

2016

ANNUAL REPORT
TO THE GOVERNOR



COMMISSION FOR STATEWIDE CONTRACTS
TO SUPPORT EMPLOYMENT
FOR INDIVIDUALS WITH DISABILITIES

LETTER FROM THE CHAIR



*State of Delaware
Commission for Statewide
Contracts to Support
Employment for Individuals
with Disabilities*

September 1, 2016

The Honorable Jack Markell, Governor
State of Delaware
Tatnall Building
William Penn, Street, 2nd Fl.
Dover, DE 19901

Dear Governor Markell,

I am delighted once again to present the 2016 Annual Report on behalf of the Commission for Statewide Contracts to Support Employment for Individuals With Disabilities. This is a new name for the commission. It was legislatively changed in the past few months and reflects a cultural change for the commission. The name change from the Commission for the Purchase of Products and Services from Blind and Other Severely Handicapped Individuals confirms that the state recognizes “People First” and wholeheartedly supports creating meaningful work and competitive employment for all of its citizens.

This year we successfully concluded the Sunset Review Committee (SRC) evaluation where it was determined that the program continues to be viable in the lives of Delawareans with disabilities. As a result of the review, the commission was restructured to encourage the participation of people with disabilities, agencies that operate in the field of community rehabilitation, and state agencies that practice procurement, finance and accounting, and vocational rehabilitation. We are now authorized to obtain a Central Non-profit Agency (CNA) who will help the commission monitor contract performance, grow opportunities for employment, and improve administrative processes, such as background checks. The SRC sponsored legislative changes to Title 16 Chapter 96, which had not been amended since the year 2007. Now the state code establishes a structure that will sustain the Commission into the future, about which we are excited. All in all, it was the impressive employment statistics that framed the success of set-aside contract initiatives and the need to continue the efforts of the Commission.

This program has grown tremendously since the beginning of your term in 2008. In 2009 state set-aside contracts afforded job opportunities for 398 individuals with disabilities who worked 174,601 hours and made \$2,460,743 in wages. In 2016, after eight years of diligent work, the agencies that fill these contracts employed 595 individuals with disabilities who worked 419,431 hours and earned \$4,950,674 in wages. It is also significant to note that the average earned wage in this program, \$14 for DIB employees and \$11.43 for Ability Network of Delaware (A.N.D.), exceeded Delaware’s minimum wage. Our aim

Continued on next page.

has been to employ individuals with disabilities, strengthen their job skills, and move them into competitive employment. This year 29 employees obtained jobs in that competitive market.

The program had challenges. Background checks continued to deny employment for misdemeanors as far back as 30 years; some set-aside contracts had not been reviewed for fair pricing in decades; previous practice of sub-minimum wages still hindered marketing efforts; and the requirements for products and services were significantly degraded and subjected to auditing. Yet, the Commission was able to minimize the challenges for the benefit of the employees.

The Commission wishes you to know that your efforts around set-aside contracts and "Employment First" have made a significant difference for hundreds of families who live with employability concerns. We appreciate you and your commitment to employing individuals with disabilities.



Very Respectfully,
Debbie V. Harrington, Ed.D.
Colonel (Ret), U.S. Army
Chair, The Commission for Statewide Contracts
to Support Employment for Individuals With Disabilities

Cc: The Honorable Patricia Blevins, Senate President Pro Tempore
The Honorable Peter Schwartzkopf, Speaker, House of Representatives
The Honorable Rita Landgraf, Secretary, Delaware Health & Social Services
The Honorable Bethany Hall-Long, Chair, Senate Health & Social Services Committee
The Honorable Debra Heffernan, Chair, House Health & Human Development Committee

TABLE OF CONTENTS

| | |
|--|--------------|
| EXECUTIVE SUMMARY | 4 |
| WHO WE ARE | 4 |
| OUR PARTNERS | 5-12 |
| MILESTONES & INITIATIVES UNDER THE MARKELL ADMINISTRATION 2009-2016 | 13 |
| FINANCIALS | 14 |
| SUCCESS STORIES | 15-17 |
| 2016 COMMISSION MEMBERS & MEETING DATES | 18 |



