

Turning Disabilities Into Possibilities

Georgia Enterprises for Products and Services

2008 - 2009 Annual Report

State Use Council Chair

Message from the Chairman:

“Turning Disabilities Into Possibilities” is the theme adopted by the State Use Council several years ago. You will see this tag line used on many of our publications, on the website and in most marketing materials. This is a very descriptive theme statement . . . but what does it really mean to our governmental agency customers, our community resource provider stakeholders, and our citizens with disabilities served by the State Use Program?

For our governmental agency customers, the ‘possibilities’ are our guarantee to provide a quality product or service at a competitive price, while creating jobs for Georgians with disabilities.

For our community resource center stakeholders, the State Use Program ‘possibilities’ offer an opportunity to further their mission to provide vocational training and employment for people with disabilities throughout the state.

But most importantly, for workers with disabilities, the ‘possibilities’ provided by the State Use Program is EMPLOYMENT in a meaningful, rewarding job. In the 2007 Disability Status Report, Cornell University reports an employment rate for Georgians with disabilities at 34.3%, and for those without disabilities a rate of 79.2%. The gap in these rates show the tremendous need for job opportunities for our citizens with disabilities, and the State Use Program is designed to address this need.

“Turning Disabilities Into Possibilities” is accomplished through a partnership with the State of Georgia’s Department of Administrative Services and our community non-profit resource providers. By working collectively, the State Use program will engage people with disabilities to provide our state agency customers with essential goods and services.

Preparation of an Annual Report is an excellent opportunity to reflect on organizational accomplishments and challenges. The State Use Program has a strong financial and ‘mission’ focus. Building on the solid leadership base provided by Past Chair Dee Woodward, in FY08 and FY09 the Council embarked on new opportunities and new operating procedures.

During FY2008 Attorney General Thurmond Baker rendered an opinion that stated . . .

products offered to agencies by Georgia Enterprises, when properly approved and certified, were indeed mandatory for state agencies to purchase if a state wide contract was in effect. Mr. Baker’s opinion recommended that DOAS, State Use Council and the Central Non-profit Agency enter into a contract that would serve as such. His opinion outlined the cooperative intent of the State Use Law and emphasized the need for the State Use Council, DOAS and the Central Non-profit Agency to work together to “Turn Disabilities Into Possibilities.” With a new state wide contract in place, the first approved products were put on the mandatory list of products in June 2009.

On behalf of the Georgia State Use Council I invite you to join our efforts “Turning Disabilities into Possibilities.” As you review this report, you can see significant program growth experienced over the past two fiscal years, with even greater opportunities ahead.

By the end of the 2009 Fiscal Year, the program had net assets of almost \$60,000, showing a financially sound basis on which to build into the future. This was an increase of 18.3% over the previous fiscal year. But more importantly, the number of hours people with disabilities worked in the State Use Program, increased 13.9% over FY08 for a total of 59,538 hours.

The State Use Program is definitely “Turning Disabilities into Possibilities” and we look forward to continued growth and success for our program and Georgians with disabilities!

Charles F. Smith, Chair
State Use Council



GEPS Philosophy

Stefan Malicki from New Ventures, Inc. is recognized during Working Wonders Day as one of the Outstanding Workers for 2009. Brad Douglas, DOAS Commissioner on the left and Council Chair Charles Smith present his plaque.



Mission

Georgia Enterprises for Products and Services is dedicated to encouraging and assisting individuals with disabilities to achieve maximum personal independence by engaging in useful and productive vocational activities.

Georgia Enterprises works to facilitate and expand employment opportunities for people with disabilities through state and local programs. Georgia Enterprises strives to develop an environment for successful employment of the disabled through marketing research, public relations, and educational activities.

Georgia Enterprises values our cooperative relationships with business, state, and local community leaders that promote programs supportive of the employment of Georgia's citizens with disabilities.

