CMS

ILLINOIS Bruce Rauner, Governor
DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
Tom Tyrrell, Director

December 31, 2015

The Honorable Bruce Rauner
Governor of the State of Illinois
207 State House
Springfield, IL 62706

Dear Governor Rauner:

I am pleased to present this report to you on the achievements of the State Use Program for Fiscal Year 2015 and its positive impact on the lives of our citizens with disabilities.

In Fiscal Year 2015, the State Use Program accounted for more than $55 million (up from $52 million in FY14) in contracts between Community Rehabilitation Facilities and State agencies for products and services. The Program helped provide training, employment and greater independence for 2,656 disabled individuals, and supplied them with 1,084,136 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 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,

Tom Tyrrell
Director

Enclosure

715 Stratton Office Building, 401 S. Spring, Springfield, IL 62706
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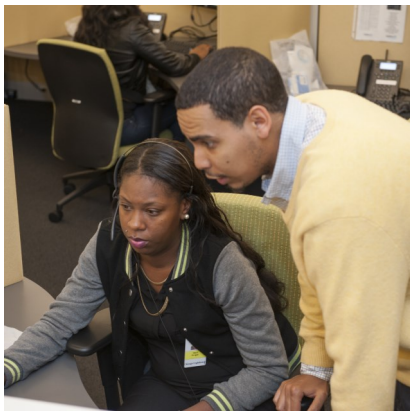
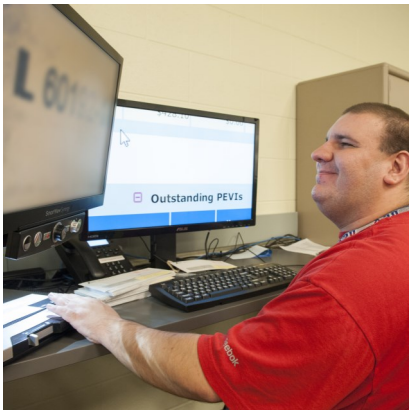
ILLINOIS
STATE USE PROGRAM
ANNUAL REPORT FY2015





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Central Management Services

THE STATE USE PROGRAM

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STATE OF ILLINOIS

State Use Committee Members

Tom L. Tyrrell, Chairman
Tracy Rutter, Designee
Department of Central Management Services

James T. Dimas, Secretary-designate
Kahri Hunt, Designee
Department of Human Services

Dr. Seymour Bryson
Associate Chancellor, Diversity
Southern Illinois University at Carbondale

Chris Dickey
Community Development Director
Clay County Rehabilitation Center

Richard W. Gloede
Public Member

Daniel Strick
President/CEO
Southstar Services

George Indelli
Business Development Manager
TRI Industries

THE STATE USE PROGRAM was created in 1983 when the Illinois Purchasing Act was amended to allow the State to contract with a qualified Not-For-Profit agency (NFP) without going through a competitive bidding process. The NFPs are centers that help significantly disabled individuals find employment.

State Use Regional Coordinators research NFP contracting opportunities with State Agencies and Universities. This ultimately provides job training for individuals who are unable to work in the competitive job market.

Contract requests are independently reviewed, evaluated and approved by the State Use Committee to ensure the best quality and pricing available.

The Illinois Procurement Code was changed in FY10 to increase the State Use Committee from six to eight members. Additionally a Five Year Plan was developed to increase the number of products and services offered by NFPs.

The Department of Central Management Services (CMS) contracts with NFPs for a variety of products and services that can be used by all state agencies. For example Shelby County Community Services (SCCS) provides trash can liners on a statewide basis. SCCS manufactures the trash can liners by processing resin pellets to create the final product. NFPs also provide products such as soap, pillows, corrugated boxes, license plates and paper plates. Services provided by NFPs include, but are not limited to: call center staff, janitorial services, imaging and scanning.

A client from Shelby County Community Services packages plastic bags for shipment.

FIVE YEAR PLAN UPDATE

In FY15, sales for the State Use Program were $55 million up from $34 million in FY13 when the Five-Year Plan was introduced. This is an increase of $21 million (61 %) within two fiscal years. The Five Year Plan also includes increasing the hours of work opportunities for persons with significant disabilities by 20 %. Employment opportunities increased by 16.7% in FY15. NFPs teach a variety of skills to clients with disabilities, giving them experience which may be transferred to employment in the traditional workforce. Additionally, State Agencies benefit from quality goods and services at competitive prices.

