



ILLINOIS

Pat Quinn, Governor

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

Malcolm Weems, Director

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

Dear Governor Quinn:

I am pleased to present this report to you on the achievements of the State Use Program for Fiscal Year 2012 and its positive impact on the lives of our citizens with disabilities.

In Fiscal Year 2012, the State Use Program accounted for more than \$32 million in contracts between Community Rehabilitation Facilities and State agencies for products and services. The program helped provide training, employment and greater independence for 2,267 disabled individuals and supplied them with 736,404 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,

Malcolm Weems
Director

The State Use Program

FY12 Annual Report

S T A T E O F I L L I N O I S



State Use Committee Members

Malcolm Weems, Chairman
Sharla Roberts, Designee
Department of Central Management Services

Michelle R. B. Saddler, Secretary
Curt Massie, Designee
Department of Human Services

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

David B. Dailey
Policy Assistant, Bureau
Employee Services
Department of Transportation

Chris Dickey
Community Development
Director
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

was created in 1983 when the Illinois Purchasing Act was amended to allow the State to contract with qualified Community Rehabilitation Facilities (CRF) without going through a competitive bidding process. The CRFs are centers that help severely disabled individuals find employment. State Use Program Regional coordinators, along with procurement experts in the Bureau of Strategic Sourcing (BOSS), work with CRFs to provide opportunities of long-term employment and job-training for people with disabilities who are otherwise unable to engage in standard competitive employment.

Contracts are independently reviewed, evaluated and

approved by the State Use Committee to ensure the best quality and pricing available. In Fiscal Year (FY) 2010, the Illinois Procurement Code was amended to increase the number of committee members from six to eight, and to add the directive of developing a "five-year plan for increasing the number of products and services purchased from qualified, not-for-profit agencies for persons with severe disabilities, including the feasibility of developing mandatory set-aside contracts."

The Department of Central Management Services (CMS) matches State of Illinois agency procurement needs

to the capabilities of a CRF, which offer services ranging from janitorial, document shredding, microfilming, printing and data entry to rest-area maintenance, carpet cleaning and laundry services. CRFs also produce needed commodities such as soap, pillows, desk pad calendars, trash can liners, license plates and laser printer cartridges.

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



FIVE YEAR PLAN EXECUTIVE SUMMARY

One of the changes made to the State Use Act (30 ILCS 500/45-35) in FY10 was the requirement "to develop a five-year plan for increasing the number of products and services purchased from qualified not-for-profit agencies for persons with severe disabilities, including the feasibility of developing mandatory set-aside contracts." A task force was formed consisting of members of the State Use committee, State staff, and representatives from qualified CRFs. At the January 25, 2012 State Use Committee meeting, the Committee voted to implement the Five Year Plan created by the Five-Year Plan Task Force.

Although current sales through the State Use Program are significant, much more can be accomplished and more persons with severe disabilities employed. This can increase wages of individuals with severe disabilities and offer jobs that provide a variety of skills that are transferable to other employment. At the same time, State Agencies benefit from quality goods and services at competitive prices.

The Plan states that the State Use Program will benefit from 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 the State Use Contracts. The Small Business Set-Aside is an example of how such a program has been used successfully to drive more State business to the Small Business community.

One of the Plan's goals is to emphasize that the State Use Program is capable of delivering many more hours of work opportunities to persons with severe disabilities. Consequently, the Plan recommends a 20% increase in employment opportunities through the State Use Program during each of the next five years, doubling the number of persons with disabilities working to provide goods and services by 2016.

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

B E N E F I T S O F T H E P R O G R A M

Individuals with disabilities benefit significantly from this program. They are afforded gainful, 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 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 FY 2012, 60 CRFs were awarded a total of 257 contracts with State agencies through the State Use Program, employing 2,267 disabled

individuals (see page 6).

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 a competitive bidding process is not required by qualified CRFs.

Providing disabled citizens with opportunities for economic independence enables them to become taxpayers and helps reduce the need for public assistance and entitlement benefits.

C O M M U N I T Y R E H A B I L I T A T I O N F A C I L I T I E S

To qualify 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. Department of Labor under section 14(c) of the Fair Labor Standards Act.
- 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.
- Meet the bid specifications or the needs of the purchasing agency.
- Set a fair market price.
- Quarterly reports on any contracts with State agencies.

In FY 2012, there were 102 registered Community Rehabilitation Facilities in Illinois. A complete list can be found starting on page 3.

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.

