

Wisconsin State Use Board

FY25 Annual Report

State Use Board Mission

The Wisconsin State Use Board attempts to maximize state agency and campus contracting with certified Wisconsin work centers, ensuring the procurement of quality products and services while providing a positive impact on the employment of individuals with severe disabilities.

In 1989, Wis. Stat. 16.752 created Wisconsin's State Use Program to provide gainful employment for the thousands of Wisconsinites with severe disabilities across the state seeking job opportunities in their communities. The law requires all state agencies to purchase products and services from Wisconsin nonprofit work centers when the work center can meet the State's 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 to people with disabilities that increase their independence and self-sufficiency in both large and small local communities throughout the State. When individuals with disabilities gain employment, they can reduce or eliminate reliance on government-funded programs and services. In addition, they add to the tax base by becoming taxpayers.

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

Executive Summary

Wisconsin's State Use Program is a business-oriented response to social needs that creates a contractual relationship between state agencies and Wisconsin's work centers, resulting in jobs, increased independence, and greater self-worth for citizens with disabilities. Jobs equal respect in very real ways in many of the workers' lives – respect from families, co-workers, employers, and from the community. Through the State Use Program, certified work centers are guaranteed the opportunity to show they can offer state agencies quality products and services at competitive prices, while providing good jobs, decent pay, and self-determined futures to people with disabilities. Because of the State Use Program, countless workers with disabilities across Wisconsin get the opportunity to reach their full employment potential.

Of the 39 nonprofit work centers certified to do business under the State Use Program, in FY25, 27 work centers (69%) did some business with the State.

State Use Board Accomplishments

The eight-member Governor-appointed State Use Board is attached to the Department of Administration. It is provided with staff support and has numerous duties and responsibilities defined in the State Use Law.

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

The State Use Board continues to coordinate an agenda on behalf of Wisconsin's certified, nonprofit employment centers participating in the State Use Program. In FY25, some topics discussed by the Board during FY25 meetings included:

- **State Use Program Subcommittee**

In October 2022, a subcommittee was created to review recommendations for changes to the State Use law, as presented by the Governor's Committee for People with Disabilities and continued to meet during FY25.

July 2023, the State Use Board approved five of the six recommendations:

- Payment of minimum wage for all workers,
- Definition of "significant disability,"
- Remove holding a 14(c) subminimum wage license requirement,
- Definition of "work center" to eliminate exclusivity to centers and allow private/other nonprofit employers to compete for State Use contracts, and,
- Decrease the direct labor percentage performed by individuals with disabilities from 75% to 51%.

The State Use Board approved the final recommendation to add an additional "Member at Large" position to the Board in October 2023.

The subcommittee prepared a document that was shared with Legislative Liaisons from the Department of Administration (DOA) and Department of Workforce Development (DWD). The DOA's Legislative Liaison assisted the subcommittee with the process of initiating these recommendations to update the state use law.

In 2024 the process was delayed due to the State redistricting legislative maps and after the fall election results were announced. This allowed the DOA Legislative Liaison to identify the proper representatives of work centers' locations who may assist in introducing and sponsoring a bill to update the law.

The DOA Legislative Liaison continues to assist the subcommittee with the process of updating the State Use Program law.

State Use Board Accomplishments, Continued

- **Contracts – Increases, Deletions**

- A request was submitted in July 2024 to increase prices for 21 items in the Floor Pads contract. Of these, 11 items were within the calculated fair market pricing. The work center agreed to meet fair market on 8 of the final 10 items and requested the final 2 items be removed from contract. Other floor pads styles and sizes were removed due to an inability to source raw material and low sales/non-use of items. All floor pad contract item increases and removals were approved by the Board.
- In March 2025, a price increase was requested for items included on the Mops, Wet, Dry, Dust, Handles and Oil contract. All items met the fair market pricing analysis and price increases were approved by the Board.

