



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.

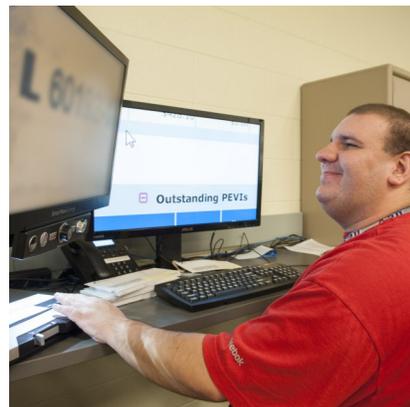
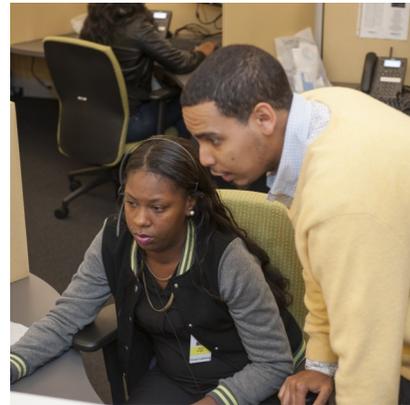
The State Use Program is truly a win-win investment for the State of Illinois – providing job opportunities and greater independence for its disabled citizens while benefiting State agencies with quality goods and services at fair market prices.

Sincerely,

Tom Tyrrell
Director

Enclosure

ILLINOIS STATE USE PROGRAM ANNUAL REPORT FY2015



THE STATE USE PROGRAM



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

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 state-wide 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.

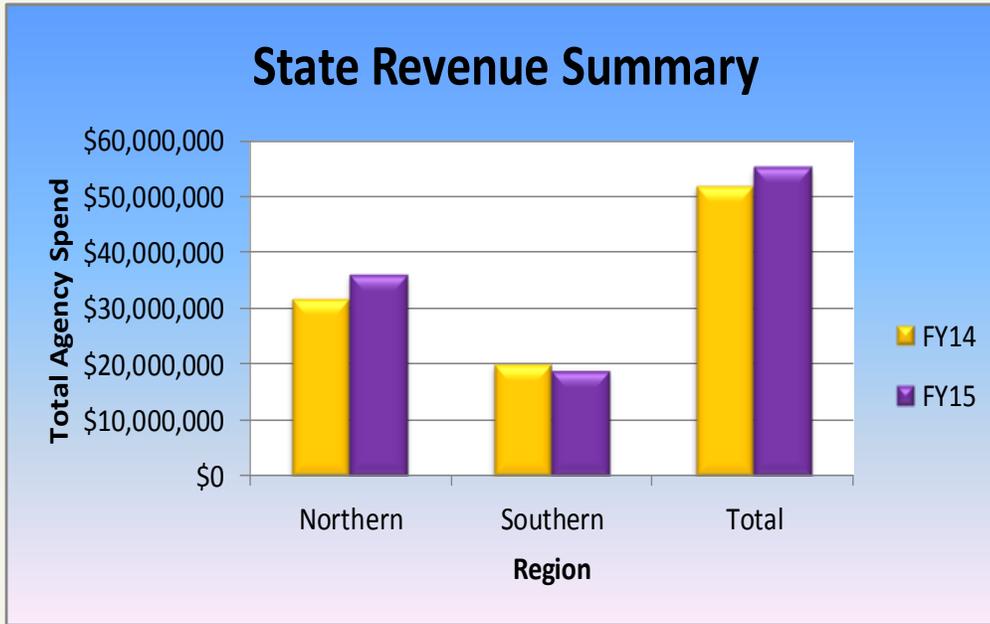
The Plan states that the State Use Program will benefit with assistance from various governmental agencies in alignment with the Governor's goal for economic growth by increasing jobs for people with disabilities. The Plan recommends considering legislation that would set a percentage or minimum percentage 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

<u>Contract</u>	<u>Vendor</u>	<u>Value</u>
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.



