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 2016 and its positive impact on the lives of our citizens with disabilities.  

In Fiscal Year 2016, the State Use Program accounted for more than $61 million (up from $55 million in FY15) in contracts between Community Rehabilitation Facilities and State agencies for products and services. The Program helped provide training, employment and greater independence for 2,524 disabled individuals and supplied them with 1,049,313 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,  

Michael Hoffman  
Acting Director
THE STATE USE PROGRAM

FY16 ANNUAL REPORT

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 NFPs 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 the 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 many other products such as soap, pillows, corrugated boxes, license plates and paper plates. Services provided by NFPs include, but are not limited to: call centers, janitorial services, imaging and scanning.

In this picture a client from Shelby County Community Services takes bags from the line and packages them for delivery.

Current sales for the State Use Program have increased to $61 million from $34 million in FY 13 when the Five Year Plan began, a 79% increase. The Five Year Plan also includes increasing the hours of work opportunities for persons with significant disabilities, the Plan recommends a 20% increase during the five year period. NFPs provide a variety of skills to individuals with disabilities, giving them experience that can 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 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.
State agencies spent $61,526,676 in State Use contracts in FY 2016.

### Largest State Use Contracts awarded for FY 16

<table>
<thead>
<tr>
<th>Contract</th>
<th>Vendor</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call Center</td>
<td>The Chicago Lighthouse</td>
<td>$20,415,053</td>
</tr>
<tr>
<td>License Plates</td>
<td>Macon Resources</td>
<td>$7,410,402</td>
</tr>
<tr>
<td>Imaging</td>
<td>Bridgeway, Inc</td>
<td>$5,027,410</td>
</tr>
<tr>
<td>Paper Products</td>
<td>Shelby Co. Community Services</td>
<td>$1,672,885</td>
</tr>
<tr>
<td>Toilet Tissue</td>
<td>Malcolm Eaton Enterprises</td>
<td>$1,580,746</td>
</tr>
<tr>
<td>Bakery Mixes</td>
<td>Human Service Center</td>
<td>$2,041,634</td>
</tr>
<tr>
<td>Data Entry</td>
<td>Bridgeway, Inc</td>
<td>$1,242,170</td>
</tr>
<tr>
<td>Food Service</td>
<td>Challenge Unlimited</td>
<td>$1,609,486</td>
</tr>
</tbody>
</table>

### State Revenue Summary

State agencies spent $61,526,676 in State Use contracts in FY 2016.

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.
The primary objective of the CMS State Use Program is to develop employment opportunities for citizens with disabilities by establishing contracts with NFPs for goods and services. There were 2,524 jobs created for citizens with disabilities through these State contracts during FY 2016.

<table>
<thead>
<tr>
<th></th>
<th>Northern</th>
<th>Southern</th>
<th>Total Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY15</td>
<td>1,712</td>
<td>944</td>
<td>2,656</td>
</tr>
<tr>
<td>FY16</td>
<td>1,661</td>
<td>863</td>
<td>2,524</td>
</tr>
</tbody>
</table>

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 1,049,313 hours of work for these individuals. The graphs below show the client hours worked per region and by totals for the two-year period.

<table>
<thead>
<tr>
<th></th>
<th>Northern</th>
<th>Southern</th>
<th>Total Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY15</td>
<td>779,416</td>
<td>304,720</td>
<td>1,084,136</td>
</tr>
<tr>
<td>FY16</td>
<td>774,486</td>
<td>274,827</td>
<td>1,049,313</td>
</tr>
</tbody>
</table>
In FY 2016, State agencies awarded 275 contracts to Community Rehabilitation Facilities. The graph below summarizes the number of contracts per region and by totals for the last two years.

<table>
<thead>
<tr>
<th></th>
<th>Northern</th>
<th>Southern</th>
<th>Total Contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY15</td>
<td>200</td>
<td>87</td>
<td>287</td>
</tr>
<tr>
<td>FY16</td>
<td>188</td>
<td>87</td>
<td>275</td>
</tr>
</tbody>
</table>

A visually-impaired employee from the Chicago Lighthouse in Chicago takes a I Pass call at a Call Center for the Tollway.

Disabled citizen from Secure Data Destruction in Northbrook sort paper products as the paper comes down the sort line.
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
- 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 contract’s dollar amount to the Manager 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.
In FY 2016, 51 NFPs were awarded a total of 275 contracts with State agencies through the State Use Program, employing 2,524 disabled individuals.

This program provides individuals with disabilities significant benefits by providing long-term, transferable work experience and marketable job skill training, increasing their independence and ability to be self sufficient. 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, 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.

**Community Rehabilitation Facilities**

To qualify in the State Use Program, a 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 14½ 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.

**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**  
Northern Region Coordinator

**Brynn Henderson**  
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.
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   O.H. Industries                   Skokie
Chicago Lighthouse for the Blind Chicago   Oak/Leyden Developmental Services Sycamore
Clearbrook                Chicago   Opportunities, Inc.                  Oak Park
Community Workshop & Training Center Champaign  PARC                           Highland Park
Cornerstone Services      Peoria     Pioneer Center of McHenry County    Chicago
Countryside Association    Joliet     Ray Graham Association              Mchenry
CRC Industries            Palatine   Sequin Services                     Elmhurst
Developmental Services Center Quincy    Sertoma Centre                     Cicero
DeWitt County Human Resource Center Champaign SHORE Training Center Alsip
Easter Seals Reaching for Adulthood Clinton    Southstar Services              Morton Grove
El Valor                  Oak Park    Southwest Community Services      Chicago Heights
Fulton County Rehabilitation Center Chicago   Spectrum Vocational Services     Tinley Park
Futures Unlimited         Canton     St. Colletta’s of Illinois          Downers Grove
Gateway Services          Pontiac    Streator                           Tinley Park
Glenkirk Vocational Training Center Princeton  TCRC                           Streator
Goodwill Industries of Central Illinois Northbrook  The Workshop                Tremont
Goodwill Industries        Peoria     Thresholds Rehabilitation Industries Chicago
Habilitative Systems      Chicago   Thresholds Rehabilitation Industries St. Anne
Hancock County Industries  Chicago   Transitions NFP                      Rock Island
Helping Hand and Rehabilitation Center Carthage    TRI Industries                  Chicago
Hope Industries            LaGrange   Trilogy, Inc.                      Chicago
Horizon Industries         Rockford   Trinity Services                   Joliet
Illinois Valley Industries Chicago    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 M.A.P. Training Center Decatur
Christian County Mental Health Assn. Taylorville   Moultrie County Beacon      Kankakek
Clay County Rehabilitation Center Flora       New Opportunities                Sullivan
Coleman Tri-County Services   Shawneetown   R.A.V.E. Inc.                     Madison
Community Link                Breese       S.A.V.E. Inc.                    Anna
Elm City Rehabilitation Center Jacksonville Shelby County Community Services Belleville
FAYCO Enterprises             Vandalia    SPARC Vocational Services        Shelbyville
Five Star Industries          DuQuoin     START, Inc.                     Springfield
Franklin-Williamson Human Services West Frankfort TRADE Industries McLeansboro
Human Resources Ctr. Edgar/Clark Cos. Paris     UCP of Land of Lincoln      Springfield
Human Support Services        Waterloo    Wabash Area Vocational Enterprises Mt. Carmel

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        Kankakek
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