

U.S. AbilityOne Commission

Draft Strategic Plan

for Fiscal Years 2022 - 2026



March 15, 2022





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Message from the U.S. AbilityOne Commission Chairperson

I am pleased to share the U.S. AbilityOne Commission's (Commission) Draft Strategic Plan for FY 2022–2026 – the road map that will guide us over the next five years. The Commission welcomes feedback on this plan and will soon publish a Federal Register notice announcing the availability of the plan for a 30-day public comment and review period.

Three overarching Strategic Objectives anchor this plan:

1. Expand competitive integrated employment (CIE) for people who are blind or have other significant disabilities.
2. Ensure effective governance across the AbilityOne Program.
3. Partner with Federal agencies and AbilityOne stakeholders to increase and improve CIE opportunities for people who are blind or have other significant disabilities.

The plan's outcome goals, strategies, and performance measures all clearly communicate the Commission's direction and resource prioritization. It will also enable us to gauge the success of the AbilityOne Program in serving people who are blind or have other significant disabilities. The plan includes updated mission and vision statements that reinforce the purpose of the AbilityOne Program. It also builds on the Commission's proposed rule to end the payment of subminimum and sub-prevailing wages on all AbilityOne contracts, as well as the work of the 2017 National Defense Authorization Act Section 898 Panel on Department of Defense and AbilityOne Contracting Oversight, Accountability and Integrity.

The Commission recognizes that transforming the AbilityOne Program to prioritize CIE for people who are blind or have other significant disabilities, as discussed in Strategic Objectives I and III, is a major endeavor. Program participants have been operating under the parameters established by the Javits-Wagner-O'Day Act of 1971 and the resulting Commission regulations, policies, and procedures. Simply put, the current Program architecture was built with the thought that creating as many AbilityOne jobs as possible for people who are blind or have significant disabilities was sufficient. It was not built to incentivize and operationalize CIE as one of the programmatic key objectives.

Ensuring that the AbilityOne Program continues to create as many good jobs as possible and that it advances CIE overall will be a challenge, but not an insurmountable one. To get there, the Commission will work collaboratively with its designated Central Nonprofit Agencies (CNAs) and all qualified nonprofit agencies (NPAs) to identify barriers and provide workable solutions. The Commission is aware that some NPAs are further along the CIE path than others. The Commission also believes that other NPAs will progress along this path if they are provided the proper infrastructure, resources, and technical expertise. The Commission's vision requires changes in the Commission's approach to NPA compliance to conduct both oversight and technical

assistance within the same operational framework, and also requires the CNAs' steadfast assistance to support and achieve the outcome goals in this plan.

At the same time, the AbilityOne Program is one of many socioeconomic programs that harness the power of Federal acquisition to promote employment and financial equity for an underserved population. It is crucial for the AbilityOne Program to continue to provide Federal customers with acquisition solutions that meet all quality and timeliness standards at fair market prices. This Strategic Plan identifies goals and strategies designed to enhance the AbilityOne Program customers' experience and, ultimately, to increase customer satisfaction.

In drafting the strategic plan, the Commission considered input from across the Federal disability community, the Federal procurement community, and from numerous stakeholders. The Commission paid particular attention to the work of the National Council on Disability (NCD) reflected in its report to the President dated October 14, 2020. That report provided an extensive history of the JWOD Act, questioned the philosophical underpinnings of the AbilityOne Program, and recommended that AbilityOne be phased out over a course of eight years. It further recommended that all employees in the Program be moved to general Federal contracts, and that all Federal contractors be mandated to include a percentage of people with disabilities.

The Commission found value in many of the NCD's critiques, particularly the need for the Program to move in a direction based on a new philosophical approach of increasing CIE. But the Commission does not concur with NCD's conclusion that the Program should be phased out. As a practical matter, the AbilityOne Program remains a significant source of employment for people who are blind or have significant disabilities by leveraging the power of a sole-source Procurement List. This strength should not be eliminated based on an expectation that Federal contractors will hire people with significant disabilities, even if such a mandate was established.

This Strategic Plan reflects the work and input of Commission members and those who have been nominated to the Commission. My fellow Commission members are: **Chai Feldblum**, Vice Chairperson and former Commissioner of the Equal Employment Opportunity Commission; **Bryan Bashin**, CEO of the Lighthouse for the Blind and Visually-Impaired in San Francisco; **Christina Brandt**, CEO of At Work!; **Gabriel Cazares**, Director of the Mayor's Office for People with Disabilities in the City of Houston, Texas; **Jennifer Sheehy**, Deputy Assistant Secretary, Office of Disability Employment Policy at the Department of Labor; and **Virna Winters**, Director for Acquisition Policy and Oversight in the Office of Acquisition Management, Department of Commerce.

The Commission greatly appreciates the public comments submitted in response to its "Strategic Plan Core Aspects," issued on Feb. 9, 2022. The public input informed the development of this Draft Strategic Plan. Again, we welcome feedback on this draft and will use that in our completion and publication of a Final Strategic Plan for FY 2022 - 2026.

Sincerely,

Jeffrey A. Koses
Chairperson and Senior Procurement Executive, Office of Governmentwide Policy,
General Services Administration

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ABOUT THE COMMISSION

The U.S. AbilityOne Commission is the independent Federal agency that oversees the AbilityOne Program, which creates private sector jobs for people who are blind or have significant disabilities, while providing quality products and services to Federal customers at a fair market price. The U.S. AbilityOne Commission is the operating name for the agency, whose statutory name is the Committee for Purchase From People Who Are Blind or Severely Disabled.