- **Survey of Work Centers**

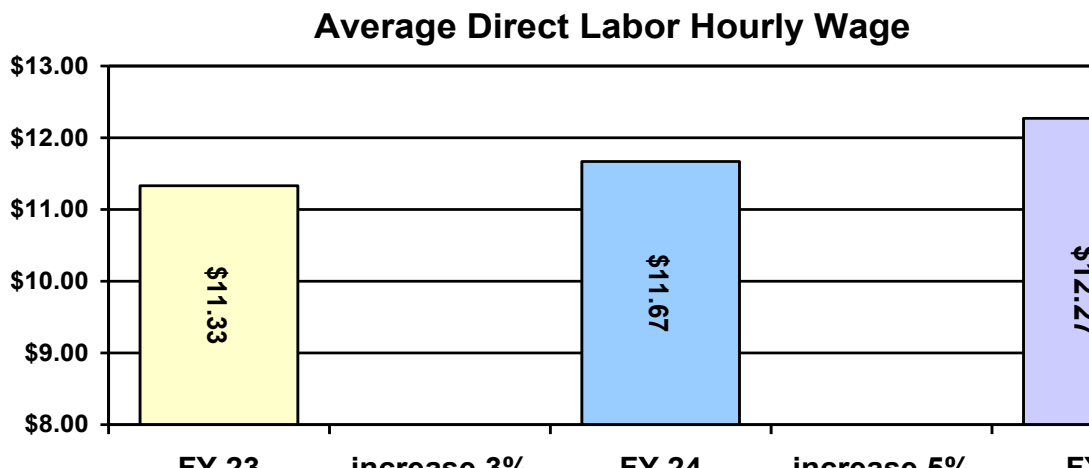
- On behalf of the Department of Corrections (DOC) in March 2025, a survey was sent to work centers regarding various services used by DOC, such as confidential shredding services and ground maintenance services. Responses were forwarded to DOC to assist in determining possible State Use opportunities.

Program Results

State Use Program contracts provided job opportunities that created a better and more fulfilling quality of life through employment for 383 Wisconsin citizens with disabilities, who worked 158,135.18 hours and earned \$1,940,651.78 in wages in FY25.

The average hourly wage earned by people with disabilities employed through the State Use Program was \$12.27, a 5% increase over FY24 (Table 1).

