CMS

ILLINOIS
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
Simone McNeil, Acting Director

Pat Quinn, Governor

The Honorable Pat Quinn
Governor of the State of Illinois
207 State House
Springfield, IL 62706

Dear Governor Quinn:

I am please to present this report to you on the achievements of the State Use Program for Fiscal Year 2013 and its positive impact on the lives of our citizens with disabilities.

In Fiscal Year 2013, the State Use Program accounted for more than $34 million in contracts between Community Rehabilitation Facilities and State agencies for products and services. The Program helped provide training, employment and greater independence for 2,236 disabled individuals and supplied them with 928,976 hours of work.

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

The State Use Program is truly and 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,

Simone McNeil
Acting Director

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The State Use Program FY13 Annual Report

STATE OF ILLINOIS

CMS Illinois Department of Central Management Services

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Department of Central Management Services

Michelle R. B. Saddler, Secretary
Kacy Bassett, Designee
Department of Human Services

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Department of Transportation

Chris Dickey
CEO
Clay County Rehabilitation Center

Richard W. Gloede
CEO
Shelby County Community Services

Daniel Strick
President/CEO
Southstar Services

Audrey McCrimon
President
McCrimon Group

THE STATE USE PROGRAM celebrated its 30th Anniversary in 2013. The Program allows the State to contract with qualified not-for-profit agencies serving persons with disabilities without going through a competitive bidding process, such as an Invitation for Bids or Request for Proposals.

After qualifying a not-for-profit agency to participate in the State Use Program, State Use Program Regional Coordinators, along with procurement experts at Central Management Services (CMS), facilitate contracts between State of Illinois Agencies and qualified not-for-profit agencies. Those contracts provide meaningful long-term employment and job-training for persons with disabilities.

Proposed procurements are independently reviewed, evaluated and approved by the State Use Committee, an 8-member panel made up of State Agency and public members appointed by the Governor, to ensure fair pricing and quality goods and services.

Qualified not-for-profit agencies provide a wide variety of services to the State, such as janitorial services, laundry services, and even recycling services. Additionally, these qualified not-for-profits also produce needed commodities such as soap, pillows, and trash can liners.

We look forward to reporting statistics next year for two new State Use Program facilitated contracts for call center services. One call center employs 30 people with disabilities and provides services to the Illinois Department of Insurance related to the Affordable Care Act. The call center handles incoming calls and transfers calls to appropriate State Agencies or other resources. The second call center provides services to the Illinois Department of Human Services (DHS) and employs 25-35 people with disabilities. Services include answering help desk calls for the Electronic Visit Verification project at DHS. Spend for these contracts are not included in this report.

A client works on packaging commercial paper as a part of her Developmental Training Program at Malcolm Eaton Enterprises.

In this picture, a client from TRI Industries is print testing a SKIL-CRAFT toner cartridge assembled at TRI Industries to meet their high print-quality and page yield standards.

FIVE YEAR PLAN EXECUTIVE SUMMARY

Five-Year Plan Task Force

Dick Gloede
Shelby County Community Services

Tom Colclasure
Bridgeway Training

Brynn Henderson
Corrie Smith
Central Management Services

Mike Poe
ARC-Community Support Systems

Craig Mitckes
Illinois Department of Transportation

In 2009, the State Use law (30 ILCS 500/45-35) was amended to require development of a five-year plan to increase the number of products and services purchased from qualified-not-for-profit agencies. In response to the new requirement, the Committee formed the Five-Year Plan Task Force, consisting of State Use Committee members, State Agency staff, and representatives from qualified not-for-profit agencies, in order to focus on plan development. At the January 25, 2012 Committee meeting, the Committee voted to adopt the Five-Year Plan created by the Five-Year Plan Task Force. The Plan was implemented beginning in FY 2013 and will conclude in FY 2017.

One of the Plan's goals is to emphasize to State Agencies that the State Use Program is capable of delivering many more hours of work opportunities to persons with significant disabilities than is currently being realized. The aforementioned call center contracts have been a great start because these contracts have created approximately 60 jobs for persons with disabilities and added services to the Program. The Five-Year Plan's marketing strategy for FY 2013 included holding expositions in Chicago and Springfield to allow not-for-profit agencies to demonstrate their capabilities to State Agencies. In FY 2013 there was a 5.3% increase in revenue, a 26% increase in client hours, and a 4.6% increase in the number of State Use contracts.

