

FISCAL YEAR 2007
STATE USE PROGRAM ACTIVITY REPORT

Respectfully submitted by the
West Virginia Association of Rehabilitation Facilities

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Introduction

During the past year the West Virginia Association of Rehabilitation Facilities (WVARF) has gathered the information contained in this brief report to help the Committee for the Purchase of Commodities and Services from the Handicapped (Committee) review the success of the State Use program (SUP) as it meets its mission to employ people with disabilities.

By code the Committee is directed to gather specific information about the people employed through the program. As the approved Central Nonprofit Agency administering the State Use Program, WVARF is pleased to gather this information on behalf of the Committee. Additionally, WVARF and the Committee have included information they believe shows the success of the program.

The analysis and tables below will compare the last five state fiscal years (FY). This comparison enables the Committee to evaluate trends in order to continue improvements to the program.

Number of People

The number of people employed reflects the total number of all workers that have worked on a SUP project during the year, regardless of the duration of their assignment on a project, or the number of hours worked. It does not reflect the number of "positions" that are created by the SUP. Community Rehabilitation Programs (CRPs) are free to utilize the best staffing patterns to meet the needs of both the government customer and the individual worker's ability or need to work. Further, with the large number of small projects in the SUP, full time employment is not always available to the individual worker, and not all workers are able to work a 40 hour work week.

As shown below in Table 1 the number of people employed through the SUP increased each year until FY2006. During the analysis of the numbers for FY2006 it was discovered that one of the largest participating (CRP) had mistakenly reported the total number of employees in their organization for all of the previous years noted within this report. While they should have only reported the number of individuals employed through the SUP they reported all individuals employed whether through the State Use Program or another program. This error in reporting resulted in a drop of 147 people with disabilities from FY2005 to FY2006; and a drop of 213 people without disabilities for the same period.

Another CRP with a significant drop in numbers reported that they had increased their retention of workers, which has increased the quality of work performed, but has lowered the overall number of people employed.

Nevertheless it would appear that if an adjustment is made for all of the previous years, reflective of the new information available, the SUP has continued to employ more people each year.

Fiscal Year	Number of People w/ Disabilities	Number of People w/out Disabilities	Total number of people
2007	788	251	1039
2006	699	260	959
2005	787	349	1,136 *
2004	785	302	1,087 *
2003	726	278	1,004 *

Table 1 -Number of people employed through the State Use Program

* Artificially high due to incorrect reporting by CRPs

Fiscal Year	Number of People w/ Disabilities	Number of Direct Labor Hours Worked by People with Disabilities	Average Number of Hours Worked per Worker
2007	788	721,927	916.2
2006	699	781,337	1,117.8
2005	787	781,337	972.4
2004	785	765,275	899.8
2003	726	706,330	973.9

Table 1A –Average Number of Hours worked by people with disabilities

Disability Demographics

The information contained in Table 2 is designed to give the Committee a sense of who is being employed through the SUP based upon their stated disability. The value of this information rests on its ability to help various state agencies who provide funding for different types of employment programs for various types of disability groups. This information should be used by the CRPs and State funding agencies to develop new employment support programs. During the course of providing the state with needed commodities and services, the SUP employs a wide variety of individuals through the local CRPs.

The largest demographic group employed in the SUP is people with mental retardation or developmental disabilities (MR/DD). While this has been a long term focus group for CRPs, it is interesting to note that the combined total of the other groups is larger than the MR/DD group. This is significant, in that it dispels the notion that CRPs only employ individuals with MR/DD.