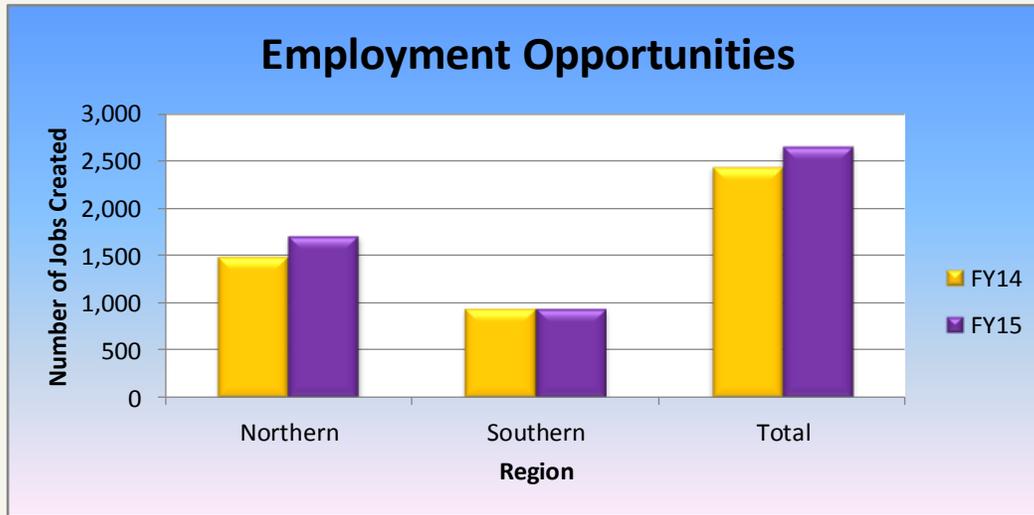
	<u>Northern</u>	<u>Southern</u>	<u>Total</u>
FY14	\$31,855,710	\$20,146,102	\$52,001,812
FY15	\$36,171,021	\$19,096,909	\$55,267,930



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.

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

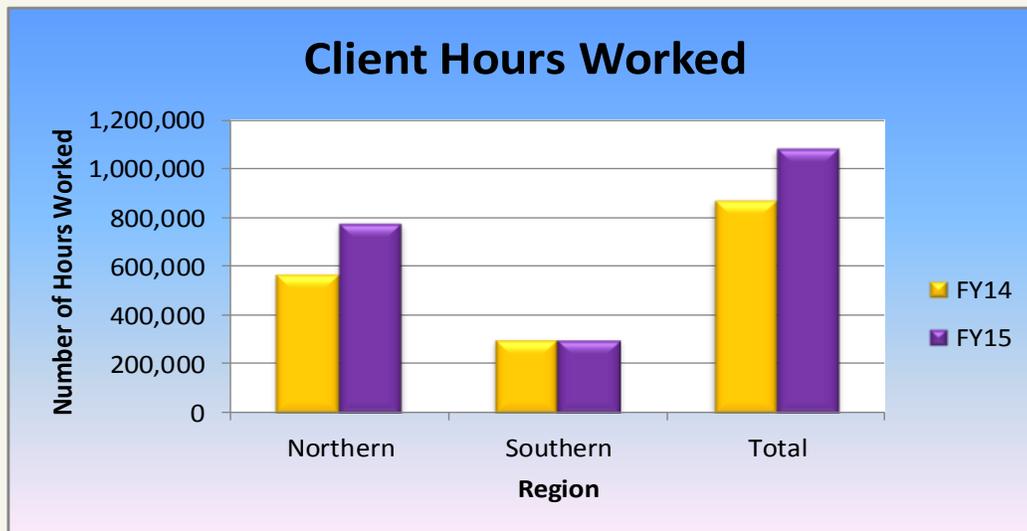
The primary objective of the CMS State Use Program is to develop employment opportunities for clients with disabilities by establishing contracts with NFPs for goods and services. 2,656 jobs were created for clients with disabilities through these State contracts during FY15.



	<u>Northern</u>	<u>Southern</u>	<u>Total Jobs</u>
FY14	1,500	946	2,446
FY15	1,712	944	2,656