The Commission is composed of 15 Presidential appointees. Eleven represent Government agencies. Four private citizen members represent the employment concerns of people who are blind or have significant disabilities.

The Commission administers the AbilityOne Program in accordance with the Javits-Wagner-O'Day (JWOD) Act (41 U.S.C. §§ 8501-8506).

Authority and Statutory Requirements

The Commission and the AbilityOne Program it administers are established by the JWOD Act of 1971, as amended, which is codified in Chapter 85 of the U.S. Code. The Commission's implementing regulations are in Chapter 51 of Title 41 of the Code of Federal Regulations. The JWOD Act's procurement-related requirements are implemented in Subpart 8.7 of the Federal Acquisition Regulation.

Congress requires Executive departments, Government corporations, and independent establishments to develop and post a strategic plan on their public website every five fiscal years. The Government Performance and Results Act (GPRA) Modernization Act of 2010 outlines the requirements for these plans, including:

- A mission statement covering the major functions and operations of the agency;
- General goals and objectives, including outcome-oriented goals, for the agency;
- A description of how these goals and objectives are to be achieved; and
- An identification of key factors external to the agency and beyond its control that could significantly affect the achievement of its general goals and objectives.

The development of a multiyear strategic plan requires the leadership of an agency to reflect upon the statutory mission of the agency, reassess prior goals and objectives, and identify any new goals and objectives that will enable the agency to meet its statutory mission. The plan also alerts Congress and stakeholders to key factors external to the agency that may affect the agency's ability to carry out its mandate.

The draft strategic plan was approved by the Commission on March 14, 2022.

Commission Members and Nominees

As required by 41 U.S.C. 8502, the Commission is comprised of Presidential appointees from 11 Federal agencies and four private citizen members representing the employment concerns of the population served. Presidential appointees on the Commission bring extensive expertise and tested judgment that promote the effective implementation of the JWOD Act, the operational efficiency of the Commission and AbilityOne Program, and the interests of people who are blind or have other significant disabilities. Each appointee representing a Federal agency is a senior official with decades of experience in acquisition or in rehabilitation and disability employment policy. Each private citizen appointee is an individual with broad knowledge of the employment challenges facing people who are blind or have significant disabilities.

The following Presidential appointees serve as Commission members as of March 2022:

Jeffrey Koses (SES)

Chairperson

Representing the General Services Administration

Chai Feldblum

Vice Chairperson

Private Citizen Representing Individuals with Significant Disabilities

Bryan Bashin

Private Citizen Representing Nonprofit Agency Employees Who Are Blind

Christina Brandt

Private Citizen Representing Nonprofit Agency Employees with Significant Disabilities

Gabriel Cazares

Private Citizen Representing Individuals Who Are Blind

Jennifer Sheehy (SES)

Representing the Department of Labor

Virna Winters (SES)

Representing the Department of Commerce

The following senior leaders have been nominated by their agency heads to be appointed to the Commission as of March 2022:

Matthew Beebe (SES)

Nominated to represent the Department of Defense

Mark Bennington (SES)

Nominated to represent the Department of the Navy

Dr. Angela Billups (SES)

Nominated to represent the Department of Veterans Affairs

John Cannaday (SES)

Nominated to represent the Department of the Air Force

Megan Dake (SES)

Nominated to represent the Department of the Army

Carol Dobak (SES)

Nominated to represent the Department of Education

Malcom Shorter (SES)

Nominated to represent the Department of Agriculture

Commission Staff

The current Commission staff of 32 Federal employees maintains Commission operations and prepares materials required by law, regulation, and policy to inform the decisions made by the Presidential appointees. The Commission staff is responsible for the day-to-day operations of the Agency and executes the Commission members' strategic direction.

As of March 2022, the Commission staff's executive team and division directors are:

Kimberly Zeich, Acting Executive Director

Irene Glaeser, Director, Program Management Office, and Acting Deputy Executive Director

George Govan, Chief Financial Officer

Shelly Hammond, Director, Contracting and Policy

Brian Hoey, Senior Advisor, Strategic Communications and Government Affairs

Amy Jensen, Director, Business Operations

John Konst, Director, Oversight and Compliance

Marlin Paschal, Acting General Counsel

Kelvin Wood, Chief of Staff

Edward Yang, Chief Information Officer

Office of the Inspector General

In the Consolidated Appropriations Act 2016, Congress mandated the establishment of an Office of Inspector General (OIG) for the Commission. The OIG is dedicated to providing independent and objective reviews of the Commission's programs and operations. Specifically, the Inspector General Act of 1978, as amended, directs the OIG to:

- conduct independent audits and investigations;
- promote economy, efficiency, and effectiveness;
- prevent and detect fraud, waste, and abuse;
- refer criminal violations to the U.S. Attorney General for prosecution;
- review pending legislation and regulations; and
- keep the Chairperson and Congress fully and currently informed about problems and deficiencies relating to the Commission.

As of March 2022, the OIG's leadership team is:

Stefania Pozzi Porter, Inspector General (Acting)

Steven N. Burke, Deputy Inspector General (Acting)

ABOUT THE ABILITYONE PROGRAM

The U.S. AbilityOne Commission is the independent Federal agency that oversees the AbilityOne Program, which creates private sector jobs for people who are blind or have significant disabilities, while providing quality products and services to Federal customers at a fair market price. In FY 2021, the AbilityOne Program (“AbilityOne” or “Program”) provided nearly \$4 billion in products and services to the Federal Government and employed approximately 40,000 people who are blind or have significant disabilities. AbilityOne employees work nationwide at approximately 450 nonprofit agencies (NPAs), from Guam to Maine.

For more information about the AbilityOne Program, visit www.abilityone.gov.