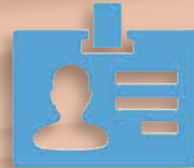
EXECUTIVE SUMMARY

This annual report highlights the work of the Commission for Statewide Contracts to Support Employment for Individuals With Disabilities, the entity overseeing the State Use program. It details the benefits for the individuals with disabilities served and for the State of Delaware during fiscal year 2016. The program's current contract holders are the Ability Network of Delaware (A.N.D.), the Delaware Industries for the Blind (DIB), and Kent Sussex Industries (KSI). As a result of the combined efforts of the Commission, the State of Delaware, and the contract holders, **595** individuals with disabilities have acquired either gainful employment or valuable career development experience during the year and earned **\$4,950,674** in wages.



595

people with disabilities



29

obtained competitive employment



419,431

total hours worked



\$11.80

average wage per hour



\$4,950,674

total wages earned

WHO WE ARE

The Commission for Statewide Contracts to Support Employment for Individuals with Disabilities serves to further the policy of the state concerning employment for individuals with visual impairments and other disabilities. The intent of the Commission is to provide opportunity for Delawareans with disabilities to achieve maximum personal independence through useful and productive employment in an expanded and constant market for their products and services.



OUR PARTNERS

The Commission depends on Community Rehabilitation Programs and Central Nonprofit Agencies to effectively carry out the Commission's purpose. The administration, oversight, and service delivery activities that these organizations provide to the Commission are critical to its success.



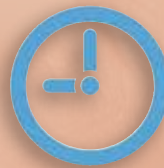
The Division for the Visually Impaired's **Delaware Industries for the Blind (DIB)** is a small business with a large community impact. DIB promotes independence for the visually impaired and blind community by creating and providing a wide variety of employment opportunities and training venues for the visually impaired citizens of Delaware. Promotional products, engraving, embroidery, screen printed/heat pressed apparel, and sublimated items are just some of the many products provided to state, federal, and private sector customers.



24
employees
with disabilities



\$523,597
gross combined wages of
employees with disabilities



31,200
total labor hours of
persons with disabilities



\$14
average hourly rate



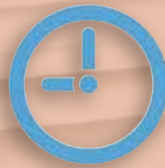
Kent Sussex Industries' in-house toner cartridge remanufacturing business started in 1994. The cartridge business creates employment opportunities for program participants as well as an important cost-saving resource to benefit customers within the public and private sector. In addition to the State Use contract KSI has with the State of Delaware, they also serve approximately **600** private business customers statewide with quality imaging products.



5
employees
with disabilities



\$31,608
gross combined wages of
employees with disabilities



3,783
total labor hours of
persons with disabilities



\$8.33
average hourly rate





**ABILITY
NETWORK OF
DELAWARE**

CONNECTING & STRENGTHENING
COMMUNITY SERVICE PROVIDERS

Ability Network of Delaware's (A.N.D.) State Use program, with the guidance of the Commission, creates meaningful work opportunities for persons with disabilities through three lines of business: **Temporary Employment Services, Secured Document Destruction, and Janitorial Services.** Under the auspices of the State Use law, A.N.D. secures and manages the contracts established with agencies of the state. A.N.D. subsequently subcontracts the services to community rehabilitation programs like **Easter Seals, Goodwill of Delaware, ServiceSource, Connections, Fedcap, DePaul Industries, and Chimes.**

The model proves to be an effective means by which non-profit agencies as well as rehabilitation partners in the state increase vocational placement outcomes, develop affiliated training programs, support disability employment initiatives, and most importantly, increase the number of work opportunities made available to Delawareans with disabilities.



566

people with
disabilities



29

obtained competitive
employment



384,448

total hours worked



\$11.43

average wage per hour



\$4,395,469

total wages earned



During state fiscal year 2016, A.N.D. collected data on a monthly basis to satisfy the requirements to submit information to Government Support Services each month under the contract for Temporary Employment Services. A.N.D. collected additional data on a quarterly basis from all of its subcontracted community rehabilitation programs, including but not limited to: the number of people with disabilities employed; total hours worked by people with disabilities; total wages earned by people with disabilities; and the number of people with disabilities who obtained competitive employment.

