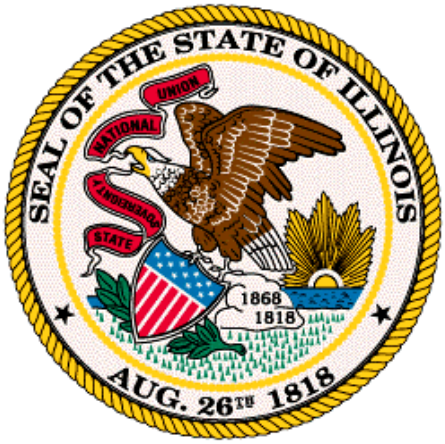
State of Illinois
State Use Program

A win-win investment for the State and its citizens

Annual Report
Fiscal Year 2006



Rod R. Blagojevich
GOVERNOR

Maureen T. O'Donnell
ACTING DIRECTOR

CMS

ILLINOIS
DEPARTMENT OF CENTRAL
MANAGEMENT SERVICES

CMS

ILLINOIS Rod R. Blagojevich, Governor
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

Maureen T. O'Donnell, Acting Director

March 30, 2007

The Honorable Rod R. Blagojevich
Governor of the State of Illinois
207 State House
Springfield, IL 62706

Dear Governor Blagojevich:

It is with pleasure and pride that I present to you this report on the achievements of the State Use Program over the past four years and its positive impact on the lives of our citizens with disabilities.

In Fiscal Year 2006, the State Use Program accounted for more than $28 million in contracts between Community Rehabilitation Facilities and State agencies for products and services. The program helped provide training, employment, and greater independence for 2,349 disabled individuals and supplied them with 836,074 hours of work.

With continued support of this program, the number of disabled people with long-term employment and increased economic stability will grow, minimizing their need for public assistance and entitlements benefits.

The State Use Program is truly a win-win investment for the State of Illinois – providing job opportunities and greater independence for its disabled citizens while benefiting State agencies with quality goods and services at fair market prices.

Sincerely,

Maureen T. O'Donnell
Acting Director

100 W. Randolph, Suite 4-500, Chicago, IL 60601-3274
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The State Use Program

The State Use Program began in 1983 when the Illinois Purchasing Act was amended to allow the State to contract with qualified Community Rehabilitation Facilities without going through a competitive bidding process.

The purpose of the State Use Program is to use the vast purchasing power of state government as a catalyst in employing severely disabled citizens.

Through CMS, State Agency procurement needs are matched to the capabilities of Community Rehabilitation Facilities (CRFs, or “workshop”), providing long-term employment opportunities for those unable to engage in normal competitive employment. All products and services provided by a workshop must be of a comparative quality and be offered at a fair market price.

All State of Illinois agencies that participate in this program are assured of high quality products and services, on-time delivery, payment of fair market prices, and a central point of contact for assistance. All contracts are independently reviewed, evaluated, and approved by the State Use Committee to ensure the best quality and pricing available. Illinois is a member of the national State Use Programs Association (SUPRA), along with more than 20 other states.

More than 30 State agencies regularly participate in the State Use Program, which is run by CMS, the agency that manages State procurement.

Over the past four years, CMS has transformed procurement into a statewide system – led by the CMS Bureau of Strategic Sourcing and Procurement (BOSSAP) – and fully integrated the State Use Program into this structure. The arrangement enables the State’s purchasing experts to better direct appropriate business opportunities to workshops and to ensure they are providing high-quality products and services at market prices.

Today, State Use workshops in Illinois deliver services ranging from microfilming, printing and data entry to rest area maintenance to lawn care, carpet cleaning and laundry services. And they produce needed commodities ranging from signs and soap to pillows and clocks to license plates and laser printer cartridges.

Benefits of the Program

First and foremost, individuals with disabilities benefit from this program. They are afforded meaningful long-term employment opportunities, marketable job skills, and a greater chance for economic independence. In expanding their scope of experience and enhancing their abilities, some disabled employees are able to take on new assignments at increasingly higher levels of difficulty, which prepares them for a wider variety of jobs either within or outside of the Rehabilitation Facility. In Fiscal Year 2006, 58 Community Rehabilitation Facilities were awarded contracts with State agencies through the State Use Program, employing 2,349 disabled individuals.