Mission Statement

To tap America’s underutilized workforce of individuals who are blind or have significant disabilities to deliver high quality, mission-essential products and services to Federal agencies in quality employment opportunities.

Vision Statement

Remain a trusted source of supply and services for Federal agencies while creating quality employment opportunities across all economic sectors for people who are blind or have significant disabilities.

STRATEGIC OBJECTIVE I: EXPAND COMPETITIVE INTEGRATED EMPLOYMENT FOR PEOPLE WHO ARE BLIND OR HAVE OTHER SIGNIFICANT DISABILITIES.

The Commission's first Strategic Objective is to expand competitive integrated employment (CIE) for people who are blind or have other significant disabilities, both within the AbilityOne Program ("Program") and beyond.

Much of what the Commission can do will be constrained by the language of the Javits-Wagner-O'Day (JWOD) Act, the 1971 statute that updated and expanded the Wagner-O'Day Act, which created the Program in 1938. For that reason, the Commission's first strategy is to be available and responsive to Congress as it reviews the JWOD Act and decides whether to transform it into a program that will expand CIE for people who are blind or have other significant disabilities. The Commission's second strategy is to follow up on the final report from the 2017 National Defense Authorization Act Section 898 Panel on Department of Defense and AbilityOne Contracting Oversight, Accountability and Integrity ("898 Panel Report") by working with fellow government agencies on a proposal to amend JWOD that can be delivered to Congress for its consideration.

Even within the constraints of the JWOD Act, there are steps that the Commission can take to expand CIE within AbilityOne and to support and incentivize the movement of AbilityOne employees into CIE throughout the general economy. This plan includes several strategies along those lines.

Outcome Goal 1: Work effectively with Congress to amend the Javits-Wagner-O'Day (JWOD) Act to support competitive integrated employment (CIE) for people who are blind or have other significant disabilities.

The JWOD Act contains various components that make it difficult to expand CIE in AbilityOne work settings and beyond. First, for an NPA to be qualified to receive an AbilityOne contract, it must demonstrate that 75% of the agencywide direct labor hours (DLH) used to produce goods or provide services (other than supervisory work) will be performed by people who are blind or have other significant disabilities during the fiscal year. 41 USC §8501(3)(A)-(B). This is logically in tension with the goal of having people who are blind or have other significant disabilities work side-by-side with people without disabilities, even though it can be achieved under certain circumstances.

Second, the individuals with "severe" disabilities who must be hired to meet the 75% DLH ratio are defined as individuals whose disability "constitutes a substantial handicap to employment and is of a nature that prevents the individual from currently engaging in normal competitive employment." 41 USC §8501(5). This definition is logically inconsistent with the assumption that people with significant disabilities can work in normal competitive employment if provided the necessary supports to be successful. Finally, there is no expectation in the JWOD Act that NPAs will create CIE opportunities, either internally or through movement of their employees into jobs outside of AbilityOne, resulting in a disconnect between the JWOD Act and the clear direction of contemporary disability employment law, regulation, and policy.

On October 14, 2020, the National Council on Disability (NCD) presented a [report to the President](#) recommending that the AbilityOne Program be phased out over a period of eight years and that all Federal Government contractors instead be required to hire a minimum number of people with disabilities. NCD's recommendation was based on its opposition to the Program's philosophical underpinnings, as well as its assessment of operational problems within the Program.

The Commission does not believe that the elimination of the powerful lever of government procurement reflected in the AbilityOne Program would be a strategic advance for increasing employment for people who are blind or have other significant disabilities. Rather, the Commission believes that a better approach is to amend the Program so that it creates CIE internally and serves as a gateway to CIE in the general economy. In addition, the Commission believes that the operational problems with the Program can be addressed, as reflected in Strategic Objective II below.

Strategy 1: The Commission will be available and responsive to Members of Congress and staff if they decide to amend the JWOD Act to become a vehicle for CIE, rather than phase it out, particularly with regard to the following issues:

- The minimum and maximum ratio of individuals with disabilities that a contractor must employ and is permitted to employ, respectively, to be qualified to participate in the AbilityOne Program;
- The definition of disability that will make an individual eligible for meeting the ratio requirement in an AbilityOne contract;
- The expectations on NPAs in the AbilityOne Program to create CIE opportunities within the Program and to assist people who are blind or have other significant disabilities to obtain CIE jobs in the general economy.

Strategy 2: Follow up on the final 898 Panel Report by working with fellow government agencies on a proposal to amend the JWOD Act.

The 898 Panel's [fourth and final report](#) to Congress noted that further work would continue on developing a legislative proposal for modernizing JWOD:

The Panel had sought to attach to this report a document with its recommended line-in/line-out amendments to the JWOD Act to amend the statutory direct labor ratio and definition of direct labor, but the agencies involved in this process require more time to finalize these recommendations. As such, further interagency work will continue after the Panel sunsets, and the line-in/line-out recommendations will be submitted to Congress separately in 2022. Agencies responsible for coordinating Federal disability policy will participate in this process, including the Department of Justice's Civil Rights Division, the Department of Health and Human Services' Administration for Community Living, the Department of Labor's Office of Disability Employment Policy, the National Council on Disability, and the Department of Education's Rehabilitation Services Administration; as well as the AbilityOne Commission.

DoD will also provide guidance as it continues to lead or participate in working groups relating to the Program. Final 898 Report, page 7.

The Commission will continue to work with the government agencies set forth in the final 898 Panel Report on a legislative proposal to amend the JWOD Act and will work through the regular administrative process in doing so.

Performance Measure 1: The Commission has provided constructive information to Congress determined useful by the relevant committees of jurisdiction.