S T A T E U S E S T A F F

Jeremy Bliss
Division Manager

Corrie Smith
Northern Region Coordinator

Brynn Henderson
Southern Region Coordinator

Duties and Responsibilities of Staff Members:

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

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:

- Director of the Department of Central Management Services
- 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 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 CRFs, and 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 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 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 Illinois' disabled citizens.

PROCUREMENT PROCEDURES

Any State agency wishing to establish a contract with a qualified Community Rehabilitation Facility (CRF) must submit a draft contract to the State Use Committee for approval. If a draft contract is unavailable, the State agency must submit a written request for approval to the Manager of the State Use Program. This State Use Contract Request (SCR) must include the CRF's name, type of contract desired, duration of the contract, and the contract's dollar amount.

Additionally, the contracting 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 in the Certificate of Assurance that outlines the specifics of the contract. The Certificate of Assurance is then presented to the State Use Committee for its approval with the draft contract or SCR. After State Use Committee approval of the draft contract or SCR, the agency has authority to proceed with the procurement. All State Use contracts are exempt from the solicitation process.

A greenhouse filled with lush plants can be found at Shelby County Community Services in Shelbyville.

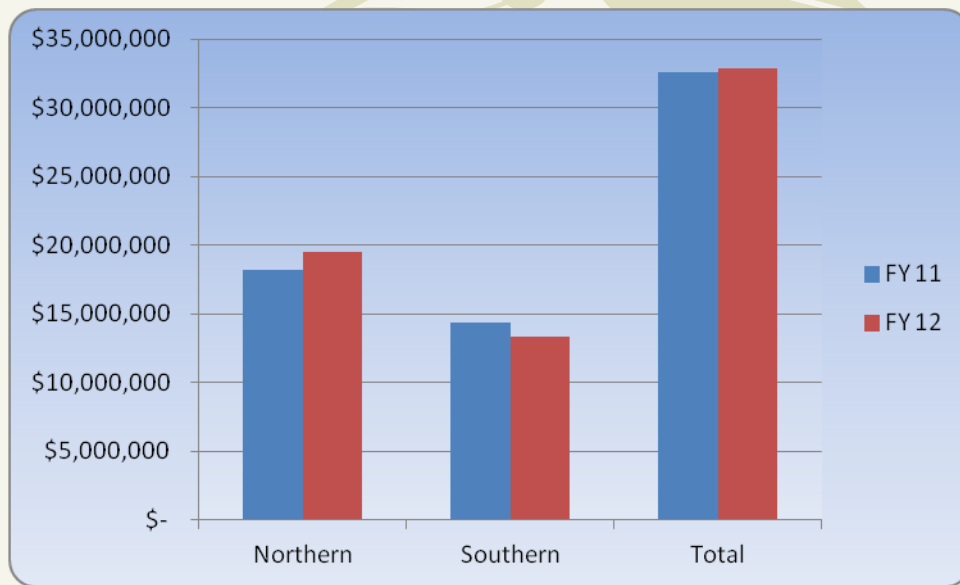


HIGH DOLLAR STATE USE CONTRACTS FOR FY 12

<u>Contract</u>	<u>Vendor</u>	<u>Value</u>
License Plates	Macon Resources	\$4,433,234
Laser Cartridges	Thresholds Industries	\$1,826,738
Data Entry	Bridgeway Training Services	\$1,957,865
Toilet Tissue	Malcolm Eaton Enterprises	\$2,088,726
Baking Mixes	Human Resources Center	\$1,015,237
Trash Can Liners	Shelby Co. Community Services	\$1,618,591
Imaging	Bridgeway Training Services	\$2,524,718

STATE REVENUE SUMMARY

State agencies spent \$32,862,976 in State Use contracts in FY 2012.



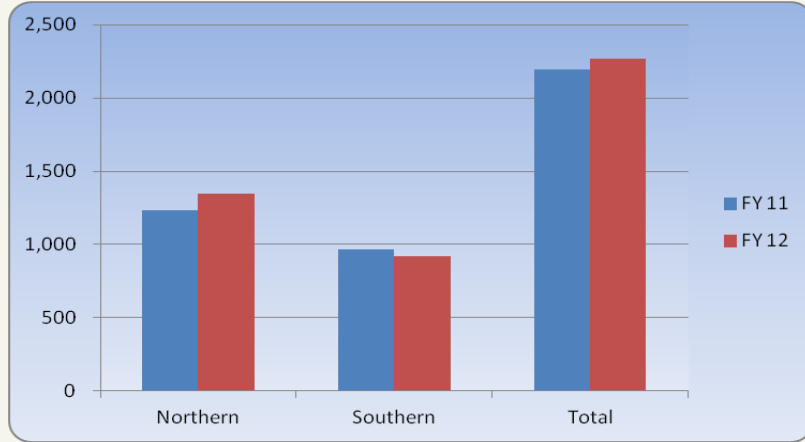
	<u>Northern</u>	<u>Southern</u>	<u>Total</u>
FY11	\$18,221,823	\$14,365,661	\$32,587,484
FY12	\$19,540,576	\$13,322,400	\$32,862,976



Citizens package baking mix for shipping at Human Service Center in Red Bud.