A.N.D. INTERIM SERVICES

During fiscal year 2016, three of A.N.D.'s Temporary Employment Services and Janitorial Services subcontractors surrendered a total of **8 classifications** on the temporary employment contract and **18 sites** on the janitorial services contract. In response, rather than request that they be removed from the set-asides established by the Commission, A.N.D. fulfilled its responsibility to provide the services directly on a temporary basis to preserve the jobs, until the subcontractors could be replaced. After the interim period in which A.N.D. provided direct services with employees on its payroll, DePaul Industries was recruited to assume responsibility for the classifications in the temporary employment contract and a subcontract was established with Fedcap to assume service responsibility for some of the janitorial sites that had been surrendered, while some sites were assumed by other subcontractors. The Office of Management and Budget, Government Support Services, and A.N.D. worked together to secure a **\$300,000** appropriation from the Joint Finance Committee, which enabled the underpriced janitorial sites that were surrendered to be served by the other subcontractors. As a result of all these efforts, **118 jobs** for persons with disabilities were preserved.

TEMPORARY EMPLOYMENT SERVICES



13
employees
with disabilities



\$17,448
gross combined wages of
employees with disabilities



1,594
total labor hours of
persons with disabilities



\$10.95
average hourly rate



1
obtained competitive
employment

JANITORIAL SERVICES



3
employees
with disabilities



\$13,413
gross combined wages of
employees with disabilities



1,174
total labor hours of
persons with disabilities



\$11.42
average hourly rate

A.N.D.'S CONTRACTED SERVICES & COMMUNITY REHABILITATION PROGRAM PARTNERS

TEMPORARY EMPLOYMENT SERVICES

This contract affords A.N.D. the opportunity to facilitate the placement of well-qualified candidates into temporary employment roles in **16 classifications** at over **40 different agencies** of the state. The positions offer a variety of work experiences in service sectors that have been identified as growth industries in the state and in the commercial labor market. Temporary personnel gain valuable work experience while performing a critical service in the clerical, food service, case management, housekeeping and other essential career areas.

DePaul Industries began providing temporary employment services as an A.N.D. partner in November 2015. DePaul's impact in the community of persons with disabilities has been immediately realized, as is evidenced by the **35 people** they had employed in various roles in state government – 7 of whom obtained casual seasonal or merit positions after demonstrating their value to their employers.



35

employees with disabilities



\$89,576

gross combined wages of employees with disabilities



9,169

total labor hours of persons with disabilities



\$9.77

average hourly rate



7

obtained competitive employment

Goodwill of Delaware & Delaware County has a long history of participation in A.N.D.'s contracts. As one of the first subcontractors of A.N.D., Goodwill has been a tremendous supporter of the State Use program and contributed greatly to the program's growth over the years. Goodwill participates in two service offerings: Temporary Employment and Janitorial Services. In the temporary employment service arena alone, Goodwill employed **221 persons** with disabilities this past fiscal year.



221

employees with disabilities



\$2,888,820

gross combined wages of employees with disabilities



229,526

total labor hours of persons with disabilities



\$12.59

average hourly rate



6

obtained competitive employment

JANITORIAL SERVICES

A.N.D.'s partners provide essential cleaning services at over **80 locations** throughout the state and A.N.D. has worked with the state to expand the scope of services for specific locations that required additional assistance to maintain their facilities. The Commission also approved a contract to provide cleaning services within the public school system within the Brandywine School District – hopefully this relationship will create additional opportunities to grow their presence in schools throughout the state.

Fedcap is a Manhattan-based not-for-profit organization that provides vocational training and employment resources to those who face barriers to employment. In March 2016, Fedcap brought their unique business model to Delaware and began providing cleaning services at **18 state facilities** for A.N.D.



