chairperson Tracy Nelson]

- a. The subcommittee met February 28th to discuss proposing changes to modernize statutes related to the State Use Program (e.g., modernizing the definition of an individual with disabilities as the current definition uses antiquated terminology).
- b. Tracy discussed the survey that was sent to the current Program work centers (47 in total).
 - i. 29 responses received. Of the 29:
 - 1. 20 hold a State Use Contract (69%)
 - 2. 21 are still using 14(c) license (72%)
 - 3. 12 of the 29 pay minimum wage for all positions (41%)
 - ii. Tracy opened a discussion with the work centers attending the meeting, specifically referencing a survey question about reducing the labor percentage for individuals for disabilities from 75% to 50%. According to the survey, approximately 25% of work centers were not in favor of reduction. What are some reasons to consider why it shouldn't be changed?

1. Nadine explained one reason this issue was mentioned is due to some janitorial contracts which specify the number of employees for the contract, such as: One lead worker/supervisor with two staff members. State Use cannot meet the 75% labor requirement with these specifications and can only max out at 66%.
2. Tracy reiterated the purpose of the subcommittee's work is to provide more opportunities for individuals with disabilities.
3. Tracy stated this is a very important issue as the committee will be recommending statutory changes and wants to provide current work centers every opportunity to speak up and voice concerns now.
4. Tracy noted Wisconsin is far behind other states in modernizing statutes, based on information Nadine received from SUPRA members.
5. If the federal government stops granting 14(c) to organizations that do not actively use it, the Wisconsin State Use Program would be defunct since the current statute requires you to hold that to be able to be certified as a work center.
 - a. Jim Kerlin (Beyond Vision): Advocate for separation of 14(c) and percentage reduction when discussing the changes. Beyond Vision is involved with AbilityOne which does not allow a 14(c) license for their contracts. Work centers can still hold a 14(c) license for non-AbilityOne contracts.
 - b. Jim mentioned SourceAmerica is also eliminating the 14(c) license requirement. Further, the ratio discussion has been mentioned (on the federal level) because the Workforce Innovation and Opportunity Act (WIOA) puts itself at odds with the Javits-Wagner-O'Day Act (JWOD). JWOD requires 75% labor, but WIOA says that would not be competitive integrated employment. Because of this, Jim said it raised questions about federal money and what programs could use it.
 - c. Lincoln Burr (Aspiro) indicated they are no longer holding 14(c) certificate. The certificate should not be required if not utilized. Federal Government is pushing back approving 14(c) certificates not actively being used.
 - d. Lisa Davidson (DSPN) stated all comments align with growing opportunities for individuals with disabilities, but when looking at statute changes, the entire statute is open, not specific parts. A recommendation from the subcommittee to the Board does not stop the Legislature from making changes not intended. DSPN is willing to assist in the process.
 - e. Rob Buettner (Beyond Vision) agreed with Lisa. The statute needs to be refreshed. He questioned what would need to be done to grow the program.
 - f. Lincoln Burr discussed a past recommendation of "modernizing the program" which eliminated the need to be a sheltered workshop and DOA (at that time) stated it would be impossible to monitor the requirements for each company.
 - g. Tracy mentioned it would need to be a non-profit as currently stated in statute and also noted the next subcommittee meeting would be April 10th and provided some of the agenda items.
 - h. Jim asked if "growth" was an objective of revising the statutes as one of the subcommittee actions. Tracy stated it wasn't but understood the need and would address it at the April 10th meeting.
 - i. Tracy reiterated to reach out to her or Nadine with questions or concerns.

- IX. State Use Program Third Quarter Meeting [Chairperson Tracy Nelson]
 - a. Due to an unforeseen circumstance, agenda item tabled until later in the meeting with all Board members in attendance.
- X. Addition to Agenda – Disposable Gloves Price Decreases [Ms. Nadine Malm]
 - a. Nadine requested to add this item as it came in after the agenda was posted. Lakeside Curative Services decreased pricing on 11 of 12 styles of gloves effective April 1, 2023. Savings ranged from \$3.00 - \$12.00 per case.
- XI. Product Ideas/Opportunities (Standing Agenda Item) [Ms. Nadine Malm]
 - a. Janitorial services for the Wisconsin Historical Society – bid closed on March 31, 2023. Information was sent to one work center.
 - b. Janitorial services for the Department of Transportation at Multiple Locations – bid closed March 31, 2023. Information was sent to 11 work centers.
 - c. Shredding Services for the Department of Health Services/Medicaid Services due April 21, 2023. Information sent to one work center.
 - d. Nadine also reiterated the importance of work centers registering on eSupplier to ensure notification of solicitations and possible contracts and discussed the New Item Cost Analysis form that is required to be submitted with any bid or proposal.
 - e. Tracy mentioned a discussion with Lisa Davidson from DSPN about possibly having a session about State Use at the DSPN conference in the fall.
- XII. State Use Program Third Quarter Meeting [Chairperson Tracy Nelson]
 - a. Third quarter meeting has been set for July 13, 2023, beginning at 10:00 a.m.
- XIII. Public Comment
 - a. No public comments
- XIV. Future Meetings Review
 - a. July 13, 2023, at 10:00 a.m.
 - b. October 5, 2023, at 10:00 a.m.
- XV. Adjourned by Chairperson Tracy Nelson at 10:43 a.m.
 - a. Motion to approve by Nickolas George.
 - b. Seconded by Amy Grotzke.
 - c. Approved unanimously.