A Vision for Empowerment

The Georgia Legislature established the State Use Council in 1993 to offer quality services and products to be used by state and local government agencies, and to improve the quality of life for Georgia's citizens with disabilities. The statute requires state agencies and political subdivisions to purchase certain products and services from certified Georgia work centers employing individuals with disabilities. The State Use Council designates a private nonprofit agency to administer daily operations on behalf of the Council.

This program is Georgia Enterprises for Products and Services, and its nonprofit administering agency is the Georgia Association of Training, Employment, and Supports (GATES). The State Use Council ensures that services and products are priced at a fair market value and are of the highest quality. This is a unique partnership between government and the private non profit sector.

State Use Council Members *

Charles F. Smith, Chair
Augusta, GA

Commissioner Brad Douglas
Department of Administrative Services
Hugh Farley, DOAS Representative

Commissioner BJ Walker
Department of Human Resources

Commissioner Brian Owens
Department of Corrections
Charles H. Smith, DOC Representative

Commissioner Mike Beatty
Department of Community Affairs
Raymond Noel, DCA Representative

Edward "Ed" Blazer, Vice Chair
Atlanta, GA

Rona Abeles
Atlanta, GA

Frank Douglass
Columbus, GA

Dorothy Harris
Fitzgerald, GA

Harold "Dee" Woodward
LaGrange, GA

* as of June 30, 2009

GEPS Staff

Cheryl Cornett-Early, GATES President

Charles Hall, CEO

Annette Bailey, Customer Service Representative

Michael Childs, GEPS Sales Manager

Tripp Cook, GATES Director

Judy Halfin, Accounting Assistant

Gene Ballard, Director of Accounting

Financial Summary

Statement of Activities for the Period ending:

| | June 30, 2008 | June 30, 2009 |
|------------------------------------|--------------------------|--------------------------|
| Income | | |
| GEPS Product Sales | \$ 816,508.13 | \$ 667,241.21 |
| GEPS Service Sales | \$ 1,699,310.47 | \$ 1,918,890.44 |
| Grant Revenue | \$ 47,000.00 | \$ 47,000.00 |
| Other Revenue | <u>\$ 957.88</u> | <u>\$ 179.32</u> |
| Total Revenues | <u>\$ 2,563,776.48</u> | <u>\$ 2,633,310.97</u> |
| | | |
| "Cost of Sales, Products" | \$ 764,347.68 | \$ 627,010.12 |
| "Cost of Sales, Services" | <u>\$ 1,598,089.26</u> | <u>\$ 1,804,150.42</u> |
| | | |
| Net Revenue | <u>\$ 201,339.54</u> | <u>\$ 202,150.43</u> |
| | | |
| Expenses | | |
| Program Services | <u>\$ 179,017.90</u> | <u>\$ 192,954.23</u> |
| | | |
| Net Expenses | <u>\$ 179,017.90</u> | <u>\$ 192,954.23</u> |
| | | |
| FY Net Income | \$ 22,321.64 | \$ 9,196.20 |
| Net Assets from Prior Year | <u>\$ 27,938.36</u> | <u>\$ 50,260.00</u> |
| Net Assets at end of Period | <u>\$ 50,260.00</u> | <u>\$ 59,456.20</u> |

Employment of People with Disabilities

Hours worked by Georgians with disabilities increased in FY'09 over FY'08 by 7,300 hours or 13.9%