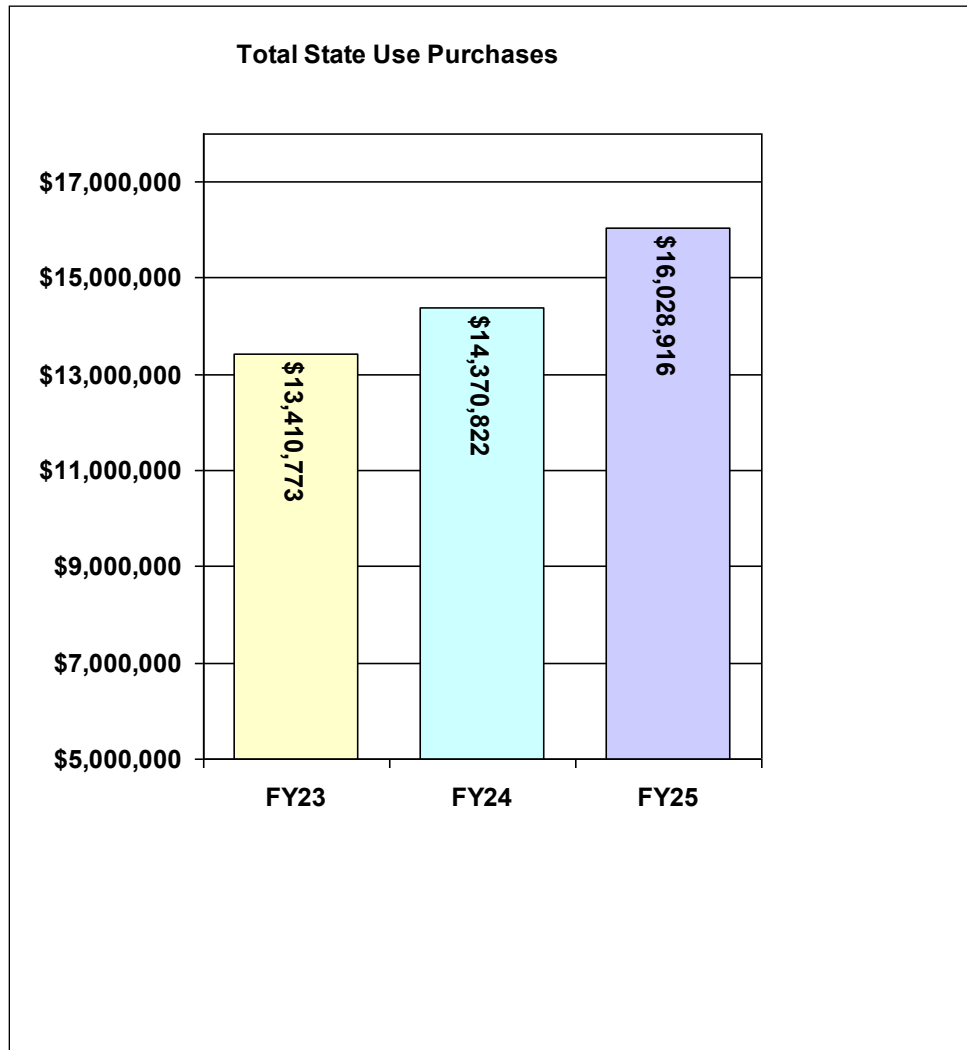
Table 1



In FY25, the State of Wisconsin continued to allow for hybrid work environments for state agencies, further consolidating office space into fewer buildings. With fewer employees working in offices, agencies purchased fewer commodities, such as office supplies and cleaning supplies, but agencies still required various services. Agencies and work centers continue to work together to maintain contracts and explore new opportunities.

The work centers reported annual sales to state agencies totaling \$16,028,916, an increase of \$1,658,094.00 or 11.5% from FY24 (Table 2).