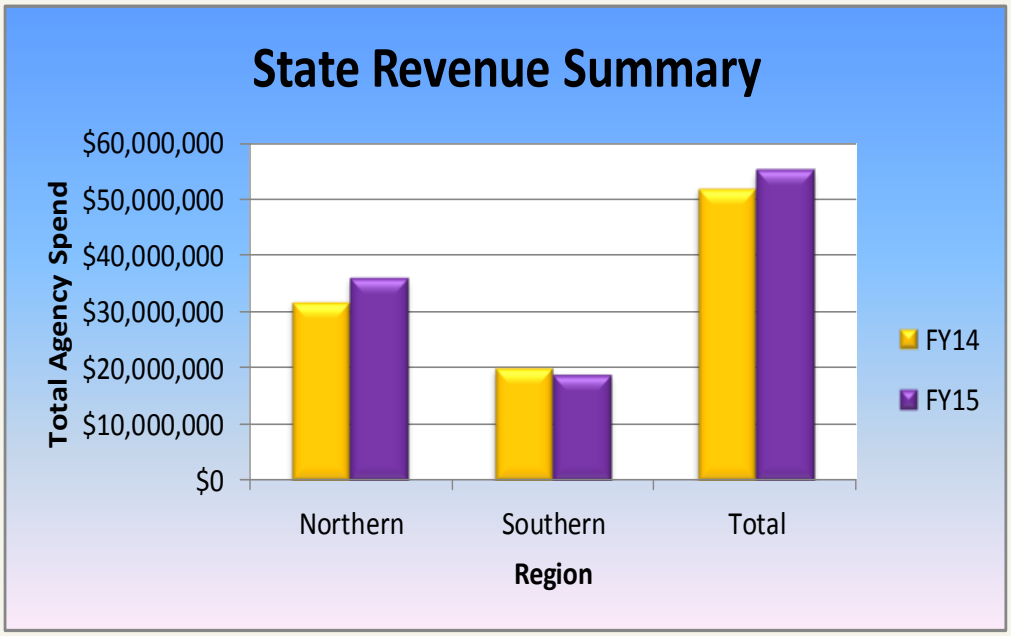
The Plan states that the State Use Program will benefit with assistance from various governmental agencies in alignment with the Governor's goal for economic growth by increasing jobs for people with disabilities. The Plan recommends considering legislation that would set a percentage or minimum percentage for State Agency procurement of goods and services to be made through State Use contracts. The Business Enterprise Program is an example of how such a preference has been used successfully.

Largest State Use Contracts awarded for FY15

Contract	Vendor	Value
Call Center	The Chicago Lighthouse	$15,769,528
License Plates	Macon Resources	$5,405,354
Imaging	Bridgeway, Inc.	$4,005,828
Paper Products	Shelby Co. Community Services	$1,824,040
Toilet Tissue	Malcolm Eaton Enterprises	$1,609,780
Trash Can Liners	Shelby Co. Community Services	$1,614,453
Data Entry	Bridgeway, Inc.	$1,657,971
Food Service	Challenge Unlimited	$1,609,486

State Revenue Summary

State Use contracts accounted for $55,267,930 in State Agencies spending for FY15.

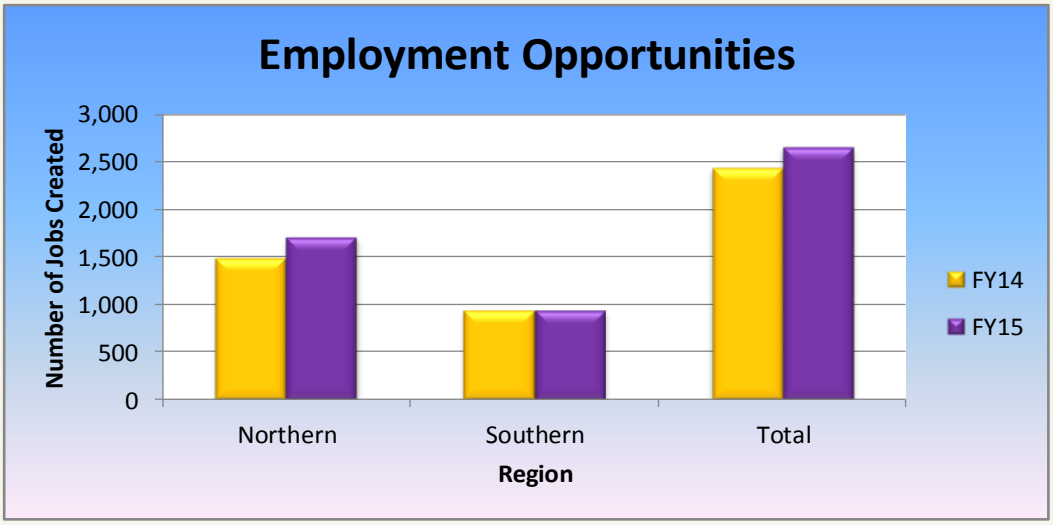


	Northern	Southern	Total
FY14	$31,855,710	$20,146,102	$52,001,812
FY15	$36,171,021	$19,096,909	$55,267,930

A client applies a label to a finished license plate that is manufactured at Macon Resources. All Illinois license plates are manufactured with the help of clients at Macon Resources, a sheltered workshop serving adults and children with developmental disabilities.