Performance Measure 2: The Commission has reached consensus with its fellow government agencies on a legislative proposal.

Outcome Goal 2: Modernize the Commission’s regulations, policies, and procedures to expand CIE within the AbilityOne Program to the maximum extent possible in light of the constraints of the current statutory structure.

Despite the constraints of the JWOD Act, there are steps that the Commission can take to expand CIE within the AbilityOne Program.

For purposes of expanding CIE, the Commission will rely on the definition of CIE in Section 7(5) of the Rehabilitation Act, 29 U.S.C. § 705(5), as amended by the Workforce Innovation and Opportunity Act (WIOA), and its implementing regulation, 34 C.F.R. § 361.5(c)(9). Although the Rehabilitation Act does not govern the AbilityOne Program, its definition of CIE provides an appropriate structure for expanding CIE in the Program.

- Under this structure, CIE means full- or part-time work—
- In which the employee with a disability is compensated (including benefits) at a rate of the higher of the Federal, State, or local minimum wage applicable to the place of employment, and not less than the customary rate paid by the employer to employees without disabilities performing the same or similar work and who have similar experience, training, and skills;
- At a location—
 - That is typically found in the community; and
 - Where the individual with a disability interacts, for the purpose of performing the duties of the job position, with other employees within the work unit and at the entire worksite, and, as appropriate for the work performed, with other persons (e.g., customers and vendors) who are not individuals with disabilities (and who are not supervisory personnel or service providers) to the same extent that non-disabled employees interact with these persons; and
- That presents opportunities for advancement for individuals with disabilities that are similar to those available to employees without disabilities in similar positions.

Strategy 1: Eliminate the use of section 14(c) certificates under the Fair Labor Standards Act to pay any employee on an AbilityOne contract.

In order to achieve the first criterion for CIE, the Commission has issued a proposed rule that an NPA cannot maintain qualification to participate in the AbilityOne Program if it uses a section 14(c) certificate pursuant to the Fair Labor Standards Act to pay an employee on an AbilityOne contract. Once finalized, this rule will ensure that all AbilityOne employees will be paid either the Federal minimum wage, the state or local minimum wage, or the prevailing wage if they work on a service contract governed by the Service Contract Act (SCA) or the Davis-Bacon Act (DBA).

Performance Measure 3: The Commission has finalized the rule prohibiting an NPA's payment of subminimum or sub-prevailing wages to any employee on an AbilityOne contract to be qualified for participation in the Program.

Strategy 2: Identify, develop, and disseminate examples of CIE in the AbilityOne Program.

Despite the constraints of the JWOD Act, a number of NPAs have established settings in which workers on AbilityOne contracts are paid in a manner consistent with workers without disabilities, perform their work alongside other individuals doing the same type of work, and are given the opportunity to advance in the workplace similar to that afforded to other workers. In addition, some NPAs have identified opportunities for pilot tests to increase CIE.

As a strategy for expanding CIE in the Program, the Commission will identify existing examples of CIE, help develop additional approaches for achieving CIE, and disseminate such information in a guidance document. In addition, the Commission will explore the possibility of pilot projects regarding the ratio requirement that are consistent with its authority under the JWOD Act. Under existing authority, the Commission can expand CIE opportunities on a very limited project-by-project basis in certain circumstances. If Congress provides the Commission with flexibility to make exceptions to the statutory 75% direct labor hour ratio requirement for purposes of crafting CIE pilot projects, the Commission will use that flexibility.

Performance Measure 4: The Commission has issued a Request for Information (RFI) soliciting ideas for effective CIE in AbilityOne contracts, for pilot projects to increase CIE, and for successful methods of using AbilityOne jobs as a gateway to jobs outside of the AbilityOne Program.

Performance Measure 5: The Commission has issued a policy guidance document on CIE in the AbilityOne Program that provides direction to the CNAs and NPAs on increasing CIE in AbilityOne contracts.

Performance Measure 6: The Commission has authorized at least two pilot projects to expand CIE within the constraints of the JWOD Act.

Strategy 3: Support NPAs as they increase CIE and incentivize NPAs to increase CIE.

The foundation for expanding CIE in the Program is a robust set of examples of CIE that are possible within an AbilityOne workplace, including means for creating more CIE opportunities within the Program and in the larger economy. The Commission will then counsel and support NPAs in their efforts to increase CIE. The Commission will revise the Individual Employment Eligibility (IEE) form, to the extent legally permissible under the JWOD Act, for purposes of the NPAs' documentation of individuals who meet the definition of a person who is blind or has a significant disability. The Commission will work with the CNAs to provide appropriate resources to NPAs and will educate NPAs about other resources that may exist under government programs. The Commission will monitor success in expanding CIE in the Program by collecting performance data from the NPAs and will refine its assistance based on such data. Finally, the Commission will incentivize the expansion of CIE by including CIE objectives as a special consideration in the contract allocation process

Performance Measure 7: The Commission has issued a revised Individual Employment Eligibility (IEE) form that is conducive to hiring individuals who are blind or have other significant disabilities who wish to work in CIE.

Performance Measure 8: The Commission's Cooperative Agreements with the CNAs include a commitment to provide resources to NPAs in achieving CIE (i.e., monetary grants, benefits counselors, etc.).

Performance Measure 9: The Commission has developed and executed a data collection process that measures an NPA's performance on CIE.

Performance Measure 10: The Commission has issued guidance that captures an NPA's success in achieving CIE and how those metrics will be used.

STRATEGIC OBJECTIVE II: ENSURE EFFECTIVE GOVERNANCE ACROSS THE ABILITYONE PROGRAM.