The State of Illinois benefits by receiving high-quality goods and services for fair market prices in long-term contracts. With no competitive bidding process required for State Use contracts with qualified CRF's, the State experiences reduced administrative costs as well. In Fiscal Year 2006, the State awarded 243 such contracts.

Providing disabled citizens with opportunities for economic independence enables them to become taxpayers and reduces their need for public assistance and entitlements benefits.

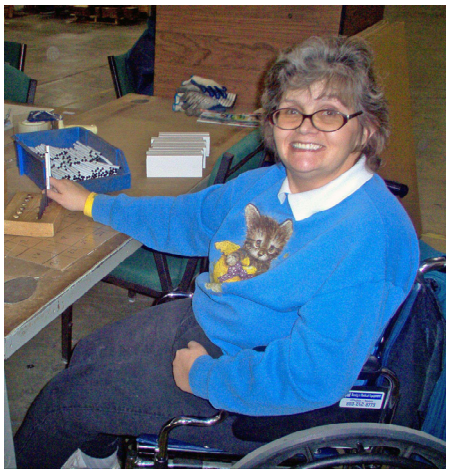
The Illinois Department of Transportation has over 30 State Use contracts for Community Rehabilitation Facilities to maintain rest areas throughout the state. Funk's Grove was chosen the "Best Maintained Rest Area" last year by an IDOT/State Use Program committee; nominees are evaluated based on the overall impression each facility presents to the public. Out of a possible 100 points, Funk's Grove (pictured here) received 96 points.

"This program has proved to be a great asset not only to CMS and IDOT but to the citizens of Illinois and the traveling public as well. Illinois rest areas are the best in the nation thanks to the dedicated, hard-working employees of the Sheltered Workshops."

– Illinois Department of Transportation Secretary Timothy W. Martin, November 30, 2006

Program Successes

In July 2006, the Department of Central Management Services received the "Top Business" Award from Freeport-based Malcolm Eaton Enterprises. Since December 2003, when CMS awarded it a toilet tissue contract, the workshop has distributed 140,000 cases of tissue and sold $1.2 million in paper.



The steady demand from State agencies for pens—currently running about a quarter-million per year—has enabled Vandalia-based FAYCO Enterprises to acquire the specialized assembly and printing equipment needed to assemble, print, and box hundreds of thousands of DartPoint™ pens annually. Now in their 30th year, FAYCO produced its 10 millionth pen recently; a FAYCO worker and the workshop's Executive Director Bob Lindberg (left) presented it to Mike Smith, CMS Deputy Director, BOSSAP.

> *"We're delighted with this State Use contract. We're located in a rural area where work opportunities have been either limited or nonexistent. This contract provides 23 people with jobs involving skills ranging from simple boxing, inspection and order filling to machine operation and shipping."* – Bob Lindberg, Executive Director, FAYCO Enterprises

Community Rehabilitation Facilities

To qualify to participate in the State Use Program, a CRF must meet the following guidelines:

- Comply with Illinois law governing private not-for-profit organizations.
- Be certified as a sheltered workshop by the Wage and Hour Division of the U.S. Government.
- Meet the Illinois Department of Rehabilitation Services Just Standards for a rehabilitation facility.
- Have a completed Bidders Application on file with the Department of Central Management Services.
- Meet the bid specifications or the needs of the purchasing agency.
- Set a fair market price.
- Report quarterly of any contracts with State agencies.

In Fiscal Year 2006, there were 104 registered Community Rehabilitation Facilities in Illinois.

The state is divided in half into a Northern Region and a Southern Region. A regional coordinator represents each of the regions, providing assistance necessary to facilitate success of the program.

State Use Program Staff

Terri Jurkanin
Division Manager

Corrie Smith
Northern Region Coordinator

Brynn Henderson
Southern Region Coordinator

Duties and Responsibilities of Staff Members:

- Acting as liaison between participating not-for-profit organizations and the Committee in collecting information, responding to inquiries, or resolving issues.

- Acting as liaison between not-for-profit organizations and State agencies in collecting information, responding to inquiries, or resolving issues.

- Providing technical assistance and training to participating not-for-profit organizations.

- Monitoring the quality of products and services.