Employment Opportunities

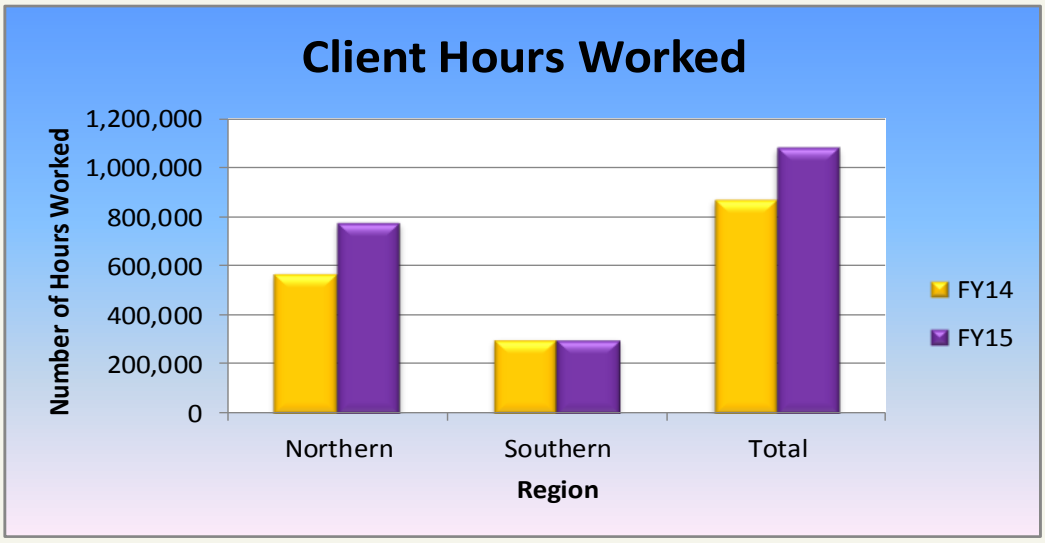
The primary objective of the CMS State Use Program is to develop employment opportunities for clients with disabilities by establishing contracts with NFPs for goods and services. 2,656 jobs were created for clients with disabilities through these State contracts during FY15.



	Northern	Southern	Total Jobs
FY14	1,500	946	2,446
FY15	1,712	944	2,656

Client Hours Worked

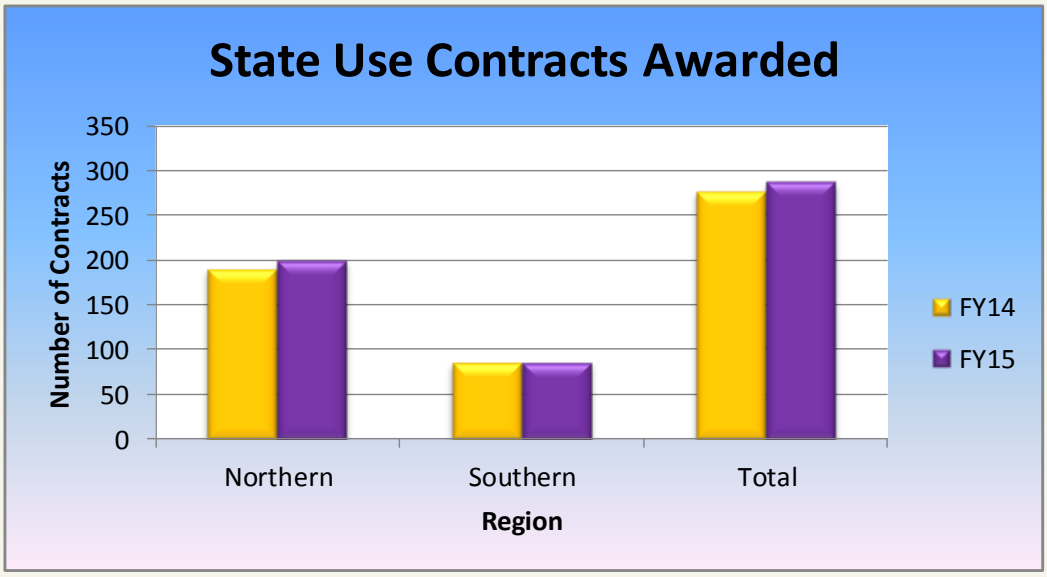
Many disabled Illinoisans have been afforded the opportunity to gain meaningful employment through the State Use Program. In the past fiscal year, Community Rehabilitation Facilities have provided 1,084,136 hours of work for these individuals. The graphs below show the client hours worked per region and by totals for the two-year period.