The AbilityOne Program provides mission essential products and services to agencies across the Federal Government through qualified NPAs that employ individuals who are blind or have significant disabilities. The Commission requires updated technology, enhanced business processes, and more effective operational structures to modernize the Program and fulfill its oversight responsibilities. To facilitate effective governance and oversight, the Commission must have better access to data and timely analysis of such data to effectuate the necessary changes. The Commission is committed to ushering in a new era that prioritizes efficiency, agility, and accountability, and will work with its designated CNAs and qualified NPAs to assist in the implementation of these changes.

To carry out this commitment, the Commission will update its regulations, policies, and procedures to facilitate greater transparency and Program modernization. Modernization includes leveraging competition within the Program to improve innovation and transparency for entities within and outside the Program. It also includes improving how the Commission collects and analyzes information from the field so it can better understand and enhance what works and eliminate what doesn't. Lastly, it requires effective oversight of CNAs and NPAs to ensure they are carrying out their responsibilities.

To meet this objective, the Commission will address top management and performance challenges, including those identified by the Inspector General, and systemic concerns raised by the National Council on Disability. It will also support the mission of the Federal customer by providing best value through contract performance.

Outcome Goal 1: Address top management and performance challenges, including those identified by the Inspector General, and systemic concerns raised by the National Council on Disability, to improve the operations of the Commission, the CNAs and the NPAs.

In November 2021, the Commission's Acting Inspector General released the [Top Management and Performance Challenges report](#) for AbilityOne. The challenges identified included the need to make improvements to several operational or programmatic areas such as oversight of the NPAs and CNAs; internal control over financial management; establishment of an enterprise risk management framework; implementation of the 898 Panel Report recommendations; allocation of roles and resources among senior staff; establishing a higher level of transparency and communication with stakeholders and Program participants; and addressing the erosion of statutory Program authority.

As noted above, NCD presented a [report](#) to the President in October 2020, setting forth its assessment of systemic issues in the AbilityOne Program, including problems with transparency and competition in the allocation of contracts; oversight of the CNAs, use of program fees by CNAs; clarity around responsibility for compliance by NPAs; and determinations of employee eligibility.

The Commission is prepared to take bold steps to meet the management challenges identified by the Acting Inspector General and to address the systemic issues raised by NCD.

The Commission will do so by using a decision-making process that is informed by data and thoughtful analysis. This means establishing clearly defined Program goals, roles, and individual responsibilities for outcomes. This also entails aggressively deploying the Commission's newly established Enterprise Risk Management ("ERM") framework to evaluate, prioritize, and track corrective actions.

These operational improvements will encourage innovation, increase collaboration, bolster internal controls, and better enable the AbilityOne Program to serve Federal customers and create superior employment outcomes for people who are blind or have other significant disabilities.

Strategy 1: Use an Enterprise Risk Management (ERM) framework to evaluate, prioritize and track corrective action plans.

In November 2020, the Commission hired a Chief Financial Officer and developed and deployed a robust ERM framework. ERM is a methodology that looks at risk management strategically from the perspective of the entire AbilityOne Program. It is a top-down strategy that aims to identify, evaluate, and prepare for potential losses, dangers, hazards, and other potentials for harm that may interfere with the Commission's operations. The Commission will build on its progress to date in using its ERM framework to effectively evaluate, prioritize, and mitigate risks.

Performance Measure 1: The Commission has used the ERM system to identify risks and has established and tracked corrective action milestones.

Strategy 2: Modernize the Commission's data collection capabilities.

Effective governance requires the collection of accurate and comprehensive data that can be accessed in a simple and efficient manner. Data is the backbone of maintaining an effective workflow, assessing existing needs, monitoring success or failure, and holding entities accountable, including the Commission.

The AbilityOne Program's information technology (IT) infrastructure, while adequate in many respects, requires modernization and increased functionality to meet the Commission's goals of addressing its management challenges and increasing its oversight capacity.

The Commission's current data system is the Procurement List Information Management System (PLIMS). The Commission uses PLIMS to manage the Procurement List of all products and services that are suitable for provision to the Federal Government; maintain official records of Procurement List decisions; execute day-to-day workflow processes and operations; receive transactions from two Central Nonprofit Agencies on behalf of 450 NPAs; and capture and facilitate official communications of Procurement List information with AbilityOne Federal customers.

PLIMS needs to be updated so that it can increase the efficiency and effectiveness of the Procurement List decision-making process for Commission members, Procurement List maintenance by the Commission staff, and Procurement List access by AbilityOne Program customers. Further, PLIMS needs to be updated to improve the Commission's access to, analysis of, and use of Program data.

At the present time, PLIMS also includes information that the Commission collects to monitor compliance by the NPAs with the Program's requirements and to track placements of employees from AbilityOne contracts to other jobs. The CNAs currently serve as intermediaries for transmission of this data to the Commission in a manner that is not as efficient as it could be. As the Commission strengthens its compliance activities (see Strategy 3 below) and expands CIE in the Program (see Strategic Objective D), it will revise its existing data collection form (called the Annual Representations & Certifications report) and will ensure that the IT infrastructure supports the effective collection of, and access to, data pertaining to NPA oversight and compliance.

Performance Measure 2: The Commission has developed a state-of-the-art IT infrastructure that meets the needs of the AbilityOne Program.

Performance Measure 3: The Commission has drafted and implemented a revised Annual Representations & Certifications data collection form.

Performance Measure 4: The Commission has implemented a system for CNAs and NPAs to share data more effectively with the Commission.

Strategy 3: Modernize and enhance the oversight of NPA compliance with the requirements and strategic direction of the AbilityOne Program.