Community Rehabilitation Facilities

Northern Region

Abilities Center	Rockford
Abilities Plus	Kewanee
Achievement Industries	Monmouth
Ada S. McKinley	Chicago
ARC Industries	Rock Island
Aspire of Illinois	Bellwood
Assn. for Individual Development	Aurora
Avenues to Independence	Wheeling
Bridgeway Training Services	Galesburg
Cass County Mental Health Center	Beardstown
Chicago Assn. for Retarded Citizens	Chicago
Chicago Lighthouse for the Blind	Chicago
Clearbrook	Rolling Meadows
Community Workshop & Training Center	Peoria
Cornerstone Services	Joliet
Countryside Association	Palatine
CRC Industries	Quincy
Developmental Services Center	Champaign
DeWitt County Human Resource Center	Clinton
Easter Seals Reaching for Adulthood	Oak Park
El Valor	Chicago
Fulton County Rehabilitation Center	Canton
Futures Unlimited	Pontiac
Gateway Services	Princeton
Glenkirk Vocational Training Center	Northbrook
Goodwill Industries of Central Illinois	Peoria
Goodwill Industries	Chicago
Habilitative Systems	Chicago
Hancock County Industries	Carthage
Helping and Rehabilitation Center	LaGrange
Hope Industries	Rockford
Horizon Industries	Peru
Illinois Growth Enterprises	Rockford
Illinois Valley Industries	Morris
Jan Tech	Chicago
JDWI Screen printing	Galena
Jewish Vocational Service	Chicago
Kankakee County Training Center	Bradley
Knox Co. Council for Dev. Disabilities	Galesburg
Kreider Services	Dixon
Lambs Farm	Libertyville
Lester and Rosalie Anixter Center	Chicago
Logan-Mason Rehabilitation Center	Lincoln
Malcolm Eaton Enterprises	Freeport
Northpointe Resources	Zion
NTSW	Skokie
O.H. Industries	Sycamore
Oak/Leyden Developmental Services	Oak Park
Occupational Development Center	Bloomington
Opportunities, Inc.	Highland Park
PARC	Peoria
Pilsen-Little Village Community MHC	Chicago

Pioneer Center of McHenry County	McHenry
Ray Graham Association	Elmhurst
Rehabilitation Products & Services	Danville
Sequin Services	Cicero
Sertoma Centre	Alsip
SHORE Training Center	Morton Grove
Skills, Inc.	Moline
Southstar Services	Chicago Heights
Southwest Community Services	Tinley Park
Spectrum Vocational Services	Downers Grove
St. Colletta's of Illinois	Tinley Park
Streator Unlimited	Streator
TCRC	Tremont
Thresholds Rehabilitation Industries	Chicago
Thresholds Rehabilitation Industries	St. Anne
Transitions NFP	Rock Island
Trilogy, Inc.	Chicago
Trinity Services	Joliet
Victor C. Neumann Assn.	Chicago
Village of Progress	Oregon

Southern Region

ARC Community Support Systems	Teutopolis
Career Development Center	Fairfield
CCAR Industries	Charleston
Challenge Unlimited	Alton
Charleston Transitional Facility	Charleston
Christian County Mental Health Assn.	Taylorville
Clay County Rehabilitation Center	Flora
Coleman Tri-County Services	Shawneetown
Community Link	Breese
Elm City Rehabilitation Center	Jacksonville
FAYCO Enterprises	Vandalia
Five Star Industries	DuQuoin
Franklin-Williamson Human Services	West Frankfort
Human Resources Ctr. Edgar/Clark Cos.	Paris
Human Support Services	Waterloo
Human Service Ctr. Southern Metro East	Red Bud
Illinois Valley Rehabilitation Center	Gillespie
Kaskaskia Workshop, Inc.	Centralia
Land of Lincoln Goodwill	Springfield
Lawrence Crawford Assn. Exceptional Citizens	Robinson
Macon Resources	Decatur
M.A.P. Training Center	Karnak
Moultrie County Beacon	Sullivan
New Opportunities	Madison
R.A.V.E. Inc.	Anna
S.A.V.E. Inc.	Belleville
Shelby County Community Services	Shelbyville
SPARC Vocational Services	Springfield
START, Inc.	Murphysboro
TRADE Industries	McLeansboro
UCP of Land of Lincoln	Springfield
Wabash Area Vocational Enterprises	Mt. Carmel

The State Use Committee

The State Use Committee was created to monitor the purchase of products and services from the Community Rehabilitation Facilities. The Committee consists of the Director of the Department of Central Management Services, the Secretary of the Department of Human Services, two representatives from private business, and two public members. The public and private members are appointed by the Governor and must be knowledgeable in the needs and concerns of rehabilitation facilities in Illinois.