FY 2008

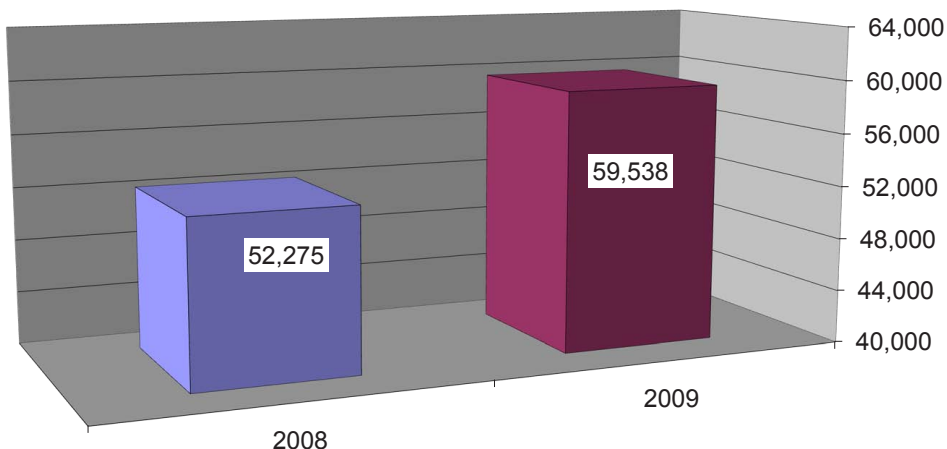
| Work Center | 1st Quarter | | 2nd Quarter | | 3rd Quarter | | 4th Quarter | | FY 2008 TOTAL HOURS |
|---------------------------------------|---------------|-----------|---------------|-----------|---------------|------------|---------------|-----------|---------------------|
| | Labor Hours | Workers | Labor Hours | Workers | Labor Hours | Workers | Labor Hours | Workers | |
| 1) Bobby Dodd Institute | 11,659 | 38 | 11,031 | 35 | 9,858 | 75 | 8,631 | 49 | 41,179 |
| 2) Easter Seals of East Georgia | 139 | 14 | 0 | 14 | 19 | 17 | 0 | 17 | 158 |
| 3) Easter Seals of Southern Georgia | 7 | 1 | 7 | 1 | 13 | 1 | 8 | 1 | 35 |
| 4) Goodwill Industries/Coastal Empire | 593 | 5 | 585 | 6 | 630 | 6 | 640 | 6 | 2,448 |
| 5) Goodwill Industries of Middle GA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6) Middle Georgia Easter Seals | 310 | 10 | 280 | 8 | 186 | 8 | 130 | 4 | 906 |
| 7) Middle GA Diversified Industries | 42 | 2 | 139 | 2 | 0 | 2 | 162 | 2 | 343 |
| 7) New Ventures Inc. | 30 | 2 | 11 | 3 | 20 | 6 | 5 | 4 | 66 |
| 8) Worktec | 2,060 | 9 | 1,924 | 10 | 1,603 | 9 | 1,553 | 9 | 7,140 |
| Totals | 14,840 | 81 | 13,977 | 79 | 12,329 | 124 | 11,130 | 92 | 52,275 |

Total Labor Hours for FY 2008: 52,275

FY 2009

| Work Center | 1st Quarter | | 2nd Quarter | | 3rd Quarter | | 4th Quarter | | FY 2009 TOTAL HOURS |
|---------------------------------------|---------------|-----------|---------------|-----------|---------------|-----------|---------------|-----------|---------------------|
| | Labor Hours | Workers | Labor Hours | Workers | Labor Hours | Workers | Labor Hours | Workers | |
| 1) Bobby Dodd Institute | 11,029 | 57 | 10,492 | 56 | 13,011 | 59 | 11,943 | 49 | 46,474 |
| 2) Easter Seals of East Georgia | 15 | 4 | 11 | 4 | 0 | 4 | 0 | 4 | 26 |
| 3) Easter Seals of Southern Georgia | 8 | 1 | 3 | 1 | 2 | 1 | 4 | 1 | 17 |
| 4) Goodwill Industries/Coastal Empire | 625 | 6 | 618 | 6 | 675 | 6 | 668 | 6 | 2,586 |
| 5) Goodwill Industries of Middle GA | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 |
| 6) Middle Georgia Easter Seals | 225 | 7 | 478 | 9 | 208 | 8 | 89 | 7 | 999 |
| 7) New Ventures Inc. | 7 | 6 | 6 | 3 | 10 | 2 | 7 | 1 | 30 |
| 8) Worktec | 2,215 | 10 | 2,105 | 9 | 2,338 | 9 | 2,747 | 9 | 9,406 |
| Totals | 14,124 | 91 | 13,712 | 89 | 16,244 | 90 | 15,458 | 77 | 59,538 |