The State Use Committee, along with the Chief Procurement Offices, are developing an official list of services and products provided by qualified not-for-profit agencies, which the Committee will promote to State Agencies and Universities. State Use internal policies and procedures are also being modified to clarify the application and contracting processes for not-for-profit agencies and State Agencies.

Benefits of the Program

Persons with disabilities benefit significantly from this Program. They are afforded long-term employment opportunities, marketable job skills, and a greater chance for economic independence. By expanding their scope of experience and enhancing their abilities, some persons with disabilities 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 qualified not-for-profit agency. In FY 2013, 51 qualified not-for-profit agencies were awarded contracts with State Agencies through the Program. These contracts employed 2,236 persons with disabilities (see page 6).

The State benefits from the Program because the State receives high-quality goods and services for fair market prices in long-term contracts. The State also benefits from reduced administrative costs because a competitive bidding process is not required for State Use contracts.

Program participation

To qualify for participation in the State Use Program, a not-for-profit agency must meet the following requirements:

1. Comply with Illinois law governing private not-for-profit organizations.
2. Be certified as a sheltered workshop by the Wage and Hour Division of the U.S. Department of Labor under section 14(c) of the Fair Labor Standards Act.
   OR
   Be an accredited vocational program that provides transition services to youth between the ages of 14 ½ and 22 in accordance with individualized education plans under Section 14-8.03 of the School Code AND provide residential services at a child care institution, as defined under Section 2.06 of the Child Care Act of 1969, or at a group home, as defined under Section 2.16 of the Child Care Act of 1969,
3. Meet the Illinois Department Human Services (DHS) Rehabilitation Services' Minimum Standards for Certification of Developmental Training Programs, or possess Commission on Accreditation of the Rehabilitation Facilities (CARF) certification.
4. Meet the bid specifications or the needs of the purchasing agency.
5. Set a fair market price.
6. Submit quarterly reports on any State Use contracts the not-for-profit agency has with State Agencies.

In FY 2013, there were 101 qualified not-for-profit agencies in Illinois. A complete list may be found on page 3.

State use staff

The State is divided into a Northern and Southern Region. Each Regional Coordinator provides assistance necessary to facilitate the Program's success.

Corrie Smith	**Brynn Henderson**
Northern Region Coordinator	Southern Region Coordinator

Duties and Responsibilities of Staff Members:

- Act as liaison between not-for-profit agencies, the Committee, and State Agencies by collecting information, responding to inquiries, or resolving issues.
- Provide technical assistance and training to participating not-for-profit agencies.
- Monitor the quality of products and services provided to State Agencies.

Qualified Not-for-profit agencies

Northern Region

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
Barbara Olson Center of Hope	Rockford
Bridgeway Training Services	Galesburg
Cass County Mental Health Center	Beardstown
Chicago Lighthouse for the Blind	Chicago
Clearbrook	Rolling Meadows
Community Workshop & Training Center	Peoria
Cornerstone Services	Joliet
CRC Industries	Quincy
Developmental Services Center	Champaign
DeWitt County Human Resource Center	Clinton
Easter Seals Reaching for Adulthood	Oak Park
El Valor	Chicago
Envisions Unlimited	Chicago
EPIC	Peoria
Fulton County Rehabilitation Center	Canton
Futures Unlimited	Pontiac
Gateway Services	Princeton
Glenkirk Vocational Training Center	Northbrook
Goodwill Industries of Central Illinois	Peoria
Habilitative Systems	Chicago
Helping Hand and Rehabilitation Center	LaGrange
Horizon Industries	Peru
Illinois Valley Industries	Morris
Jewish Vocational Service	Chicago
Kankakee County Training Center	Bradley
Knox Co. Council for Dev. Disabilities	Galesburg
Kreider Services	Dixon
Lambs Farm	Libertyville
Little City Foundation	Palatine
Logan-Mason Rehabilitation Center	Lincoln
Malcolm Eaton Enterprises	Freeport
Mental Health Centers of W. IL	Carthage
Mental Health Centers of W. IL	Mt. Sterling
Northpointe Resources	Zion
NTSW	Skokie
O.H. Industries	Sycamore
Oak/Leyden Developmental Services	Oak Park
Opportunities, Inc.	Highland Park
Pioneer Center of McHenry County	McHenry
Ray Graham Association	Elmhurst
Sequin Services	Cicero
Sertoma Centre	Alsip
SHORE Training Center	Morton Grove
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
The Workshop	Galena
Thresholds Rehabilitation Industries	Chicago
Transitions NFP	Rock Island
Transitions of W. Illinois	Quincy
TRI Industries	Chicago
Trilogy, Inc.	Chicago
Trinity Services	Joliet
Victor C. Neumann Assn.	Chicago
Village of Progress	Oregon
WorkSource Enterprises	Danville