	Northern	Southern	Total Hours
FY14	570,164	303,387	873,551
FY15	779,416	304,720	1,084,136

State Use Contracts Awarded

In FY15, State Agencies awarded 287 contracts to Community Rehabilitation Facilities. The graph below summarizes the number of contracts per region and by totals for the last two years.



	Northern	Southern	Total Contracts
FY14	190	86	276
FY15	200	87	287

A visually-impaired employee from The Chicago Lighthouse takes an I-Pass call at an Illinois Tollway Call Center.

A client from Secure Data Destruction in Northbrook sorts paper products as it comes down the sort line.

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The State Use Committee

The State Use Committee was created to monitor the purchase of products and services from the NFPs. The Committee consists of:

- Director of the Department of Central Management Services or designee
- Secretary of the Department of Human Services
- 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
- 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, to develop guidelines to be followed by qualified NFPs, and to assist the State Use staff in the development of policy. Upon Committee approval, State Agencies are given the authority to proceed with contracts that are 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 NFP, which describes the volume of sales of each product or service sold.
- Prepare a publication listing all the supplies and services available from qualified NFPs and distribute the list to all State and Agency Purchasing Officers.
- Review all contract requests submitted under the provisions of the Act and reject any such bid for any purchase that is determined to be substantially more than the purchase would have cost had it been competitively bid.

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

Contractual Procedures

Any State Agency wishing to establish a contract with a qualified Not-For-Profit agency (NFP) must submit a written request which includes the NFP's name, type of contract desired, duration of the contract, and the overall dollar amount to the Region Coordinator of the State Use Program. In addition the request must include justification that the price is not substantially more than had it been competitively bid. After review it is submitted to the State Use Committee for approval.

The contracting NFP must provide a Certificate of Assurance detailing how many clients will be working as a result of the contract. A narrative must be included in the Certificate of Assurance that outlines the tasks that will be performed in the contract. After State Use Committee's approval of the written request, the State Agency receives an authorization letter to proceed with the contract. All State Use contracts are exempt from the formal solicitation process.

More clients from Secure Data Destruction in Northbrook sort paper products as it comes down the sort line.

Benefits of the Program

In FY15, fifty-one NFPs were awarded a total of 287 contracts with State Agencies through the State Use Program, employing 2,656 clients.

This program provides individuals with disabilities significant benefits by providing long-term, transferable work experience and marketable job skills training, thereby increasing their independence and ability to be self-sufficient. By expanding their scope of experience and enhancing their abilities, some disabled clients are able to take on new assignments at increasingly higher levels of difficulty, preparing them for a wider variety of jobs either within or outside of the Rehabilitation Facility.

The State of Illinois benefits by receiving high-quality goods and services for fair market prices in long-term contracts. The State has reduced administrative costs as well through State Use contracts, as the competitive bidding process is not required by qualified NFPs. Providing disabled citizens with opportunities for economic independence helps to reduce the need for public assistance and entitlement benefits.

Qualifying for State Use Program

An NFP 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. 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.
- Meet the Illinois Department Human Services (DHS) Rehabilitation Services' Minimum Standards for Certification of Developmental Training Programs, or possess a Commission on Accreditation of the Rehabilitation Facilities (CARF) certification.
- Meet the bid specifications or the needs of the purchasing agency.
- Set a fair market price.
- Produce quarterly reports on any contracts with State Agencies to State Use Region Coordinators.

State Use Staff

Each Regional Coordinator provides the assistance necessary to facilitate the program's success for the areas of the State they serve.

Corrie Smith
Northern Region Coordinator

Brynn Henderson
Southern Region Coordinator

Duties and Responsibilities of Staff Members:

- Act as liaison between NFPs, the State Use Committee, and State Agencies by collecting information, responding to inquiries, and resolving issues.
- Provide technical assistance and training to participating NFPs.
- Monitor the quality of products and services provided to State Agencies.

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, Inc.	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
Douglas Center	Skokie
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 Hand and Rehabilitation Center	LaGrange
Hope Industries	Rockford
Horizon Industries	Peru
Illinois Growth Enterprises	Rockford
Illinois Valley Industries	Morris
Jan Tech	Chicago
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
Little City Foundation	Palatine
Logan-Mason Rehabilitation Center	Lincoln
Malcolm Eaton Enterprises	Freeport
Northpointe Resources	Zion
NTSW	Skokie
O.H. Industries	Sycamore
Oak/Leyden Developmental Services	Oak Park
Opportunities, Inc.	Highland Park
PARC	Chicago
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
Thresholds Rehabilitation Industries	St. Anne
Transitions NFP	Rock Island
TRI Industries	Chicago
Trilogy, Inc.	Chicago
Trinity Services	Joliet
Victor C. Neumann Assn.	Chicago
Village of Progress	Oregon
WorkSource	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
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