Fiscal Year	MR/DD	Mental Health	Substance Abuse	Physical Disability	Other	Total
2007	360	154	36	116	124	788
2006	289	143	36	136	95	699
2005	336	157	48	150	96	787*
2004	398	157	26	100	104	785*
2003	376	121	34	67	128	726*

Table 2 - Disability demographics

* Artificially high due to incorrect reporting by CRPs

West Virginia has the largest percentage of its population comprised of people with disabilities compared to other States. Table 2A shows the percentage of non-institutionalized men and women, which are 21-64 years in age. The numbers consist of people of all races who reported disabilities between the years of 2003 and 2006 collected from the United States Census Bureau. There is a small margin of error (+-1%) because the figures were taken from a population sample. ⁱ

State	2003 Rank	2003 Percentage	2004 Rank	2004 Percentage	2005 Rank	2005 Percentage	2006 Rank	2006 Percentage
United States		12.0		12.1		12.7		13.0
Alabama	5	16.7	6	16.8	5	17.9	5	18.6
Alaska	15	14.4	12	14.2	13	14.5	13	15.0
Arizona	31	11.7	27	11.9	30	12.1	31	12.0
Arkansas	4	17.6	3	19.9	4	19.1	4	20.0
California	38	10.8	41	10.5	41	10.9	41	11.0
Colorado	51	9.1	45	10.1	46	10.2	44	10.9
Connecticut	46	9.3	50	9.2	48	10.1	46	10.6
Delaware	30	11.8	24	12.9	28	12.6	24	13.3
District of Columbia	32	11.4	36	10.9	38	11.2	34	11.3
Florida	28	12.1	27	11.9	27	12.8	28	13.3
Georgia	28	12.1	31	11.7	26	12.9	27	13.1
Hawaii	41	10.5	46	10.0	45	10.3	50	10.1
Idaho	10	14.7	15	13.3	19	13.6	23	13.4
Illinois	46	9.3	49	9.3	46	10.2	49	10.4
Indiana	17	13.3	26	12.5	22	13.4	23	13.4
Iowa	26	12.3	38	10.8	33	11.6	32	11.8
Kansas	35	11.0	30	11.8	30	12.1	30	12.4
Kentucky	3	18.0	2	20.1	2	19.8	3	20.2
Louisiana	8	15.1	10	14.6	8	16.4	9	16.9
Maine	6	15.7	8	15.3	9	15.7	7	17.6
Maryland	40	10.7	41	10.5	44	10.5	46	10.6
Massachusetts	44	9.9	47	9.8	42	10.7	38	11.2
Michigan	22	12.6	21	13.0	21	13.5	20	14.1
Minnesota	49	9.2	48	9.7	50	9.9	48	10.5
Mississippi	2	19.3	4	19.0	3	19.2	2	20.5
Missouri	23	12.5	14	13.7	12	15.2	13	15.0
Montana	12	14.5	17	13.2	15	13.9	11	15.4
Nebraska	24	12.4	27	11.9	36	11.4	36	11.3
Nevada	41	10.5	38	10.8	49	10.0	41	11.0
New Hampshire	43	10.2	33	11.3	33	11.6	33	11.7
New Jersey	49	9.2	51	9.1	51	9.4	51	9.7
New Mexico	12	14.5	9	14.9	11	15.5	13	15.0
New York	38	10.8	38	10.8	36	11.4	35	11.5
North Carolina	12	14.5	20	13.1	14	14.4	12	15.1
North Dakota	37	10.9	36	10.9	43	10.6	45	10.8
Ohio	17	13.3	21	13.0	16	13.8	19	14.2

State	2003 Rank	2003 Percentage	2004 Rank	2004 Percentage	2005 Rank	2005 Percentage	2006 Rank	2006 Percentage
Oklahoma	7	15.3	5	17.0	6	17.0	6	18.1
Oregon	19	13.2	13	14.0	16	13.8	16	14.5
Pennsylvania	24	12.4	17	13.2	25	13.1	22	13.7
Rhode Island	26	12.3	25	12.6	23	13.3	23	13.4
South Carolina	10	14.7	10	14.6	9	15.7	10	15.8
South Dakota	46	9.3	41	10.5	32	11.7	41	11.0
Tennessee	8	15.1	7	15.4	6	17.0	8	17.4
Texas	35	11.0	35	11.2	29	12.3	29	12.7
Utah	45	9.6	44	10.2	38	11.2	38	11.2
Vermont	16	13.6	21	13.0	24	13.2	17	14.4
Virginia	32	11.4	32	11.4	35	11.5	34	11.6
Washington	21	12.8	17	13.2	16	13.8	18	14.3
West Virginia	1	21.3	1	21.5	1	21.4	1	21.9
Wisconsin	34	11.3	33	11.3	40	11.0	38	11.2
Wyoming	20	13.0	15	13.3	19	13.6	21	13.8

