

State Use Program FY2014 Annual Report

State of Oklahoma



Steve Hagar
State Purchasing Director
Central Purchasing



Preston L. Doerflinger
Director
Secretary of Finance, Administration,
and Information Technology

April 1, 2015

The Honorable Mary Fallin
Governor of the State of Oklahoma
2300 N. Lincoln Blvd.
Oklahoma City, Ok 73105

Dear Governor Fallin:

I am pleased to present this report to you on the achievements of the State Use Program for Fiscal Year 2014 and its positive impact on the lives of our citizens with disabilities.

In Fiscal Year 2014, the State Use Program accounted for more than \$27 million in contracts for products and services between state agencies and not-for-profit organizations that employ persons with severe disabilities. The program helped provide training, employment and greater independence for 2067 disabled individuals and supplied them with 1,303,064 hours of work. The following pages include the reported data required by Title 74 §3008-3009.

With continued support of this program, a growing number of individuals with disabilities will be able to obtain long-term employment and increased economic stability, thereby minimizing their need for public assistance and entitlement benefits.

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

Sincerely,

Daron Hoggatt

State Use Administrator and Contracting Officer

INTRODUCTION

The State Use Program celebrated its 36th Anniversary in 2014. The program allows the state to contract with qualified not-for-profit agencies serving persons with severe disabilities through a competitive bidding process, such as invitation for bid or request for proposal.

The State Use Program, operated by the Office of Management and Enterprise Services (OMES) Central Purchasing Division, facilitates contracts between the State of Oklahoma and qualified not-for-profit agencies. Those contracts provide meaningful long-term employment and job training for persons with disabilities.

Proposed procurements are independently reviewed, evaluated and approved by the State Use Committee, an eight-person panel comprised of state agency and public members, to assure fair pricing and quality goods and services.

Qualified not-for-profit agencies provide a wide variety of services to the state, such as laundry, janitorial and recycling services, to name only a few. Additionally, these qualified not-for-profits also produce needed commodities like printer/copier toners, binders, hand sanitizers and more.

The not-for-profit agencies are constantly looking for ways to expand their job bases and employment opportunities. We look forward to each year's final reports to see the growth and continued employment for the severely disabled citizens of the State of Oklahoma.

PROGRAM PLAN SUMMARY

One of the plan's goals is to emphasize to state agencies that the State Use Program is capable of delivering many more hours of work opportunities to persons with significant disabilities than is currently being realized. The plan's marketing strategy includes holding an annual exposition in Oklahoma City to allow the not-for-profit agencies to demonstrate their capabilities to state agencies. In FY2014, the program showed a 22 percent economic advantage for making purchases through the State Use Program.

The State Use Committee provides an official list of services and products provided by qualified not-for-profit agencies, which the State Use Office will promote to state agencies and universities. State Use internal policies and procedures are also being modified to clarify the application and contracting processes between not-for-profit agencies and state agencies.

BENEFITS OF THE PROGRAM

You get quality products and services at a fair market price. Our vendors also guarantee on-time delivery and we can assist with any questions along the way.

The program benefits your community by alleviating the public assistance burden the state faces. As a result of the State Use Program, participants' earned income rises, displacing government assistance and reducing the need for state and federal programs.



State Use Committee Members

Daron Hoggatt

State Use Administrator and Contracting Officer, OMES Central Purchasing

David Oliver

Goodwill Industries, appointed by the governor

Travis Monroe

OMES, appointed by OMES director

Jim Kettler

Director Visual Services, Department of Rehabilitative Services

William Smith

Kiamichi Industries, appointed by Oklahoma Community-Based Providers

Effie Foster

Parent of individual involved in Sheltered Work Center, appointed by State Use Committee

Regina Chace

Program Supervisor OKDHS, appointed by OKDHS director

Jerry Tate

Oklahoma State Bureau of Investigation, appointed by state purchasing director



Providing meaningful employment for the disabled

State Use Staff

Daron Hoggatt
Administrator and Contracting Officer

Malina Brywczyński
Administrative Programs Officer

Mary Brown
Administrative Technician

Title 74

Title 74 is important legislation which provides employment opportunities for Oklahomans with severe disabilities. Seventy-five percent of all work performed on State Use contracts must be performed by people with severe disabilities. A 1 percent levy is assessed on all contracts awarded through the State Use Program.