The AbilityOne compliance program is one of the most critical tools in the Commission's portfolio for ensuring good governance throughout the Program. Through compliance, the Commission is able to safeguard the Program against bad actors and effectively carry out its stewardship responsibilities. Put more succinctly, the compliance team is the enabling force that allows the Commission to see how the Program is performing, protect the Program's integrity, and identify what needs to be done to make it better.

The Commission's capacity to carry out its compliance activities is dependent on the budgetary resources available for such activities. As of March 2022, there were 32 Federal employees employed by the agency. Of those, six individuals work in the compliance division: the Director of Oversight and Compliance, the Supervisory Compliance Manager, two Compliance Inspectors and two Vocational Rehabilitation Specialists. The Commission is committed to requesting additional funding in the upcoming budget cycles to continue to build the compliance division's capacity and capability.

In addition to the Commission's oversight function, the CNAs also carry out an essential role in monitoring and assisting NPAs, as required by 41 C.F.R. 51-3.2(j). The CNAs do so by collecting data and engaging in site visits. SourceAmerica has 416 employees, of which 15 carry out compliance oversight of 392 NPAs. National Industries for the Blind has 183 employees, of which 6 carry out compliance oversight of 58 NPAs. The Commission's

compliance staff review data collected by the CNAs and engage in some site visits themselves.

The Commission is committed to modernizing and enhancing its compliance role by strategically leveraging the resources and authority it has. This will include analyzing and updating the data collection process. This may include data on customer satisfaction, contract performance, timeliness of delivery, and emerging business needs, among other areas, as well as data for CIE goals as noted under Strategic Objective I. The Commission will reimagine its site visits to including both compliance aspects (including a maturity model that considers past inspection results and corrective action taken) and technical assistance to support an NPA's success.

Performance Measure 5: The Commission's compliance team has identified and presented to the Commission at least five recommendations to make compliance visits more beneficial for the Commission and the NPAs.

Performance Measure 6: The Commission's compliance team is provided with full and timely access to all reports and data from the CNAs' technical assistance reviews and site visits of associated NPAs.

Strategy 4: Use the Cooperative Agreements with the CNAs to ensure their compliance with the requirements and strategic direction of the AbilityOne Program.

In 2013, the Government Accountability Office (GAO) reviewed the AbilityOne Program and made several recommendations to the Commission. Additionally, in December 2015, Congress passed the Consolidated Appropriations Act, 2016, Public Law 114-113 2016, that directed the AbilityOne Commission to enter into written agreements with the CNAs to provide auditing, oversight, and reporting requirements. In 2016, the Commission entered into Cooperative Agreements (CAs) with SourceAmerica and National Industries for the Blind (NIB).

In prior years, much of the focus of CAs has been focused on employment growth. Going forward, the CAs will reflect the Commission's new emphasis on promoting CIE opportunities, creating innovative business lines, and ensuring customer satisfaction.

Performance Measure 7: The Commission has updated and modernized the Cooperative Agreements with the CNAs to reflect the new strategic direction of the Program, including the elimination of unnecessary deliverables and creating more objective performance measures and outcome goals.

Strategy 5: Enhance Diversity, Equity, Inclusion, and Accessibility within the Commission.

On June 25, 2021, President Biden released Executive Order 14035: Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce. This executive order seeks to create a Governmentwide initiative to promote diversity, equity, inclusion, and accessibility (DEIA). It is the Commission's goal to be a model DEIA agency.

To date, the Commission has taken the following steps to effectuate this goal:

- Creation of an Accessibility Council to identify issues and concerns that could present barriers to supporting and hiring disabled employees. The Accessibility Council will also serve as the standing DEIA working group to ensure that the agency is as proactive as possible in promoting DEIA principles.
- Establishment of a full-time accessibility technician position on the Commission staff to be filled in FY 2022.
- Conversion to a “remote agency” to better expand the Agency’s pool of employment candidates to create and retain the most diverse and inclusive workforce possible.

Performance Measure 8: The Commission has updated its digital accessibility guidance and practices to ensure Program documentation and digital information adheres to industry standards for accessibility.

Performance Measure 9: The Commission has deployed its Affirmative Action Plan to increase the candidate pool and hiring of individuals with disabilities.

Outcome Goal 2: Support the mission of the Federal customer by providing best value through contract performance.

Currently within the AbilityOne Program, CNAs internally compete Federal customer requirements and provide a recommendation to the Commission both for an addition to the Procurement List and the NPA who should receive the contract. There is no Commission policy or process that addresses routine re-competitions within the Program or requirements to facilitate more customer involvement.

The CNAs have robust written procedures for making NPA recommendations to the Commission. However, those processes consider only an NPA’s qualifications, technical rating, and past performance. The Fair Market Price (FMP) is not a part of the selection process and price is only considered and negotiated after an NPA has been selected and recommended to the Commission. This approach has come under criticism from Federal customers and some NPAs within the Program. Federal customers have complained (especially the Department of Defense), that failure to consider price leads to NPA complacency and unchecked price escalation. This perception is further magnified by the fact that once an NPA is selected to supply a good or perform a service, it will normally provide that requirement as long as it is needed. Additionally, the NPAs have argued that limiting evaluations to technical and past performance disproportionately benefits a small group of well positioned NPAs at the expense of all others.