The Committee meets at least quarterly to review proposed contracts, develop guidelines to be followed by qualified CRF's, and assist the State Use staff in the development of policy. Upon Committee approval, State agencies are given the authority to proceed with contracts and be exempt from the bidding process.

The Committee has the following responsibilities to ensure that it meets its annual objectives:

- Request information from State agencies regarding product specifications and service requirements necessary to meet their needs;
- Meet quarterly or more often, as necessary, to carry out the Committee's purpose;
- Request a quarterly report from each participating CRF, which describes the volume of sales of each product or service sold;
- Prepare a publication listing all the supplies and services available from qualified CRFs and distribute the list to all State Purchasing Officers; and
- Review all bids submitted under the provisions of the Act and reject any such bids for any purchase that is determined to be substantially more than the purchase would have cost had it been competitively bid.

The Committee's objective for the future is to encourage more State agencies to participate in the program and to match up more contracts for supplies and services with qualified workshops not currently doing business with the State.

The ultimate goal is to continue to increase the opportunities for gainful employment and economic independence for Illinois' disabled citizens.

State Use Committee Members

Maureen T. O'Donnell, Chairman

Mike Smith, Designee

Department of Central Management Services

Carol L. Adams, Ph.D., Secretary

Curt Massie, Designee

Department of Human Services

Dr. Seymour Bryson

Associate Chancellor, Diversity

Southern Illinois University at Carbondale

Public Member

David B. Dailey

Policy Assistant, Bureau Employee Services

Department of Transportation

Public Member

Vacant

Private Member

Vacant

Private Member

Procurement Procedure

Any State agency wishing to establish a contract with a qualified Community Rehabilitation Facility must submit a request for approval to the Manager of the State Use Program. The request must include the name of the CRF, type of contract desired, duration of the contract, and the dollar amount. A Procurement Business Case (PBC) must be attached to the request. The PBC is a document that is established at the initial phase of all procurements. It outlines the details of the procurement and must be approved by the State Purchasing Officer at each respective agency. PBC's are instrumental in tracking the history and detail of procurements.

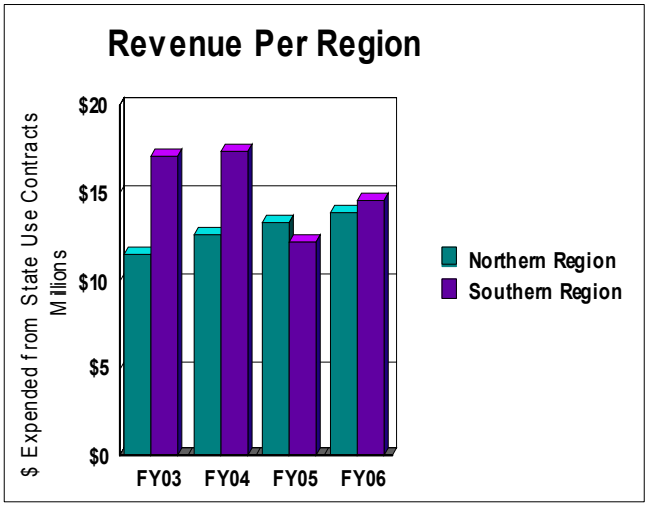
The CRF must provide a Certificate of Assurance that details how many clients will be working as a result of the contract. A narrative must also be included that outlines the specifics of the contract. These documents are then presented to the State Use Committee. Once the Committee has approved the contract, the agency is given the authority to proceed. All State Use contracts are exempt from the bidding process.