23

employees with disabilities



\$71,814

gross combined wages of employees with disabilities



6,364

total labor hours of persons with disabilities



\$11.28

average hourly rate

Chimes is one of the largest providers of residential and vocational services in Delaware and a proud participant in the State Use program for over ten years. Many of the individuals they support take their first steps into employment through their janitorial services contract. In FY 2016 over **100 individuals** either found steady employment or took part in their State Use assessment program which helps individuals with profound barriers learn the value of community employment. This program not only provides employment but also allows for an educational experience to the greater community. The individuals they support not only gain a paycheck but also get the sometimes overlooked benefit of making co-worker friendships. The State Use program is a valuable learning experience for all involved.



100

employees with disabilities



\$133,804

gross combined wages of employees with disabilities



16,125

total labor hours of persons with disabilities



\$8.30

average hourly rate

Connections Community Support Programs Inc. provides a comprehensive array of health care, housing, and employment opportunities that help individuals and families to achieve their own goals and enhance Delaware communities.



45

employees with disabilities



\$313,765

gross combined wages of employees with disabilities



33,028

total labor hours of persons with disabilities



\$9.50

average hourly rate

Goodwill provides job training programs and employment placement services to people with disabilities, those who lack education or job experience, and others facing challenges to finding employment. The model is utilized very successfully to provide janitorial cleaning services through A.N.D.'s state contracts.



53

employees with disabilities



\$617,798

gross combined wages of employees with disabilities



59,386

total labor hours of persons with disabilities



\$10.40

average hourly rate

Easter Seals assists individuals who want to secure and/or maintain employment by providing services that match their abilities and interests – either through individual or group supported employment. This model is employed to yield positive employment outcomes for persons with disabilities through A.N.D.'s State Use program.



52

employees with disabilities



\$129,890

gross combined wages of employees with disabilities



15,398

total labor hours of persons with disabilities



\$8.44

average hourly rate



10

obtained competitive employment

ServiceSource provides cleaning services at the Carvel State Office Building in the heart of downtown Wilmington. Led by the on-site supervisor, a team of dedicated ServiceSource employees consistently delivers exemplary services at one of the largest multi-tenant buildings in the state.



15
employees
with disabilities



\$102,417
gross combined wages of
employees with disabilities



11,319
total labor hours of
persons with disabilities



\$9.05
average hourly rate

CLEANING
IN PROGRESS

SECURED DOCUMENT DESTRUCTION

The work associated with this business service ensures that sensitive documents produced by the state are destroyed in a manner that is consistent with records management policies and regulations.

ServiceSource has provided for the document destruction needs of the state since the commission approved the contract in 2012. In that time, the usage of this critical service has grown by **34%**! The operation is National Association for Information Destruction (NAID) certified - the standards setting body for the information destruction industry; customers can be assured that ServiceSource is handling their sensitive materials appropriately.



6
employees
with disabilities



\$16,722
gross combined wages of
employees with disabilities



1,376
total labor hours of
persons with disabilities



\$12.16
average hourly rate

2009



398
total employed



\$2,460,743
total wages earned

2010



437
total employed



\$3,872,888
total wages earned

2011



549
total employed



\$4,286,238
total wages earned

State of Delaware & Department of Justice establish Olmstead Settlement Agreement

2012

Delaware's Employment First Act (HB 319) is signed into law

Governor Markell chairs the National Governors Association

Announces "Better Bottom Line" Initiative for the Employment of People with Disabilities



592
total employed



\$4,135,270
total wages earned

2013

Governor Markell releases A Better Bottom Line: Employing People with Disabilities: A Toolkit for Governors



529
total employed



28
obtained competitive employment



\$4,928,316
total wages earned

MILESTONES & INITIATIVES UNDER THE MARKELL ADMINISTRATION 2009-2016

2014

Office of Management & Budget hosts first "Hiring and Retaining People with Disabilities" class & posts online curriculum, as part of the "Better Bottom Line"

Results of the State of Delaware's disability survey of state employees released



592
total employed



22
obtained competitive employment



\$4,474,771
total wages earned

2015

State agencies and program partners implement disability workforce development plans in response to the Workforce Innovation & Opportunity Act