Table 2A –Number of people with disabilities within the United States

Direct Labor Hours and the Ratio

Table 3 provides a strong indication of the overall success of the SUP. Since the mission of the program is to employ people with disabilities, it is critical to determine the actual impact of the SUP. A primary method is to measure the number of direct labor hours worked, and compare that number within itself to determine the number of hours worked by people with and without disabilities.

The purpose of measuring the direct labor hours is based on two primary factors. The first is due to the small number of projects. For example, there are over 180 janitorial projects and approximately 45% of these projects are less than 5,000 square feet. The second purpose is based on the need to provide workers with disabilities a limited work week if they desire.

CRPs often encounter circumstances that require them to engage workers in the performance of direct labor on a project who do not have a disability. Many of the workers without disabilities are supervisors of the direct labor workforce, including management staff. During the course of performing the service or the manufacture of a commodity, certain tasks may require a higher skill level that is beyond the typical routine or training of the average worker. Additionally, there are times when a supervisor must fill in for an absent worker. On occasion a CRP may need to hire non-disabled workers to provide the service. This is not the normal operational approach of CRPs, and generally these workers are replaced as soon as possible by workers who have a disability.

The ratio that results from comparing the two groups of workers has continued to trend upwards over the past few years. This is a very good indication of the program's success in employing people with disabilities, and this success must be contributed directly to the efforts of the CRPs. The program rules require that each CRP has a ratio of no less than 75% of its workers on its SUP project be workers with disabilities.

Fiscal Year	Hours worked by workers with disabilities	Hours worked by workers without disabilities	Total hours worked	Overall SUP Ratio
2007	721,927	152,808	874,735	82.5%
2006	781,337	164,829	946,166	82.6%
2005	765,275	179,834	945,109	81.0%
2004	706,330	162,764	869,094	81.3%
2003	707,069	186,558	893,627	79.1%

Table 3 –Direct labor hours worked

Wages

A key measurement of success is the amount of wages paid to workers with disabilities as shown in Table 4 below. Regardless of the amount of pay, all work has value. However, much of the work performed under the SUP is typically low wage in nature, even when performed by a for-profit company on the open market. Despite this fact, the wages of the average SUP worker are slowly increasing.

In the table below, the average hourly wage for workers with disabilities has increased from \$5.52 per hour to \$6.53 per hour over the past five years. It is interesting to note that the wage paid to workers without disabilities is not significantly higher. The higher wage for non-disabled workers is indicative of the supervisors and management staff that perform the work when needed. CRPs and state agencies as a whole have been able to help raise the wage for workers in the SUP.

Fiscal Year	Wages paid people with disabilities	Wages paid to people without disabilities	Total wages paid	Average hourly wage for people with disabilities	Average hourly wage for people without disabilities	Overall average hourly wage
2007	\$4,711,713	\$1,047,593	\$5,759,307	\$6.53	\$6.86	\$6.58
2006	\$5,126,701	\$1,120,647	\$6,247,349	\$6.56	\$6.80	\$6.60
2005	\$4,914,319	\$1,401,625	\$6,315,945	\$6.42	\$7.79	\$6.68
2004	\$4,265,743	\$1,077,392	\$5,343,135	\$6.04	\$6.62	\$6.15
2003	\$3,902,258	\$1,148,813	\$5,051,072	\$5.52	\$6.16	\$5.65

Table 4 –Wage paid to direct labor workers

Sales

Sales for Fiscal Year 2007 were slightly less than the prior year, having dropped by \$414,988, or 0.08%, from the previous year's sales. The most significant reason for this reduction results from the privatization of the Worker's Compensation program. The two products most affected were Data Management and Presort. Moreover, the Division of Rehabilitation Services cut their janitorial contract due to the closure of the Rehabilitation Center in Institute. Full results of this will not be seen until next year because the center did not close until the end of June 2006.