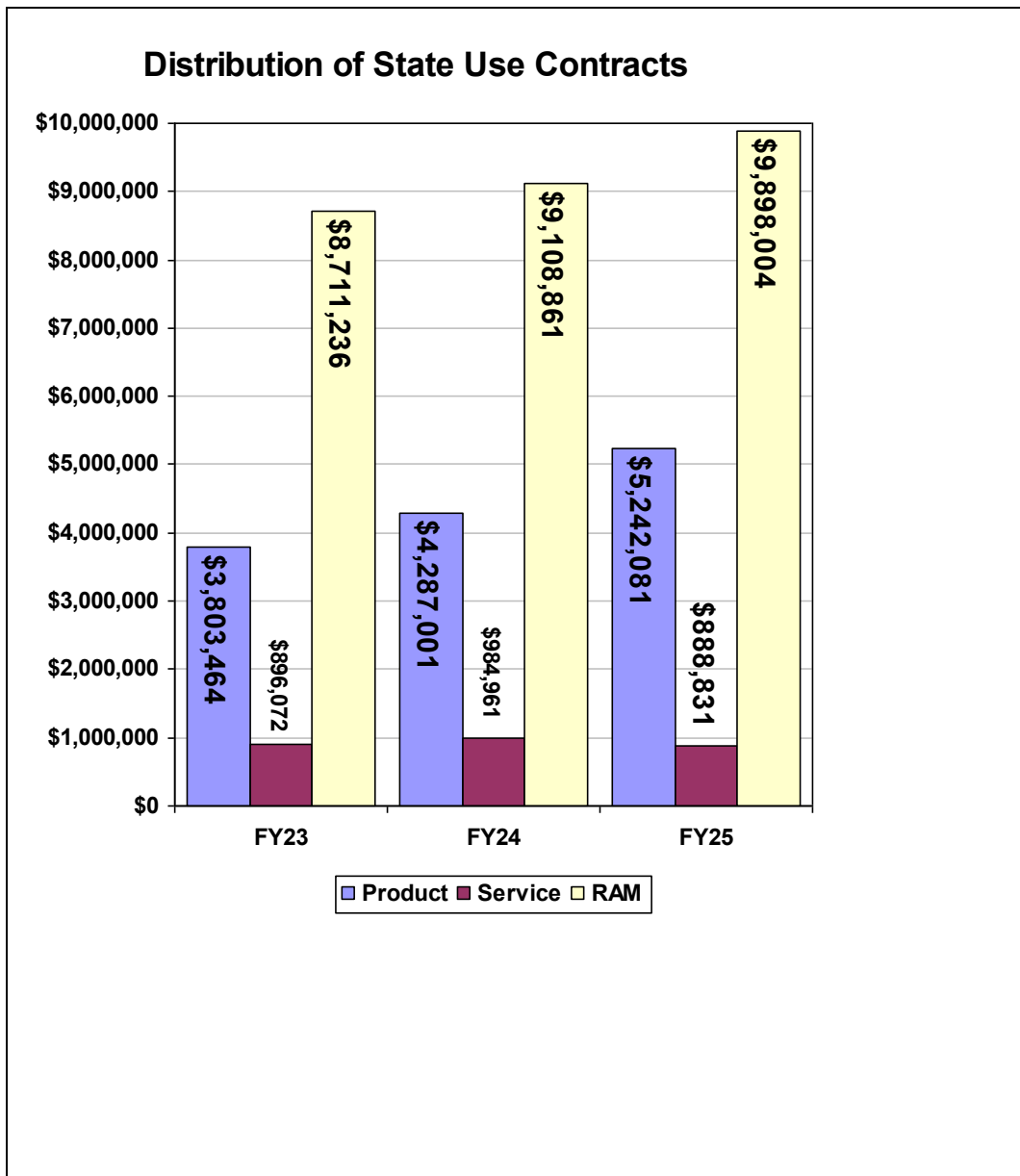
Table 2



Distribution of State Use Contract Spend by Fiscal Year (FY23-FY25)

Table 3 illustrates the breakdown of total annual dollars spent with work centers between product, service, and rest area maintenance (RAM/SWEF) contracts.

Table 3



Appendix 1: Listing of Wisconsin State Use Work Centers

Work Center	City	Products & Services
Aptiv, Inc.	La Crosse	Staffing Services
Ascend, Inc.	Manitowoc	Rest Area Maintenance, Grounds keeping, Janitorial, Wood Fabrication, Assembly, Packaging
Barron County Developmental Disabilities Services, Inc.	Barron	Rest Area Maintenance, Assembly, Packaging
Beyond Vision (Wiscraft, Inc.)	Milwaukee	Scrubber Floor Pads, Call Center Services
Black River Industries, Inc.	Medford	Rest Area Maintenance, Lawn Care, Janitorial, Sewing, Spices and Seasonings, Footwear
Brooke Industries, Inc.	Fond du Lac	Janitorial, Mailing, Packaging, Assembly
Challenge Center, Inc.	Superior	Confidential Paper Shredding, Packaging, Gardening/Planting, Assembly, Mailing Services
Chippewa River Industries	Chippewa Falls	Rest Area Maintenance, Fulfillment, Assembly
Clark County Adult Development Service	Greenwood	Rest Area Maintenance, Lawn Care, Light Assembly, Bagging/Packaging, Meal Preparation
Curative Care Network	West Allis	Rest Area Maintenance, Snow Removal/Salting, Fulfillment, Mailing, Data Processing, Assembly
Diverse Options, Inc.	Ripon	Socks, Admission Kits
East Shore Industries, Inc.	Algoma	Mops and Mop Handles
Embark Support Employment (formerly Superior Vocations Center, Inc.)	Superior	Janitorial, Rest Area Maintenance, Landscaping
Endeavors Adult Development Center, Inc. (Formerly Polk County Adult Development Center, Inc.)	Balsam Lake	Rest Area Maintenance, Janitorial, Lawn Care, Assembly/Packaging, Nursery Products
Greenco Industries, Inc.	Monroe	Packaging, Mailing, Assembly, Rework/Inspection, USDA Certified Co-Packer, Licensed Food Processor, Cleaning Services, Cold Storage
Handishop Industries, Inc.	Tomah	Rest Area Maintenance, Janitorial, Assembly, Packaging
Headwaters, Inc.	Rhineland	Rest Area Maintenance, Janitorial, Grounds Maintenance, Assembly, Document Destruction
Highline Corporation	Hurley	Rest Area Maintenance, Shredding Services, Grounds Maintenance, Janitorial
Indianhead Enterprises, Inc.	Menomonie	Rest Area Maintenance, Janitorial, Assembly & Packaging
Kandu Industries, Inc.	Janesville	Assembly, Kitting, Packaging, Bagging
Kenosha Achievement Center, Inc.	Kenosha	Food Service, Janitorial, Rest Area Maintenance
L.E. Phillips Career Development Center, Inc.	Eau Claire	Rest Area Maintenance, Plaques, Custodial, Mailing, Packaging
Lakeside Curative Services	Racine	Gloves
Lakeside Packaging Plus	Neenah	Assembly, Mailing, Kitting, Shredding, Inspecting, Packing, Salvage/Recycle