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
Jefferson County Comprehensive Services	Mt. Vernon
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	Springfield
START, Inc.	Murphysboro
TRADE Industries	McLeansboro
The Hope School	Springfield
UCP of Land of Lincoln	Springfield
Vintage Support Group, Inc	Belleville
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 qualified not-for-profit agencies. The Committee consists of:

- Director of the Department of Central Management Services, or designee.
- Secretary of the Department of Human Services, or designee.
- One public member representing private business who is knowledgeable of the employment needs and concerns of persons with developmental disabilities
- One public member representing private business who is knowledgeable of the needs and concerns of rehabilitation facilities
- One public member who is knowledgeable of the employment needs and concerns of persons with developmental disabilities
- One public member who is knowledgeable of the needs and concerns of rehabilitation facilities and
- Two public members from a statewide association that represents community–based rehabilitation facilities

The six public members are appointed by the Governor.

The Committee meets at least quarterly to review proposed contracts, develop guidelines to be followed by qualified not-for-profit agencies, and assist State Use staff in policy development. Upon Committee approval, State Agencies are given the authority to proceed with contracts that are exempt from a competitive 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 not-for-profit agency, which describes the volume of sales of each product or service sold;
- Prepare a publication listing all the supplies and services available from qualified not-for-profit agencies and distribute the list to all State Purchasing Officers and State Agencies;
- Encourage diversity in supplies and services provided by qualified not-for-profit agencies and discourage unnecessary duplication or competition among not-for-profit agencies;
- Develop guidelines for participation in the Program and make these guidelines available to all qualified not-for-profit agencies;
- Review all pricing submitted under the provisions of the State Use law and reject any such pricing that is determined to be substantially more than pricing would have cost had it been competitively bid, and;
- Develop a 5-year plan for increasing the number of products and services purchased from qualified not-for-profit agencies.

The Committee's ultimate goal is to increase opportunities for gainful employment and economic independence for persons with disabilities.

Procurement procedures

Any State Agency seeking to establish a contract with a qualified not-for-profit agency must submit a request letter to the Committee for approval. This request letter must include the qualified not-for-profit agency's name, type of supply or service needed, the term and duration of the contract, including contract renewals, and the contract's total value. Additionally, the qualified not-for-profit agency must provide a Certificate of Assurance that details how many persons with disabilities will be working as a result of the contract and a narrative that outlines the specifics of the contract . The request letter and summary of all contract details are presented to the Committee for approval. All State Use contracts exceeding the small purchase threshold are posted to the Illinois Procurement Bulletin.

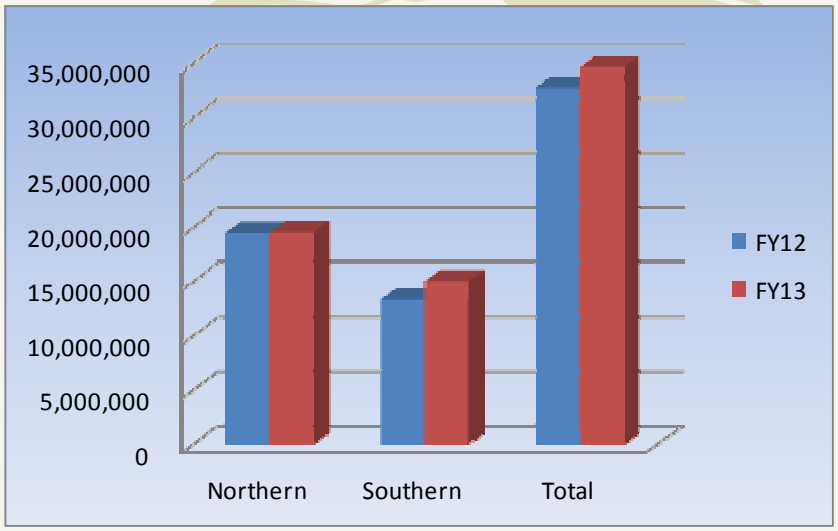
A client from Sertoma Center performing tasks, closely with his supervisor, at the Limestone Rest Area. The client has been there since 2009.