Every few years the SUP has a set back resulting in significant loss in sales, such as Worker's Compensation privatization, Mountaineer Challenger Academy's food service, or the loss of janitorial services through full service leasing. However, despite these set backs, the strength of the program continues to push it forward. In FY 2007, laundry services were added to the statewide contract. In April 2007, the service began, and by June 30, 2007 the service was provided to three hospitals. We also saw a rise in low impact monitoring services.

In Table 6, commodities both "Printing and Signs" and "Miscellaneous" sales dropped off significantly due to the fact that the CRPs producing these products did not add a significant amount "value-added" labor by people with disabilities. As a result when WVARF04 was created they were not allowed into the contract. The other concern raised by these products was that Corrections Industries also produced similar items for sale to the State. Since their law is older, the Purchasing Division has determined that they have first rights over the State Use Program.

SALES BY SERVICES

Service	FY07	FY06	FY05	FY04	FY03
Courier	\$33,323	\$30,538	\$29,780	\$28,585	\$27,082
Data Mgmt	\$338,859	\$493,054	\$796,816	\$1,076,328	\$1,073,993
Data Imaging	\$671,315	\$548,921	\$599,170	\$658,527	\$607,157
Food Service	\$0	\$0	\$0	\$0	\$180,592
Grounds	\$15,100	\$11,075	\$4,379	\$51,965	\$3,385
Janitorial	\$5,701,482	\$5,702,379	\$5,425,695	\$4,923,665	\$4,663,409
Laundry	\$133,135	\$0	\$0	\$0	\$0
Low Impact Monitor	\$250,122	\$232,511	\$210,538	\$129,587	\$0
Microfilm	\$61,569	\$80,376	\$137,391	\$103,479	\$48,999
Presort	\$591,434	\$599,657	\$674,534	\$759,079	\$772,344
Rest Areas	\$2,629,178	\$2,541,889	\$2,530,732	\$2,349,545	\$2,347,799
Stream Access Sites	\$110,111	\$102,802	\$99,577	\$0	\$0
Temporary Services	\$398,581	\$603,251	\$579,346	\$385,219	\$677,828
Miscellaneous	\$0	\$1,899	\$1,869	\$1,793	\$1,766
TOTAL	\$10,934,209	10,948,352	\$11,089,827	\$10,466,772	\$10,404,354

Table 5 - Sales by service

SALES BY COMMODITIES

Commodity	FY07	FY06	FY05	FY04	FY03
Bottled Water	\$207,606	\$189,931	\$144,422	\$111,205	\$103,556
Condiment Kits	\$0	\$0	\$0	\$0	\$1,358
Fish Nursery Structures	\$6,435	\$17,330*	\$0	\$0	\$0
Liquid Hand Soap	\$101,404	\$120,248	\$93,588	\$92,381	\$73,025
Oil Absorbency Kits	\$10,515	\$16,103	\$19,818	\$15,912	\$7,347
Printing & Signs	\$0	\$0	\$0	\$61,836	\$89,366
Survey Stakes	\$9,888	\$19,510	\$15,105	\$15,399	\$13,240
Wiper Cloths	\$158,191	\$167,248	\$202,588	\$179,598	\$198,749
Miscellaneous	\$871	\$2,619	\$1,138	\$47,088	\$143,724
TOTAL	\$ 494,910	\$532,989	\$476,659	\$523,419	\$629,007

Table 6 –Sales by commodities

* Initial year of sales

Table 7 breaks down the sales by agency for the past five years, and also shows the total sales figures for each year.