Wisconsin State Use Board Annual Report FY25

Work Center	City	Products & Services
New Hope Center, Inc	Chilton	Assembly, Packing, Custom Buttons, Heat Sealing, Janitorial, Labeling, Mailing, Screen Printing, Shrink Wrapping
New View Industries	Gillett	Assembly, Mailings, Counting, Labeling, Packaging, Sealing, Shrink Wrapping, Sorting, Woodworking
Northwoods Inc of Wisconsin	Portage	Rest Area Maintenance, Bar Code Printing, Grounds Maintenance
Opportunities, Inc. of Jefferson County	Fort Atkinson	Rest Area Maintenance, Assembly, Fulfillment Services, Packaging, Batteries, Mailings, Janitorial
Pantheon Industries, Inc.	Dousman	Mailing, Packaging, Assembly, Shredding, Janitorial, Disassemble/Recycling
Pathways of Wisconsin, Inc.	Madison	Janitorial, Mailing, Shredding
RCS Empowers, Inc.	Sheboygan	Janitorial, Mailing, Packaging, Assembly
The Red Apple Center, Inc. (fka Counseling & Development Center, Inc.)	Phillips	Janitorial, Mailing
Regional Enterprises for Adults and Children, Inc. (REACH)	Eau Claire	Janitorial, Assembly & Packaging
Southwest Opportunities Center, Inc.	Lancaster	Document Destruction, Janitorial, Packaging/Assembly
The Threshold, Inc.	West Bend	Janitorial, Assembly, Kitting, Packaging
Ventures Unlimited, Inc.	Shell Lake	Rest Area Maintenance, Mowing
Vernon Area Rehabilitation Center, Inc. (VARC)	Viroqua	Rest Area Maintenance, Assembly, Disassembly/Repackaging, Sewing, Kitting, Mailing, Packaging
VIP Services, Inc.	Elkhorn	Rest Area Maintenance, Janitorial, Lawn Care, Assembly, Fulfillment, Mailing, Packaging
Wausaukee Enterprises, Inc.	Wausaukee	Mailing, Packaging, Kit Assembly

Appendix 2: State Use Program Members

State Use Board Members

Tracy Nelson

Board Chair

Representation: Private Business

Nickolas C. George, Jr.

Representation: Public Position

Andrzej Walz-Chojnacki

Policy Analyst

Division of Vocational Rehabilitation

Department of Workforce Development

Representation: Vocational Rehabilitation

Richard Rydecki

Administrator

Division of Enterprise Operations

Department of Administration

Representation: Department of
Administration

Shawna Anderson

Executive Director

Embark Supported Employment

Representation: Work Center

VACANT POSITIONS:

DHS Representative

Small Business Representative

*Other Representative – Not named in
Statute*

State Use Board Staff

Nadine Malm

Coordinator

Wisconsin State Use Program

Department of Administration

For further information on the State Use
Program please contact:

**NADINE MALM, COORDINATOR
WISCONSIN STATE USE PROGRAM**

**P.O. BOX 7867
MADISON, WI 53707-7867**

Email: Nadine.Malm@wisconsin.gov

Phone (608) 266-5462

Please visit our website at:

<http://StateUseProgram.wi.gov/>