High-Dollar State Use Contracts for FY06

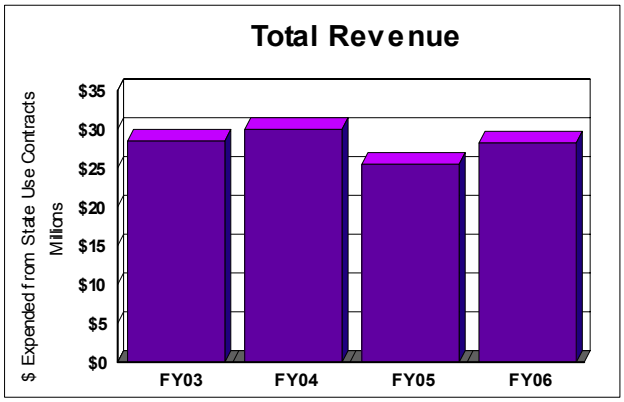
Contract	Vendor	Value
License Plates	Macon Resources	$4,757,671
Data Entry	Bridgeway Training Services	$1,955,827
Trash Can Liners	Shelby Co. Community Services	$1,501,483
Baking Mixes	Human Resources Center	$1,477,492
Toilet Tissue	Malcolm Eaton Enterprises	$1,143,939
License Stickers	SAVE Inc.	$1,091,654

State Use Revenue Summary

State agencies have spent $112,693,547 in State Use contracts in the last four years. The graphs below show the amount expended from State Use contracts per region and in total for Fiscal Years 2003, 2004, 2005, and 2006.



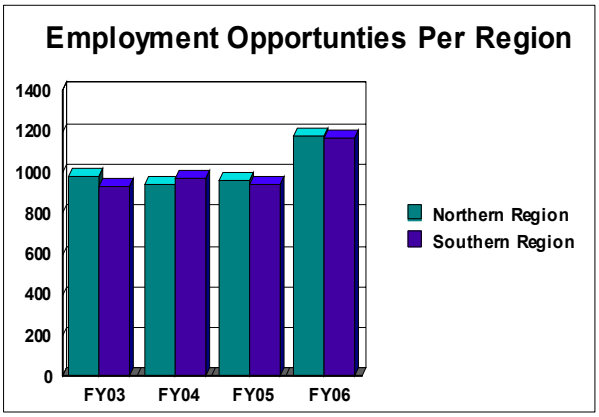
	Northern	Southern
FY03	$11,546,160	$17,092,500
FY04	$12,624,933	$17,395,925
FY05	$13,413,748	$12,189,224
FY06	$13,863,899	$14,567,158



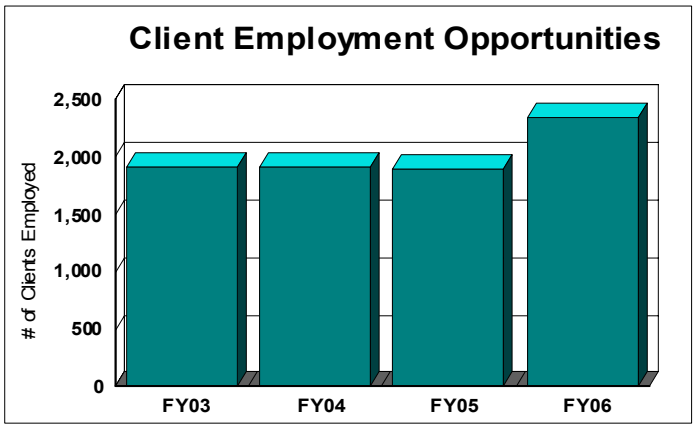
FY03	$ 28,638,660
FY04	$ 30,020,858
FY05	$ 25,602,972
FY06	$ 28,431,057
	$112,693,547

Client Employment Opportunities

The primary objective of the CMS State Use Program is to develop employment opportunities for citizens with disabilities by establishing contracts with CRF's for goods and services. During Fiscal Year 2006, 2,349 jobs were created for citizens with disabilities through these State contracts. An average of over 2,000 jobs have been created each year in the four-year period. Below is a comparison of the past four Fiscal years by region and by totals.



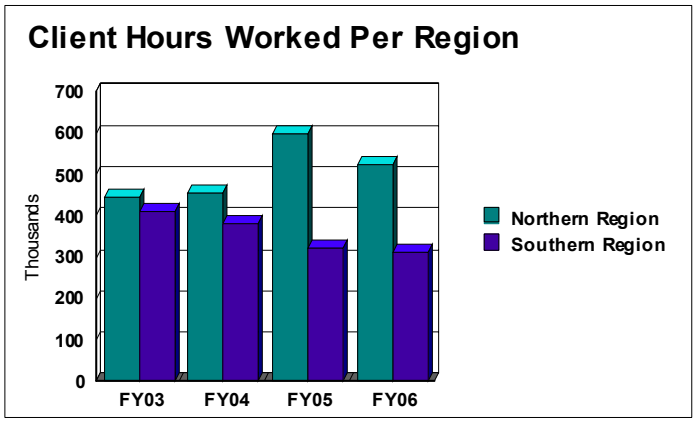
	Northern	Southern
FY03	981	931
FY04	937	971
FY05	963	939
FY06	1,180	1,169