ABLE Act is passed by the General Assembly

Governor Markell speaks at the USDOL's 25th Anniversary of the Americans with Disabilities Act



598
total employed



27
obtained competitive employment



\$4,937,834
total wages earned

2016

\$300,000 appropriation approved by General Assembly to preserve 81 State Use jobs

SB 221 (Work Opportunity Tax Credit) passed by the Delaware General Assembly

State Use Law amended to reflect recommendations of the Joint Sunset Committee



595
total employed



29
obtained competitive employment



\$4,950,674
total wages earned



STATE USE YIELDS BIG RETURNS ON THE GOVERNMENT'S INVESTMENT BY EMPLOYING PERSONS WITH DISABILITIES

| | | |
|-------|--------------------|--|
| | \$552,379 | Total state spend for Delaware Industries for the Blind (DIB) (Engraving & Promotional Products) |
| | \$3,830,571 | Total state spend for Ability Network of Delaware (A.N.D.) (Janitorial Services) |
| | \$4,631,514 | Total state spend for Ability Network of Delaware (A.N.D.) (Temporary Employment Services) |
| | \$44,899 | Total state spend for Ability Network of Delaware (A.N.D.) (Secured Document Destruction) |
| + | \$40,567 | Total state spend for Kent Sussex Industries (KSI) (Remanufactured Toner Cartridges) |
| <hr/> | | |
| | \$9,099,930 | TOTAL STATE SPEND |

\$1,372,665

estimated savings in reduced entitlements & increased payments to government *

Delawareans demand that their representatives in state government commit to vigilant stewardship of taxpayer dollars. That is why this enterprise is not only socially responsible; it is also fiscally prudent. Last fiscal year, the state spent **\$9.1 million** dollars on goods and services made available through State Use program.

The current pricing preference allowed by the current rules and guidelines that govern the actions of the Commission for the purchase of products & services from blind and handicapped individuals is a **10% variation** above fair market value. This investment of **10% (\$909k)** produced a savings of **\$1.4 million!** That is a return of **\$539,365!**

* Entitlements include...SNAP, SSDI, Medicaid, Medicare, TANF, Unemployment Insurance, SSDI and payments to government include...Social Security/Medicare (employer/worker) as well as federal/state income taxes. Data developed via a survey of 103 participants in the State Use program in 2012. The survey was developed by the State Use Programs Association (SUPRA) working in cooperation with the market research firm Matthew Greenwald & Associates, Inc.

SUCCESS STORIES



Malvern Slawter
Plant Manager
Delaware Industries for the Blind

My name is Malvern Slawter. I am the Plant Manager at Delaware Industries for the Blind. I have had several careers prior to arriving at DIB. I was a police officer with the New Castle County Police for 23 years. I retired in 1996 and accepted a position as a compliance officer with the Delaware Solid Waste Authority. While at the DSWA, I lost most of my eyesight due to a medical problem and was placed on disability in 2000.

Although disabled, I still wanted to work. I contacted the Division for the Visually Impaired for their assistance. In early 2001, I was contacted by my VR counselor and advised of an employment opportunity with DIB working as a switchboard operator at the Dover Air Force Base. I interviewed with DIB and was offered the position. I

worked at the base until 2010, when the switchboard was moved to a base in California. While at the Dover base, I held the record for most calls handled in an 8 hour period: 999.

After I lost my position in Dover, I interviewed with DIB for a position as a VR tainer. I was offered the position and conducted training and assessments for DVI/VR and DIB. During this time, I was also assigned HR functions for DIB. When DIB started the Quality Control Department, I was picked as the first Quality Control Inspector. For a time, I performed all 3 jobs. As the Quality Department became busier and more inspectors were hired, I was made the Quality Supervisor. In December 2012, I was promoted to Plant Manager at DIB.



I attribute my success to hard work, a good work ethic, my fellow employees, and last but not least, DVI/VR. Without their assistance I would not have had these opportunities at DIB.