PROGRAM PARTICIPATION

304:10-1-3. Qualifications

Qualification by committee. To ensure compliance with the act, the committee shall qualify individuals and nonprofit agencies prior to contract award.

Individual qualification. An individual shall apply for qualification to the committee. To indicate the individual meets the statutory definition of a severely disabled person, the individual shall provide:

- A copy of the application and supporting documentation the individual submitted to the Social Security Administration for determination of disability and a copy of the final disability determination from the administration.
- A narrative report, prepared and signed by a person licensed in the State of Oklahoma as a physician, describing physical disabilities, or a psychiatrist or psychologist, describing mental disabilities. The report shall fully describe the nature of the disability constituting a substantial handicap to employment with supporting medical records.
- Any additional information the committee may require related to work history, vocational assessments and work-related documents.
- An affidavit that the individual will perform 75 percent of the work to produce the products or services the individual offers for procurement by the state.
- A statement which describes the nature and extent as expressed in a percentage of work a subcontractor, other person or entity may perform to produce the products or services.

Agency qualification. A nonprofit agency that has been approved by the Wage and Hour Division of the U.S. Department of Labor as a sheltered workshop shall apply for qualification to the committee and submit the following documents that indicate the nonprofit agency meets the requirements of a qualified organization:

- A tax-exempt FEI number issued by the IRS, or a certificate from the IRS verifying that the entity meets the requirements for nonprofit status as defined by the IRS.
- A statement describing the nature and extent as expressed in a percentage of the work a subcontractor, other person or entity may perform to produce the products or services.
- A copy of certification as a sheltered workshop issued by the U. S. Department of Labor.
- A current copy of the nonprofit agency's certificate of insurance for workers' compensation insurance.



State Use History

In 1978 an important piece of legislation was enacted that established employment opportunities for Oklahomans with disabilities.

Sustained by a 1 percent levy assessed on all State Use contracts, the State Use Program is supervised by an eight-person committee. The committee builds working relationships between state agencies and Oklahoma manufacturers and service providers.

The program is not only a benefit to vendors and state agencies, but most importantly, it brings tremendous value to our disabled citizens.

STATE USE...

Utilizing Talents

Each individual has a unique and specific combination of skills, abilities and characteristics that makes them a valuable, potential contributor to the general workforce. The Oklahoma State Use Program is dedicated to ensuring that all individuals get equal opportunity to display and utilize their talents in programs that provide growth and learning.

Satisfying Needs

The Oklahoma State Use Program provides a means for individuals with disabilities, who otherwise would not have the opportunity, to go to work. The benefits do not stop with the individuals: the state receives goods and services provided; local communities gain additional commerce and an increased tax base; and general industry gains an increase in trained, capable and proficient workers.

Empowering Individuals

Every Oklahoman deserves the right to independence, choice and opportunity. The Oklahoma State Use Program provides a platform for which individuals are able to use their employment to help achieve those basic goals. A collaborative effort by the state and the business community to include all people in its plans and initiatives is changing the lives of individuals every single day.

TOP 15 HIGH DOLLAR STATE USE CONTRACTS FOR FY2014

Temporary Services	\$12,448,537
Janitorial Services	\$5,787,055
Paper Products	\$1,904,975
Security	\$831,068
Litter Pick-up	\$712,257
Toner Cartridges	\$646,604
Inkjet Cartridges	\$447,176
Incontinent Briefs	\$328,674
Recycled Toner	\$317,292
Beans	\$299,740
Medical Gloves	\$299,135
Pens/Pencils	\$255,008
Laundry Services	\$231,087
Pasta	\$212,854
Spices	\$197,678



FY2014 Exception Requests

There were 50 Exception Requests for FY2014.

FY2014 Violations of Intent of Laws

No violations to report for FY2014

STATE USE CONTRACT ANNUAL COMPARISONS



STATE USE PROGRAM EMPLOYMENT OPPORTUNITIES



CLIENT HOURS WORKED