To address these concerns, the Commission will develop policies and procedures that encourage innovation and greater transparency throughout the allocation process. The Commission believes that price should be a factor, but it should not be the most decisive one. As such, Commission policies and procedures will be created with an eye toward achieving the best value for the Federal customer and the overall mission of the AbilityOne Program. For the Commission, these twin considerations are inseparable, which means it will rely on competition to inform the parameters of the FMP, but the Commission will still retain the final say in determining the price of products and services on the Procurement List. Within the Program, FMP is not understood as the lowest price a customer wants to

pay or the highest price the market will bear. Instead, it is the fairest price a Federal customer should pay for the high-quality goods and services it receives from the AbilityOne Program. To achieve this end, the Commission has developed the following strategies and performance measures:

Strategy 1: Develop policies and procedures to require CNAs to consider an NPA’s past performance, technical capabilities, and pricing structure when recommending a prospective Procurement List addition.

In response to the 898 Panel’s first reports and concerns from the Army regarding the perception of escalating prices, the Commission sought to explore ways to improve contract performance, provide more competitive pricing, and enhance customer involvement in the NPA allocation process. The Commission developed and tested a competitive process that allowed qualified NPAs to compete for Federal contracts. This process included price evaluation and relied heavily on input from the Federal customer in the source selection process. The Commission is prepared to take additional steps to use a similar competitive framework built on the following principles:

- Competition is limited to qualified NPAs within the AbilityOne Program.
- The Commission will rely on a “best value” approach, recognizing that a “lowest price technically acceptable” basis for source selection is generally inconsistent with the overall goals of the AbilityOne Program.
- The Commission will retain the authority to ensure and approve the FMP.

Performance Measure 10: The Commission has made the necessary regulatory changes to allow greater flexibility in how the Commission considers establishing the Fair Market Price.

Performance Measure 11: The Commission has created an AbilityOne Competition Subgroup (AOCS) to develop, in coordination with CNAs and Federal customers, standardized procedures and processes to promote increased competition throughout the Program.

Strategy 2: Increase CNAs’ technical support to NPAs to facilitate successful contract performance.

The significance of being a mandatory source on the Procurement List is two-fold. First, Federal agencies do not have to follow normal competitive procedures when acquiring items on the Procurement List. Instead, Federal agencies are required to procure the listed item from the qualified NPA (and only that NPA) identified on the Procurement List. Second, once an item is placed on the Procurement List, it provides steady jobs and a steady stream of income for the NPA authorized to provide the good or service. Currently, the Procurement List generates approximately \$4 billion in revenue for NPAs in the AbilityOne Program, which currently creates approximately 40,000 jobs for individuals who are blind or have other significant disabilities.

The best way to expand products and services on the Procurement List is through additional business from satisfied Federal customers. If Federal agencies do not trust the AbilityOne Program or become dissatisfied with performance quality, the Program's business portfolio will stagnate or contract. Without a stable book of business, Program participants cannot leverage the power of Federal procurement to expand employment opportunities for individuals who are blind or have other significant disabilities. To ensure that qualified NPAs continue to remain capable and responsive to customer needs, the Commission will take affirmative steps to more effectively monitor NPA contract performance and customer satisfaction, as described in Strategy 3 for Outcome Goal 1 above. The Commission also recognizes that pricing continues to be a sensitive subject for NPAs and Federal customers. As such, the Commission will be more proactive in understanding what NPAs need to be successful in managing costs without sacrificing resources the NPA needs to support its workforce.

Performance Measure 12: The Commission has determined the type of support (funding and people) that NPAs need to support their workforce and provide competitively priced products and services.

Performance Measure 13: The Commission has improved coordination between the CNAs, the Commission, and the Contracting Activity to obtain up-to-date metrics for contract performance.

STRATEGIC OBJECTIVE III: PARTNER WITH FEDERAL AGENCIES AND ABILITYONE STAKEHOLDERS TO INCREASE AND IMPROVE EMPLOYMENT OPPORTUNITIES FOR PEOPLE WHO ARE BLIND OR SIGNIFICANTLY DISABLED.

The unemployment and under-employment rates for people who are blind or have other significant disabilities are unacceptably high. The Commission's third strategic objective is to use all levers possible to increase employment opportunities for people who are blind or have other significant disabilities, both within and beyond the AbilityOne Program.

The Commission intends to do this by continuing its participation in a whole of government effort to increase social and economic equity for individuals with disabilities. Since 2021, the Commission has enhanced its communication and coordination with other Federal agencies dedicated to increasing employment opportunities for people with disabilities. The activities set forth under this strategic objective are designed to continue and expand such collaboration.

Outcome Goal 1: Develop policies and practices in partnership with the Office of Federal Procurement Policy (OFPP) to facilitate a wide range of employment-enhancing activities through the AbilityOne Representatives (ABORs).

On October 30, 2020, the Office of Federal Procurement Policy (OFPP) in the Office of Management and Budget (OMB) issued a memorandum titled "Increasing the Participation of Americans with Disabilities in Federal Contracting," to Chief Acquisition Officers and Senior Procurement Executives. The memorandum directed several actions to expand the reach and impact of the AbilityOne Program and other Federal resources that support employment of people with disabilities. These actions included designating an AbilityOne Representative within certain agencies (an "ABOR") to expand AbilityOne contracts with that agency and pledging to devote at least 1% of its contract spend to AbilityOne.

The Commission intends to work with Federal agencies to help them meet the goals of the OFPP memo, with an eye toward increasing jobs within the Program (and not simply an increase in spending) and in supporting CIE opportunities within the Program.

Strategy: Within the scope of the October 2020 memo, work with ABORs to create jobs in the AbilityOne Program that pay competitive wages and are performed in integrated workplaces to the maximum extent possible under the JWOD Act.

Performance Measure 1: The Commission has produced timely reports and analyses of agency performance against commitments and has communicated the results back to ABORs, Senior Procurement Executives, and OFPP.