Christina Casapulla

Temporary Employment Services
Telephone Operator
Office of Management &
Budget, DePaul Industries

“When I first sat down with Christina and went through the intake process with her, I could immediately sense her innate drive to succeed.” This sentiment conveyed by Mr. Brown really captures the essence of Christina’s spirit. Mr. Brown goes on to say that “Christina was a success story from day one” and it is no surprise that Christina’s employment journey has led her down this path to self-sufficiency through A.N.D.’s State Use Program.

Once treatment programming was established, Connections referred Christina to DePaul Industries in the hopes that she would be a good fit as a temporary telephone operator for the Office of Management and Budget (OMB). DePaul Industries also recognized Christina’s motivation to succeed and they were pleased to have had the opportunity to advocate for her when the work order was created.

After 3 months of working as a temporary employee for DePaul at OMB, Christina, with the guidance from her mentor and champion Laura Gott (Office Manager), began the process to pursue regular merit employment. Christina has since competed for and ultimately achieved a merit position as a receptionist! Ms. Gott had this to say about Christina, “Christina has been a great asset to our team since the day she started. She has an internal enthusiasm about working here that seems contagious.”

Christina Casapulla’s willful determination to succeed has resulted in her gaining a merit position as a receptionist at Office of Management and Budget.





Tasia Moore

Janitorial Services
Custodian
Division of Developmental
Disabilities Services (Fox Run)
Fedcap Rehabilitation Services

After graduating from high school over 10 years ago, Tasia stayed at home for over 5 years without participating in any type of regular work experience. It was not until her Vocational Rehabilitation counselor, Sue Kamrath, and Community Integrated Services helped her obtain a volunteer job in the mail room on the 9th floor the Carvel State Office Building that Tasia experienced the rewards associated with workforce participation. After 3 years of working in a volunteer capacity, Tasia found out that she could not compete for the job as a merit employee because she did not have a driver's license.

Disappointed, but not deterred, Tasia and VR set out to find other employment options – Tasia and Ms. Kamrath finally identified a janitorial services training program offered by APS Cleaning, now Fedcap Rehabilitation Services. Tasia successfully completed the training program and ultimately obtained her first paid job as a regular employee of APS in 2014. After 2 years working in a contract to clean the New Castle County Easter Seals site, it was clear that Tasia had the skills, discipline, and commitment necessary to work independently.

Since March 2016, Tasia has been working with the Fedcap team to provide cleaning services at the Division of Developmental Disabilities Services' Fox Run office in Bear. While the job offers a competitive salary, benefits package, and nearly 30 hours of employment per week, we expect that Tasia will build upon this experience to take the next step in her employment journey beyond the State Use program in the near future.



2016 COMMISSION MEMBERS & MEETING DATES

Chair: Mrs. Debbie Harrington
Co-Chair: Mr. Doyle Dobbins
Counsel: Ms. Mary Page Bailey, Deputy Attorney General
Member: Mr. Charles "Chuck" Wagner
Member: Mr. Dean Stotler, Director, Government Support Services
Member: Mr. James "Ty" Case, Division of the Visually Impaired
Member: Ms. Michele Mirabella, Chimes Delaware
Member: Ms. Valerie Watson, Deputy Principal Assistant, Department of Finance
Ex-Officio: Mr. Daniel Madrid, Director, Division of the Visually Impaired
Ex-Officio: Mr. Thomas Cook, Executive Director of Ability Network of Delaware

July 21, 2015 (cancelled due to lack of quorum)
August 18, 2015
September 15, 2015 (emergency meeting)
September 23, 2015
September 28, 2015 (emergency meeting)
October 27, 2015
November 9, 2015 (emergency meeting)
November 17, 2015
December 15, 2015
January 6, 2016
February 16, 2016
March 22, 2016
April 19, 2016
May 17, 2016 (cancelled due to lack of quorum)
June 21, 2016

COMMISSION FOR STATEWIDE
CONTRACTS TO SUPPORT EMPLOYMENT
FOR INDIVIDUALS WITH DISABILITIES

BIGGS BUILDING
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