Total Labor Hours for FY 2009: 59,538

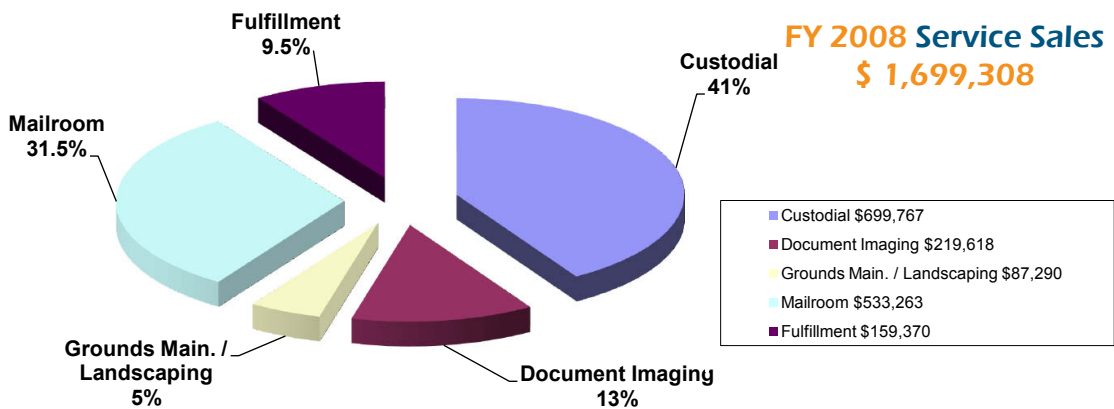
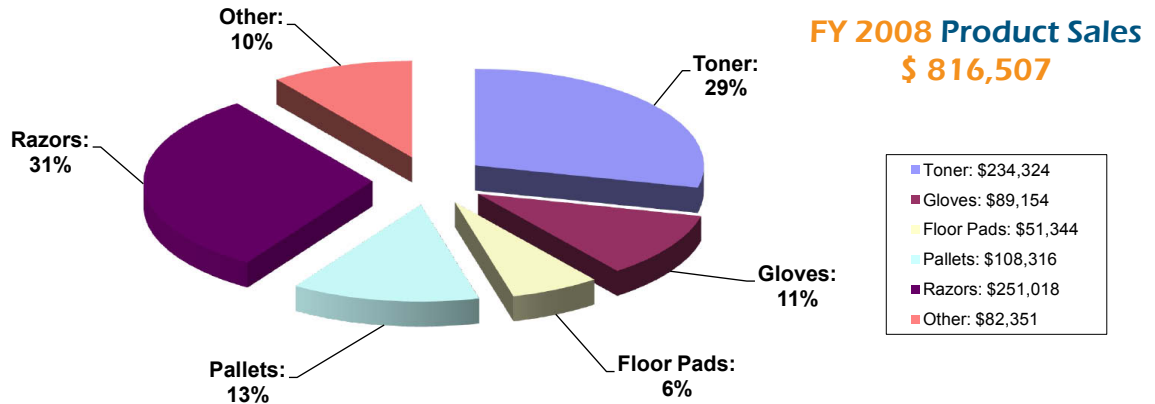


Comparative Sales by Category

While the State of Georgia experienced one of the most severe economical crisis in recent history, reducing state agency budgets from 5% to 15% per year, Georgia Enterprises for Products and Services was able to increase overall sales revenue by 3% from FY2008 over FY2009.