High dollar state use contracts for FY2013

Contract	Vendor	Value
License Plates	Macon Resources	$4,760,366
Laser Cartridges	Thresholds Industries	$1,414,822
Data Entry	Bridgeway Training Services	$2,170,541
Toilet Tissue	Malcolm Eaton Enterprises	$2,088,726
Trash Can Liners	Shelby Co. Community Services	$1,462,960
Imaging	Bridgeway Training Services	$2,818,036

State revenue summary

State Agencies spent $34,637,513 on State Use contracts in FY 2013.

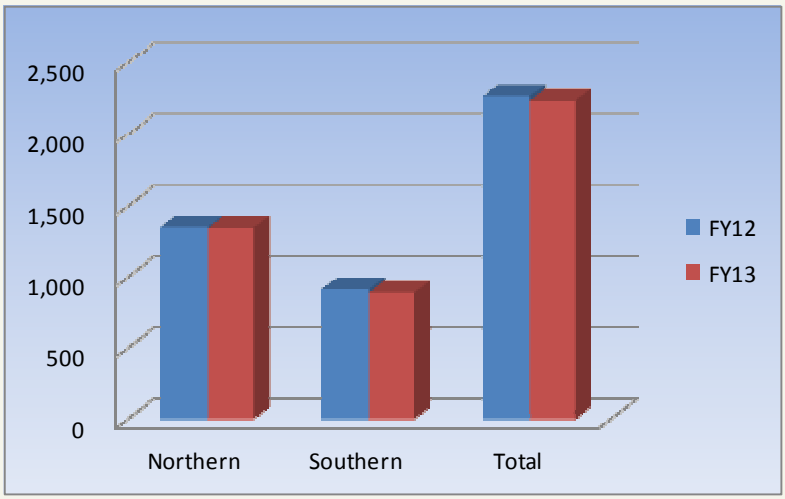


	Northern	Southern	Total
FY12	$19,540,576	$13,322,400	$32,862,976
FY13	$19,570,079	$15,067,434	$34,634,513

A client from Malcolm Eaton Enterprises in Freeport prepares a case of Spirit Commercial paper for shipment.

Employment opportunities

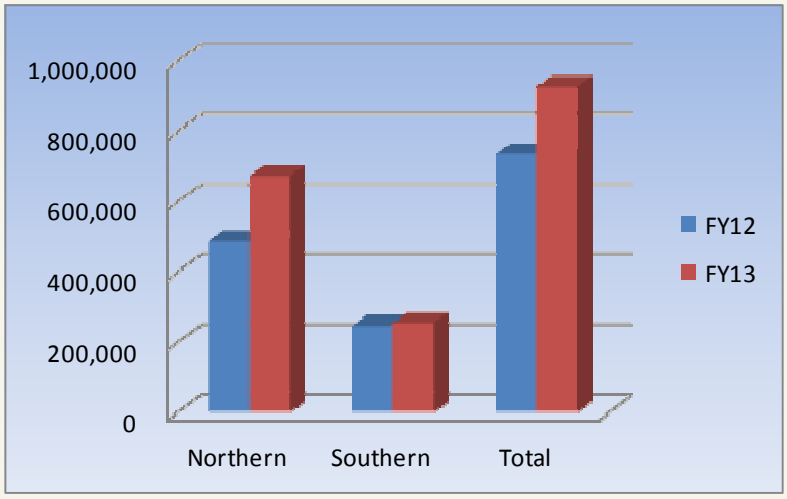
One of the State Use Program's objectives is to develop employment opportunities for persons with disabilities by establishing contracts with qualified not-for-profit agencies for goods and services. There were 2,236 jobs created for persons with disabilities through State contracts during FY 2013.



