

**State Of Illinois**  
**State Use Committee Meeting**  
**Minutes**  
**August 7, 2013**

Video Conferencing sites:

SIU-C	CMS	CMS	IDOT
Morris Library 184-A Carbondale, IL	Room 500 1/2 Springfield, IL	JRTC, Room 9-036 Chicago	Room 120 Springfield

**I. Call to Order**

Chairman Sharla Roberts welcomed Committee and guests and called the meeting to order at 1:35 P.M.

**II. Roll Call**

Present at the meeting were the following members: (see attached)

Sharla Roberts  
Seymour Bryson  
David Dailey  
Christine M. Dickey  
Richard W. Gloede  
Audrey McCrimon  
Dan Strick

Chairman Roberts announced that there was a quorum present.

**III. Approval of the Minutes of the June 26, 2013 Meeting**

Chairman Roberts called for a motion to approve the Minutes from the June 26, 2013 Meeting.

Motion to Approve: Member Gloede

Second: Member Dickey

Tally of Votes: Members unanimously approved the June 26, 2013 Meeting Minutes

**IV. Review of and Vote on Proposed Contracts (see attachment for list of contracts)**

All contracts for vote were read aloud by Brynn Henderson

Chairman Roberts called for a motion to approve the list of contracts read aloud by Brynn Henderson.

Motion to approve: Member Strick

To second: Member Bryson

Tally of Votes: Members unanimously approved the contracts read aloud by Brynn Henderson.

## **V. New Business**

Member McCrimon suggested that the visitors in Springfield introduce themselves.

They were: Gary Beckman DHS; Aundra Williams, CMS BOSS; Ben Bagby, CPO Higher Education; Elizabeth Kee, CMS Legal and Robert Partridge, CPO-GS.

Member McCrimon wants to know how we know if the contracts voted on have actually started. There have been some significant large contracts voted on in the past few months and I would like to know if they are up and running. Were there any press releases on them and how we know whether they have started. I haven't seen anything that trumpets that good news.

Chairman Roberts asked Brynn what happens after the contract has been voted on. How do we know they are fully executed?

Brynn Henderson, Staff, said that the contracting Agency sends us a copy of the signed contract after they get the approval from State Use. If we don't get a copy of the contract, we follow up with the Agency to find out the reason. Chairman Roberts asked staff to send out a list of contracts that have been approved and whether we received copies of the contracts and if not, why.

Member Dickey, Is there a process in place where we do press releases for some of the contracts we have voted on? Is it typical that we would offer press releases?

Member McCrimon, I have seen press releases over time when there has been new ground broken or new types of contracts signaling a change in direction or one that has a significant number of jobs associated with it. I am not saying that the State Use Committee does this; it can be the contracting agency or even the provider that does it. The press releases would fit into the marketing strategy of the SU five year plan to tell about how much public information and opportunity to promote the success of the program. We should keep track of that, as part of the five year plan.

Member Bryson said that after we approve a contract, it is the Agency's responsibility to issue press releases and advertise it. It is their contract and their responsibility.

Chairman Roberts suggested we look into checking with the Public Information Office at CMS to find out the process for press releases of this nature. This program is overseen by CMS and we could send information to them to put out press releases that they would deem appropriate. The effort would then be made by the committee to let the public know.

Member McCrimon said that there were some materials worked on by staff that looked at requirements of State Use Committee vs. Staff and she has not seen anything on it. Brynn said that the list has been started and it is just a preliminary document. Chairman Roberts directed Brynn to send that document to Member McCrimon and she can distribute to the working group as she sees fit.

Chairman Roberts introduced Elizabeth Kee, CMS Strategic Sourcing Legal Counsel to present a report on her research of the IDOL vs. USDOL and the State Use Program.

Elizabeth Kee stated that at the June 19<sup>th</sup> Committee meeting, I was asked to speak regarding how the Illinois Department of Labor requirements for work centers (i.e. sheltered workshops) coincide with participation in the State Use Program. Specifically, the initial question put forth was: Are there Illinois Dept. of Labor requirements applicable to workshops contracting under the State Use Law?

#### Brief Explanation of Current Requirements

State Use Law provides three express, bare minimum requirements which must be met by work centers to qualify for participation in the State Use Program:

- (1) Compliance with Illinois law governing not-for-profit entities;
- (2) A certification as a “sheltered workshop” by the Wage and Hour Division of the USDOL;
- (3) Meeting the Illinois Department of Human Services “just standards”

This list is not exhaustive of all the laws applicable to a sheltered workshop—it is simply an initial threshold. In fact, in the State’s standard solicitation and contract terms typically used with State Use contracts, there is a provision which states a vendor must comply with ALL applicable state, federal, local etc. laws.

The State Use law does not expressly require a work center to be IDOL certified or in compliance with Illinois’ minimum wage law; however, the State expects each vendor it does business with to be in compliance with all laws applicable to it.

At a minimum, when we are on notice that a vendor is not in compliance with a law, we do have a duty to investigate to ensure taxpayer dollars are not being used by someone who is willfully violating the law.

#### Minimum wage requirements in a nutshell...

In cases where an employee is subject to both state and Federal minimum wage laws, the employee is entitled to the higher of the two minimum wages. In Illinois, we have the Illinois minimum wage law, which provides a higher minimum wage than Federal minimum wage laws (fed =\$7.25/hr and state=\$8.25/hr), and the Illinois law provides requirements in addition to those provided by the Federal minimum wage laws.

The IDOL has authority—under the Illinois Minimum Wage Law—to require authorization to pay subminimum wages. IDOL’s requirements are located in their administrative rules. There may be process issues to work out between the Illinois Dept. of Labor and individual workshops with respect to the application. It is my understanding, however, that IDOL will accept the federal application in lieu of the State application.

What are possible actions to ensure Committee is proactively addressing federal and state requirements?

\*Add certification to the State Use Application form (with or without requesting documentation or requesting documentation on an as-needed basis or with the understanding that such documentation will be required prior to contracting with an agency)

\*Request certification at the time of contracting (certificate of assurance, with/without requesting supporting documentation or requesting documentation on as-needed basis)

## **Questions?**

Why is the USDOL certification expressly required by the State Use law, but the IDOL requirements are not?

Answer: We can't know with any certainty. The sponsor may have been unaware of additional IDOL requirements with respect to these work centers. If the sponsor was aware of IDOL requirements, they may have assumed such requirements may not be applicable to all workers in each center.

Historically, the Federal minimum wage has been equal to or higher than Illinois minimum wage. It was not until 2004, that the Illinois minimum wage was raised to \$5.50 per hour over the Federal minimum wage of \$5.15 per hour. Since 2004, Illinois minimum wage has been consistently higher than the Federal minimum wage, perhaps explaining its current broader applicability to persons with disabilities employed by work centers.

## **VI. Future Meeting Date**

Chairman Roberts asked Committee for recommendation for future meeting dates.

Next meeting date: October 23, 2013 at 1:30 P.M.

Motion to Approve Meeting Date: Member Dailey

Second: Member Dickey

Tally of Votes: Members unanimously approve the motion to host the next meeting on October 23, 2013 at 1:30 P.M. At that meeting we need to come up with four future meeting dates in order to comply with the open meetings act.

Chairman Roberts announced that the motion passed.

## **VII. Adjournment**

Chairman Roberts called for motion to adjourn.

Motion to Approve: Member Bryson

Second: Member Gloede

Tally of Votes: Members unanimously approved the motion to adjourn.

Chairman Roberts announced the motion to adjourn was approved and adjourned the meeting at: 2:15

Respectfully submitted

Brynn Henderson