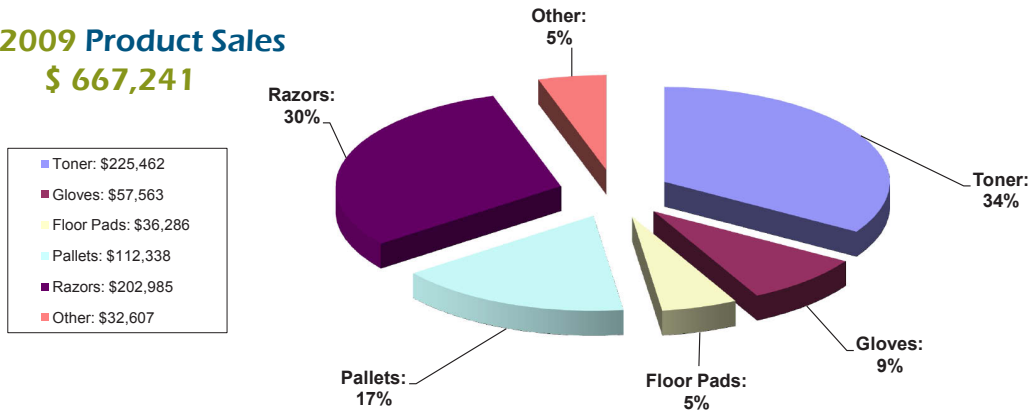
| PRODUCTS | FY 2007 | FY 2008 | FY 2009 | % Change 08 to 09 |
|--------------------------------|---------------------|---------------------|---------------------|-------------------|
| Award Plaques | \$ 7,953 | \$ 6,762 | \$ 1,079 | -84% |
| Chair Mats | \$ 2,738 | \$ - | \$ - | 0% |
| File Folders | \$ 1,893 | \$ - | \$ - | 0% |
| First Aid Kits and Accessories | \$ 13,593 | \$ 17,041 | \$ 4,995 | -71% |
| Floor Maintenance Pads | \$ 49,683 | \$ 51,344 | \$ 36,286 | -29% |
| Gloves | \$ 98,393 | \$ 89,154 | \$ 57,563 | -35% |
| Mop Products | \$ 6,334 | \$ 11,840 | \$ 3,558 | -70% |
| Pallets | \$ 94,016 | \$ 108,316 | \$ 112,338 | 4% |
| Pillow Shell | \$ 10,400 | \$ 23,800 | \$ 10,669 | -55% |
| Printer Cartridges, New | \$ 230,432 | \$ 233,305 | \$ 225,462 | -3% |
| Printer Cartridges, Reman. | \$ 20,111 | \$ 1,019 | \$ - | -100% |
| Razors | \$ 171,201 | \$ 251,018 | \$ 202,985 | -19% |
| Soap | \$ 9,386 | \$ 7,327 | \$ 4,845 | -34% |
| Survey Stakes | \$ 12,000 | \$ - | \$ - | -34% |
| Wiping Rags | \$ 12,406 | \$ 11,824 | \$ 7,462 | -37% |
| Water | \$ - | \$ 3,757 | \$ - | -100% |
| Total Products | \$ 740,539 | \$ 816,507 | \$ 667,241 | -18% |
| SERVICES | FY 2007 | FY 2008 | FY 2009 | % Change 08 to 09 |
| Custodial | \$ 762,384 | \$ 699,767 | \$ 839,029 | 20% |
| Document Imaging | \$ 311,814 | \$ 219,618 | \$ 110,892 | -50% |
| Grounds Maint./Landscaping | \$ 73,999 | \$ 87,290 | \$ 166,767 | 91% |
| Mailroom | \$ 517,280 | \$ 533,263 | \$ 633,925 | 19% |
| Fulfillment | \$ 175,170 | \$ 159,370 | \$ 168,277 | 6% |
| Total Services | \$ 1,840,647 | \$ 1,699,308 | \$ 1,918,890 | 13% |
| GRAND TOTAL | \$ 2,581,186 | \$ 2,515,815 | \$ 2,586,131 | 3% |