SALES BY AGENCY

Agency	FY07	FY06	FY05	FY04	FY03
Auditor's Office	\$9,944	\$72,406	\$0	\$0	\$0
Bureau of Commerce	\$251,244	\$220,512	\$197,727	\$141,987	\$95,557
Bureau of Employment Programs	\$154,127	\$598,972	\$1,010,075	\$1,133,069	\$1,114,161
Dept of Administration	\$2,316,759	\$2,117,051	\$1,960,560	\$1,621,962	\$1,575,825
Dept of Education & the Arts	\$332,880	\$481,589	\$474,758	\$451,996	\$494,078
Dept of Environmental Protection	\$494,243	\$430,781	\$678,347	\$903,699	\$360,379
Dept of Health & Human Resources	\$1,699,808	\$1,555,474	\$1,556,324	\$1,524,418	\$1,777,053

Agency	FY07	FY06	FY05	FY04	FY03
Dept of Military Affairs and Public Safety	\$250,826	\$294,480	\$278,634	\$282,883	\$479,078
Dept of Tax and Revenue	\$406,839	\$429,432	\$372,160	\$370,141	\$808,794
Dept of Transportation	\$4,505,184	\$4,286,835	\$4,279,256	\$4,040,950	\$3,820,507
Public Service Commission	\$80,709	\$103,410	\$100,961	\$60,505	\$51,524
Sec. of State's Office	\$3,397	\$4,291	\$1,927	\$5,926	\$50,832
Miscellaneous Agencies	\$10,410	\$20,040	\$13,704	\$11,333	\$15,153
Political Subdivisions	\$53,532	\$45,798	\$45,469	\$46,227	\$48,106
Colleges & Universities	\$859,217	\$820,376	\$596,552	\$396,095	\$342,807
TOTAL	\$11,429,119	\$11,481,447	\$11,566,454	\$10,991,191	\$11,033,854

Table 7 –Sales by agency

Table 8 shows the break down in sales by participating CRP. Note that ARC of Harrison County ceased having SUP sales in FY04. They had provided janitorial services for the Clarksburg State Office Building until it closed.

SALES BY COMMUNITY REHABILITATION PROGRAM

CRP	FY07	FY06	FY05	FY04	FY03
ARC of Harrison County	\$0	\$0	\$0	\$17,270	\$41,499
Buckhannon-Upshur Work Adjustment Center	\$123,222	\$100,589	\$100,218	\$87,169	\$81,402
Clay County Services Unlimited	\$251,225	\$239,081	\$234,973	\$224,976	\$225,708
Developmental Center & Workshop	\$628,078	\$654,281	\$253,600	\$111,115	\$118,910
Eastridge Health Systems	\$31,137	\$16,306	\$7,848	\$4,249	\$2,421
Gateway Industries	\$238,243	\$233,576	\$204,854	\$213,082	\$221,139
Goodwill Industries of Kanawha Valley	\$3,133,409	\$3,228,425	\$3,374,221	\$2,988,280	\$2,930,210
Goodwill Industries of KYOWVA	\$417,454	\$413,104	\$392,936	\$381,710	\$374,781
Green Acres Regional Center	\$8,072	\$16,936	\$101,600	\$81,304	\$86,974