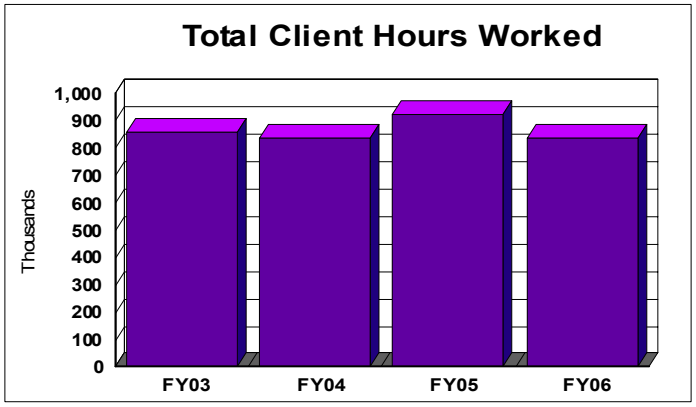
FY03	1,912
FY04	1,908
FY05	1,902
FY06	2,349

Summary of Client Hours Worked

Many disabled Illinoisans have been afforded the opportunity to gain meaningful employment through the State Use Program. In the past four fiscal years, Community Rehabilitation Facilities have provided 3,453,777 hours of work for these individuals. The graphs below show the client hours worked per region and by totals for the past four years.



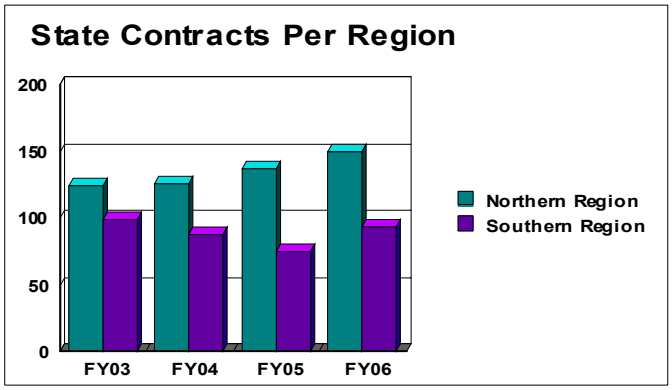
	Northern	Southern
FY03	448,018	409,967
FY04	455,867	379,796
FY05	600,328	323,727
FY06	524,638	311,436
Total	2,028,851	1,424,926



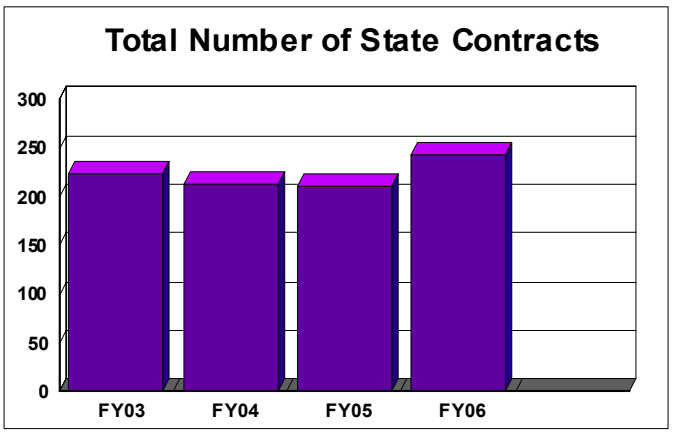
FY03	857,985
FY04	835,663
FY05	924,055
FY06	836,074
Total	3,453,777

State Use Contracts Awarded

In Fiscal Year 2006, State agencies awarded 243 contracts to Community Rehabilitation Facilities. In the past four fiscal years, there have been 892 such contracts awarded. The graphs below summarize the number of contracts per region and by totals for the four fiscal years.



	Northern	Southern
FY03	124	99
FY04	126	88
FY05	137	75
FY06	150	93



FY03	223
FY04	214
FY05	212
FY06	243
Total	892

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