E M P L O Y M E N T O P P O R T U N I T I E S

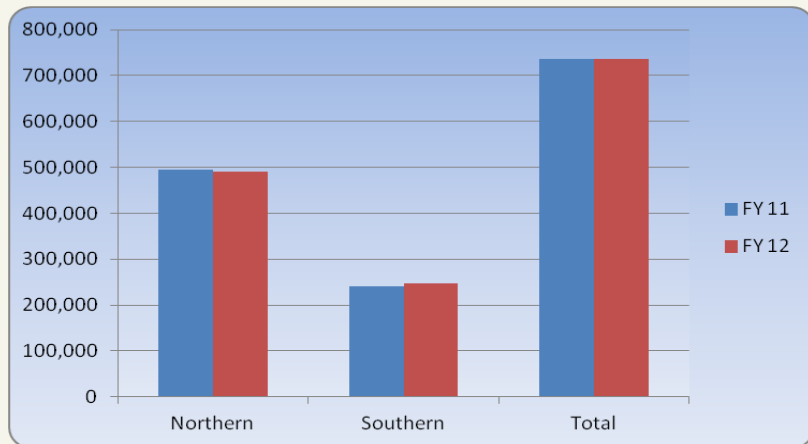
The primary objective of the CMS State Use Program is to develop employment opportunities for citizens with disabilities by establishing contracts with CRFs for goods and services. There were 2,267 jobs created for citizens with disabilities through these State contracts during FY 2012.



	<u>Northern</u>	<u>Southern</u>	<u>Total Jobs</u>
FY11	1,230	967	2,197
FY12	1,348	919	2,267

C L I E N T H O U R S W O R K E D

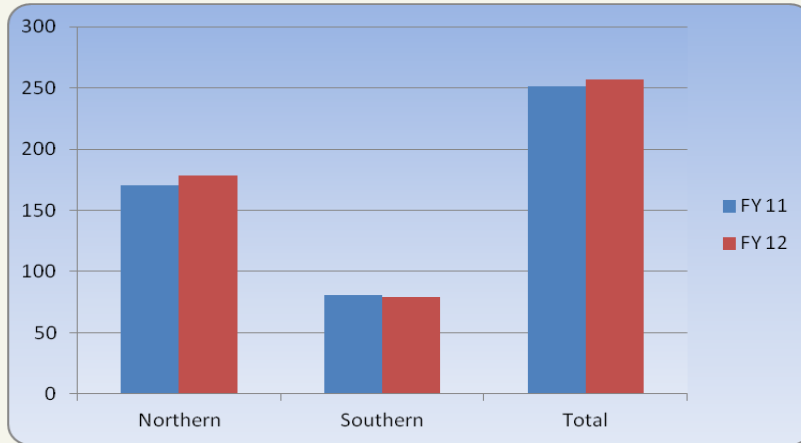
Many disabled Illinoisans have been afforded the opportunity to gain meaningful employment through the State Use Program. In the past fiscal year, Community Rehabilitation Facilities have provided 736,404 hours of work for these individuals. The graphs below show the client hours worked per region and by totals for the two-year period.



	<u>Northern</u>	<u>Southern</u>	<u>Total Hours</u>
FY11	494,440	241,332	735,772
FY12	489,736	246,668	736,404

STATE USE CONTRACTS AWARDED

In FY 2012, State agencies awarded 257 contracts to Community Rehabilitation Facilities. The graphs below summarize the number of contracts per region and by totals for the last two years.



	<u>Northern</u>	<u>Southern</u>	<u>Total Contracts</u>
FY11	170	81	251
FY12	178	79	257



Two production employees, both visually-impaired, contribute to build imaging supplies that regularly maintain a defect rate less than 1%.



A disabled citizen dismantles electronics while obsolete computer monitors await recycling at Clay County Rehabilitation Services/Secure Processors in Flora