CRP	FY07	FY06	FY05	FY04	FY03
Hancock County Sheltered Workshop	\$184,558	\$33,583	\$53,260	\$33,108	\$33,085
Harrison County Sheltered Workshop	\$212,958	\$283,950	\$208,366	\$124,861	\$72,916
Healthways Health Systems	\$0	\$0	\$0	\$0	\$2,515
Integrated Resources	\$294,324	\$307,575	\$275,495	\$238,587	\$259,343
Jackson County Developmental Center	\$493,662	\$637,608	\$999,372	\$1,172,671	\$1,220,559
Job Squad	\$563,485	\$581,830	\$1,001,253	\$803,409	\$467,100
Lillian James Learning Center	\$115,644	\$115,770	\$106,053	\$99,140	\$99,851
Mercer County Opportunity Industries	\$231,863	\$224,784	\$211,888	\$204,424	\$207,207
Northwood Health Systems	\$24,630	\$25,588	\$25,377	\$19,482	\$19,454
PACE Training & Evaluation Center	\$171,398	\$209,066	\$158,509	\$151,954	\$159,679
Precision Services	\$1,014,045	\$932,874	\$1,038,016	\$1,107,186	\$1,001,698
Pretera Center	\$174,014	\$203,946	\$51,261	\$15,964	\$0
Preston County Sheltered Workshop	\$272,423	\$269,073	\$249,531	\$231,626	\$408,607
Randolph County Sheltered Workshop	\$112,300	\$105,900	\$106,053	\$118,542	\$144,995
Seeing Hand Assoc	\$4,397	\$2,748	\$0	\$0	\$0
Sheltered Workshop of Nicholas County	\$243,583	\$263,580	\$245,679	\$213,777	\$170,721
SW Resources	\$519,661	\$504,915	\$507,166	\$487,696	\$475,642
The Op Shop	\$1,212,413	\$1,117,199	\$946,639	\$744,728	\$641,225
WATCH	\$151,068	\$150,833	\$154,875	\$139,223	\$159,931
WVARF	\$168,021	\$174,158	\$188,314	\$560,205	\$899,751

Table 8 –Sales by community rehabilitation program

Counties Served

Table 9 below shows the various counties that each CRP serves by employing people with disabilities. Several CRPs perform work in more counties than show below. For example, Harrison County Sheltered Workshop provides monitors for the Low Impact Monitor program, which requires them to provide services throughout the northern part of the state. Those counties have not been counted in this table as the workers are from Harrison County; rather than from the county in which they sometimes provide services through this project.

COUNTIES SERVED

CRP	Counties Served FY07
Buckhannon-Upshur Work Adjustment Center	Lewis Upshur
Clay County Services Unlimited	Clay
Developmental Center & Workshop	Berkeley Grant Hampshire Hardy Mineral
Eastridge Health Systems	Berkeley Morgan
Gateway Industries	Greenbrier Monroe Pocahontas
Goodwill Industries of Kanawha Valley	Kanawha Putnam
Goodwill Industries of KYOWVA	Cabell Lincoln Mason Wayne
Green Acres Regional Center	Cabell
Hancock County Sheltered Workshop	Hancock
Harrison County Sheltered Workshop	Doddridge Harrison
Healthways Health Systems	None
Integrated Resources	Boone Logan McDowell Mingo Raleigh Summers Wyoming
Jackson County Developmental Center	Jackson
Job Squad	Kanawha
Lillian James Learning Center	Raleigh
Mercer County Opportunity Industries	Mercer
Northwoods Health Systems	Wetzel
PACE Training & Evaluation Center	Monongalia
Precision Services	Braxton Gilmer Lewis
Prestera Center	Kanawha
Preston County Sheltered Workshop	Preston
Randolph County Sheltered Workshop	Randolph
Seeing Hand Assoc	Ohio

CRP	Counties Served FY07
Sheltered Workshop of Nicholas County	Fayette Nicholas Webster
SW Resources	Pleasants Wood
The Op Shop	Marion Harrison
WATCH	Ohio
WVARF	Barbour Calhoun Jackson Lincoln McDowell

Table 9 –Counties served by community rehabilitation programs

¹ U.S. Census Bureau; American Community Survey, 2003-2006 Summary Tables ; generated by Ashley Hackney; using American FactFinder; <<http://factfinder.census.gov>>; (11 November 2007).