	Northern	Southern	Total Jobs
FY12	1,348	919	2,267
FY13	1,341	895	2,236

Client hours worked

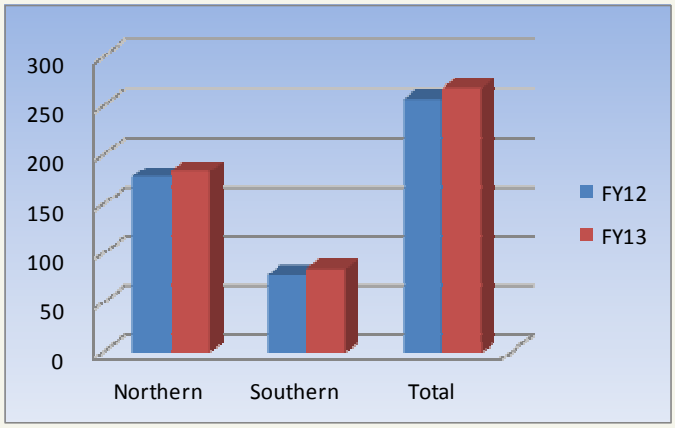
Many persons with disabilities have gained meaningful employment through the State Use Program. In FY 2013 qualified not-for-profit agencies have provided 928,976 hours of work for person with disabilities. The graph below shows the client hours worked per region and compares those hours to hours worked during FY 2012.



	Northern	Southern	Total Hours
FY12	489,736	246,668	736,404
FY13	673,475	255,501	928,976

State Use Contracts Awarded

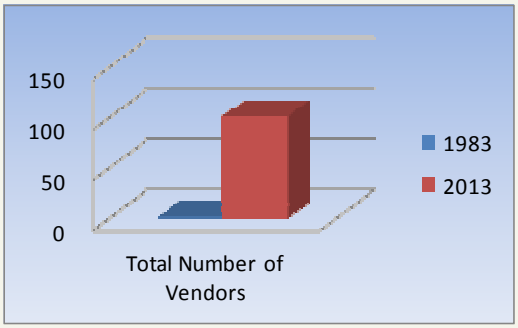
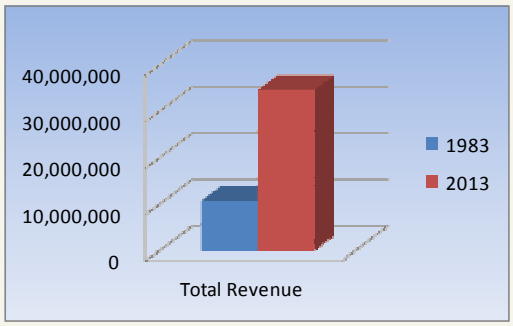
In FY 2013, State Agencies awarded 269 contracts to qualified not-for-profit agencies. The graph below summarizes the number of contracts per region and compares the number of contracts in FY 2013 to the number of contracts in FY 2012.



	Northern	Southern	Total Jobs
FY12	178	79	257
FY13	184	85	269

In 1983, the State Use Program facilitated its first procurement, a $10,758,000 purchase for license plates, with Macon Resources, Inc. in Decatur. The resulting contract was the first time an Illinois supplier had the Illinois license plate contract in over 10 years. The following year, a pillow contract with CARC in Chicago was awarded for $10,000. Since its inception, the Program has grown tremendously from its first two contracts to almost 270 contracts today. The Program's annual dollar amount now surpasses $34 million. There are over 100 qualified not-for-profit agencies participating in the Program.

The State Use Committee has grown from four to eight members and continues working toward its goals of increasing opportunities for meaningful employment for persons with disabilities and ensuring State Agencies receive goods and services at a fair price. One of the original Committee members, Dr. Seymour Bryson, still serves on the Committee to this day, where he contributes his wisdom and passion for the Program.

The State Use Committee and Staff look forward to a bright future as the Five-Year Plan is implemented, new supplies and services contracts are facilitated, and State Agencies and Universities take a renewed and positive interest in expanding the Program.

These charts represent the substantial growth of the State Use Program over the last 30 years.