**Section 1500.4535 Sheltered Workshops for the Disabled**

a) Use of Sheltered Workshop

The Procurement Officer may determine to contract with a sheltered workshop on the list maintained by CMS, and may do so without notice or competition.

b) Conditions for Use

The CPO shall, in consultation with the State Use Committee created by the Code (Section 45-35), determine which articles, materials, services, food stuffs and supplies that are produced or manufactured by persons with disabilities in State use sheltered workshops shall be given preference by purchasing agencies procuring those items. The CPO shall use procedures established by CMS for implementing this Section.

c) Sheltered Workshop List

The CPO shall use the list of all qualified sheltered workshops and the supplies and services each qualified sheltered workshop provides, which is maintained by CMS.

d) Pricing Approval

1) While notice and competition is not required prior to contracting with a sheltered workshop, prices must be reasonable. Whether a price is reasonable will be determined based upon current market prices, historical prices, prices received by other State agencies for similar supplies or services, the policy of the Code to promote procurements from sheltered workshops, and other such relevant factors.

2) The State Use Committee, established under Section 45-35 of the Code, must approve contracts for reasonableness of price if:

A) the supply or service would ordinarily be subject to competitive sealed bidding or competitive sealed proposals methods of source selection; or

B) the supply or service is bid and the sheltered workshop is selected even though not the lowest responsible bidder.

3) State Use Committee approval is not required if:

A) the contract does not exceed the bid limit set in Section 1500.2020 of this Part and no bidding was conducted; or

B) the contract is let to the sheltered workshop under a competitive procedure.

4) When Committee approval is required, it will be given or denied in an expeditious manner so as not to disrupt procurement activities. Consideration will be at regularly scheduled meetings or through special telephone meetings conducted between regular meetings.