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

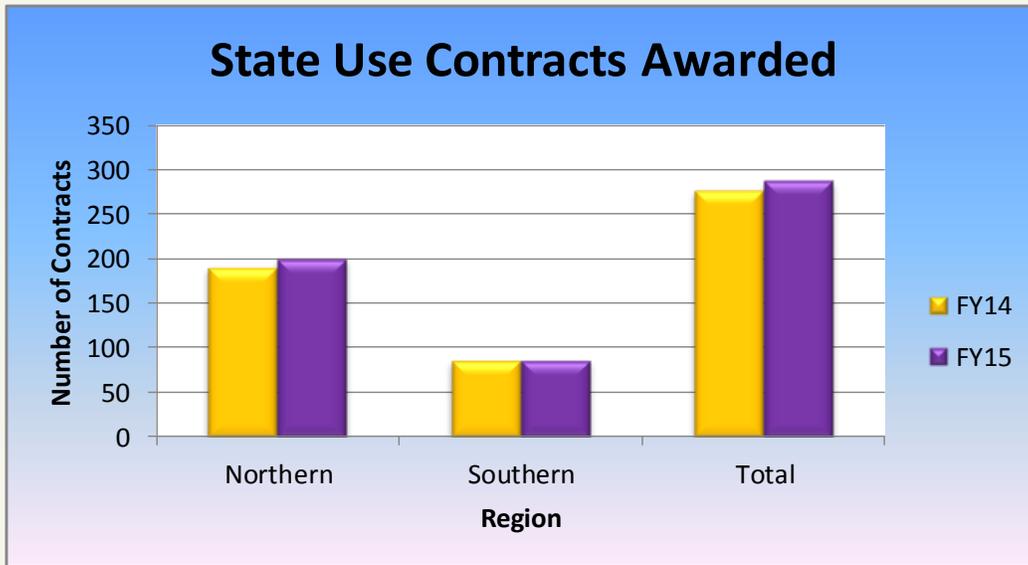
Many disabled Illinoisans have been afforded the opportunity to gain meaningful employment through the State Use Program. In the past fiscal year, Community Rehabilitation Facilities have provided 1,084,136 hours of work for these individuals. The graphs below show the client hours worked per region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



	<u>Northern</u>	<u>Southern</u>	<u>Total Hours</u>
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.



	<u>Northern</u>	<u>Southern</u>	<u>Total Contracts</u>
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.



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.

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

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.

Q U A L I F Y I N G F O R S T A T E U S E P R O G R A M

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.

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

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	Jewish Vocational Service	Chicago
Abilities Plus	Kewanee	Kankakee County Training Center	Bradley
Achievement Industries	Monmouth	Knox Co. Council for Dev. Disabilities	Galesburg
Ada S. McKinley	Chicago	Kreider Services	Dixon
ARC Industries	Rock Island	Lambs Farm	Libertyville
Aspire of Illinois	Bellwood	Lester and Rosalie Anixter Center	Chicago
Assn. for Individual Development	Aurora	Little City Foundation	Palatine
Avenues to Independence	Wheeling	Logan-Mason Rehabilitation Center	Lincoln
Bridgeway, Inc.	Galesburg	Malcolm Eaton Enterprises	Freeport
Cass County Mental Health Center	Beardstown	Northpointe Resources	Zion
Chicago Assn. for Retarded Citizens	Chicago	NTSW	Skokie
Chicago Lighthouse for the Blind	Chicago	O.H. Industries	Sycamore
Clearbrook	Rolling Meadows	Oak/Leyden Developmental Services	Oak Park
Community Workshop & Training Center	Peoria	Opportunities, Inc.	Highland Park
Cornerstone Services	Joliet	PARC	Chicago
Countryside Association	Palatine	Pioneer Center of McHenry County	McHenry
CRC Industries	Quincy	Ray Graham Association	Elmhurst
Developmental Services Center	Champaign	Sequin Services	Cicero
DeWitt County Human Resource Center	Clinton	Sertoma Centre	Alsip
Douglas Center	Skokie	SHORE Training Center	Morton Grove
Easter Seals Reaching for Adulthood	Oak Park	Southstar Services	Chicago Heights
El Valor	Chicago	Southwest Community Services	Tinley Park
Fulton County Rehabilitation Center	Canton	Spectrum Vocational Services	Downers Grove
Futures Unlimited	Pontiac	St. Colletta's of Illinois	Tinley Park
Gateway Services	Princeton	Streator Unlimited	Streator
Glenkirk Vocational Training Center	Northbrook	TCRC	Tremont
Goodwill Industries of Central Illinois	Peoria	The Workshop	Galena
Goodwill Industries	Chicago	Thresholds Rehabilitation Industries	Chicago
Habilitative Systems	Chicago	Thresholds Rehabilitation Industries	St. Anne
Hancock County Industries	Carthage	Transitions NFP	Rock Island
Helping Hand and Rehabilitation Center	LaGrange	TRI Industries	Chicago
Hope Industries	Rockford	Trilogy, Inc.	Chicago
Horizon Industries	Peru	Trinity Services	Joliet
Illinois Growth Enterprises	Rockford	Victor C. Neumann Assn.	Chicago
Illinois Valley Industries	Morris	Village of Progress	Oregon
Jan Tech	Chicago	WorkSource	Danville

Southern Region

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