Product and Services Sales by Category

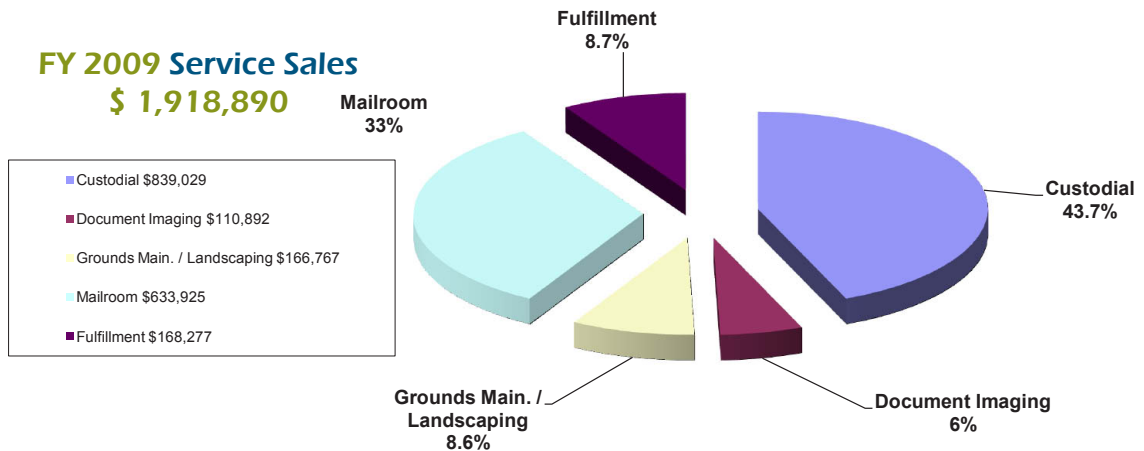


Product and Services Sales by Category

FY 2009 Product Sales \$ 667,241



FY 2009 Service Sales \$ 1,918,890



Certified Work Centers

Albany Advocacy Resource Center

Albany, GA 31708-1026

Bobby Dodd Institute

Atlanta, GA 30318

Center for the Visually Impaired

Atlanta, GA 30308

Community Friendship, Inc.

Atlanta, GA 30308

Creative Enterprises

Lawrenceville, GA 30043

Diversified Industries

Eastman, GA 31023

East Georgia Easter Seals

Augusta, GA 30303

Easter Seals Southern Georgia

Albany, GA 31701

Epilepsy Association of Georgia

Warner Robbins, GA 31099

Family Support Alliance for the Mentally Ill

Warner Robbins, GA 31093

Georgia Council for the Hearing Impaired

Decatur, GA 30032

Georgia Industries for the Blind

Bainbridge, GA 39818

Goodwill Industries of North GA

Atlanta, GA 30303

Goodwill Industries of the Southern Rivers

Columbus, GA 31904

Goodwill Industries of the Coastal Empire

Savannah, GA 31416-1707

Goodwill Industries of Middle Georgia

Macon, GA 31201

Griffin Community Workshop

Griffin, GA 30224

Haralson Progressive Industries

Bremen, GA 30110

Independent Enterprises

Covington, GA 30016

Middle Georgia Easter Seals Society

Dublin, GA 31040

New Ventures, Inc.

LaGrange, GA 30240

Rehabilitation Industries of NE Georgia

Gainesville, GA 30501

RCW Industries

Rome, GA 30161

Reciprocals, Inc.

Marietta, GA 30067

Southeast Georgia Rehabilitation

Waycross, GA 31503

Thomas Grady Service Center

Thomasville, GA 31799

Tommy Nobis Center

Marietta, GA 30066-6014

Worktec

Jonesboro, GA 30236

GATES Board of Directors *

Cheryl Cornett-Early, President

Goodwill of North Georgia

Dave Miller, Vice President

New Ventures, Inc.

Connie Kirk, Secretary

Tommy Nobis Center

Ralph Donaldson, Treasurer

Easter Seals of Middle Georgia

Wayne McMillan, Past President

Bobby Dodd Institute



At Large Members

Post 1 - Nick Pecone

Goodwill Industries of the Coastal Empire

Post 2 - Keith Kennedy

Goodwill Industries of Middle Georgia

Post 3 - Paula Phillips

Rehab Industries of NE Georgia

Post 4 - Anisio Correia

Center for the Visually Impaired

Post 5 - Leigh Couch

Creative Enterprises

* as of June 30, 2009

Georgia Enterprises for Products and Services

**44 Broad Street, Suite 503
Atlanta, GA 30303**

voice | 800 331 4807

fax | 800 382 8498

www.georgiaenterprises.com