Performance Measure 2: The Commission has delivered training and support tools to enable ABORs to promote satisfactory customer experiences in terms of contract performance, price, and/or relationships.

Outcome Goal 2: Serve as part of the Federal community focused on ensuring employment opportunities for individuals who are blind or have other significant disabilities.

Building on Strategic Objective I's goal of increasing CIE, the Commission will work with fellow Federal agencies to help increase general employment opportunities outside of the AbilityOne Program for people who are blind or have other significant disabilities.

The AbilityOne Program offers a unique source of qualified employees who are blind or have significant disabilities. For the NPAs to meet the goal of moving their employees into CIE in the general economy, as set forth in Strategic Objective I, there must be a demand for those employees. The Commission intends to work with the Office of Personnel Management (OPM) and the Equal Employment Opportunity Commission (EEOC) to help connect Federal agencies with employees working on AbilityOne contracts so that Federal agencies can meet the expectations set forth in EEOC's regulations enforcing Section 501 of the Rehabilitation Act of 1973. In addition, the Commission will work with the Office of Federal Contract Compliance Programs (OFCCP) at the Department of Labor to help connect Federal contractors with employees working on AbilityOne contracts so that Federal contractors can meet the expectations set forth in OFCCP's regulations enforcing Section 503 of the Rehabilitation Act of 1973.

The Commission also intends to reach out to OFPP to explore ways to incentivize Federal contractors to increase the number of their employees who are blind or have other significant disabilities by according a contractor's performance in this area some weight in the acquisition process. This would further integrate employment opportunities for individuals who are blind or have other significant disabilities into the general equity efforts of Federal acquisition.

Finally, constituting an important driver of employment opportunities for people with disabilities are small businesses owned by people with disabilities who may be more likely to hire other individuals with disabilities. Currently, businesses owned by people with disabilities do not qualify for Small Business Administration (SBA) support or socioeconomic contract preferences. The Commission intends to work with the SBA and other relevant partners to explore ways to support small businesses that are owned by people with disabilities.

Strategy: Foster collaborative efforts with agencies with mission responsibilities in ensuring employment opportunities for people with disabilities.

Performance Measure 3: The Commission has demonstrated work with the Office of Personnel Management, the Equal Employment Opportunity Commission, and the Office of Federal Contract Compliance Programs, to support achievement by Federal agencies and Federal contractors of their Section 501 and Section 503 goals respectively.

Performance Measure 4: The Commission has demonstrated work with the Office of Federal Procurement Policy (OFPP) in the Office of Management and Budget (OMB) and the Small Business Administration (SBA) to ensure that advancing

employment opportunities for individuals who are blind or have other significant disabilities is integrated into the equity efforts of Federal acquisition.

EXTERNAL FACTORS

Several factors outside the Commission's control will affect its ability to achieve the objectives set forth in the Strategic Plan. These factors include potential legislative changes to law authorizing the AbilityOne Program, adverse court decisions, and Congressional response to budget requests. The Commission contemplated the following external factors in drafting this plan.

- **Legislative Factors.** As noted in the narrative of the Strategic Plan, the Commission is constrained by the language of the JWOD Act. The Commission recognizes that legislative change often requires a multi-year effort and must fit within the legislative agenda and calendar established by Congressional leaders.
- **Legal and Regulatory Factors.** The Commission currently faces on-going challenges to the manner in which it oversees the Procurement List and what it can consider in determining fair market prices. In a recent decision, the U.S. Court of Federal Claims held that the Commission could not consider price as a competitive criterion for making NPA assignment or allocation decisions under its current regulatory structure absent an agreement involving the affected NPA. This adverse decision has led to additional challenges to the Program's ability to promote innovation and control higher prices. This ruling and subsequent litigation may impact priorities adopted by the Commission and may result in additional litigation being filed against the agency.
- **Budgetary Factors.** The Strategic Plan does not specifically address the prospect of funding increases. While the Commission does not anticipate a budgetary decrease, the agency requires additional staffing resources to fully implement its current workload, and investment in information technology updates to meet the additional initiatives identified in this plan.

Given the above factors, the Commission will continually assess and prioritize its resources to successfully accomplish its mission over the next four years.

PROGRAM EVALUATION

Program evaluation is an important component of the Commission's effort to assure that its programs are operating as intended and achieving results. The Commission staff complies with OMB's Circular A-123 Management's Responsibilities for Enterprise Risk Management (ERM) and Internal Controls through evaluation and analysis of agency operations.

The Commission staff, with leadership and oversight from the Commission's ERM Subcommittee, established a risk profile to provide strategic and operational decision support based on evaluation of six risk areas: governance system; strategic planning and implementation; customer expectations and engagement; performance measurement, analysis, results, and improvement; workforce capability, capacity, climate, and performance; and work process and operational effectiveness. At the functional level, internal control reviews are conducted on over 300 control techniques designed to detect and prevent risks. The results of the ERM and internal control activities are used to inform the Commission's annual Performance and Accountability Reports, found here: [Performance and Accountability Report \(abilityone.gov\)](https://www.abilityone.gov/performance-and-accountability-report).

Through reports, audits, alerts, and other actions, the Commission's Office of Inspector General (OIG) also enhances confidence in the Program, improves economies and efficiencies, and promotes Program growth. Since 2017, the OIG has published annual Top Management and Performance Challenges reports as well as Semi-annual Reports to Congress, posted at [Reports | Office of Inspector General \(oversight.gov\)](https://www.oversight.gov/reports).

The OIG has also conducted and published reports for the following specific performance audits:

- 12/20/2019 Performance Audit on the AbilityOne Program Fee
- 04/08/2020 Performance Audit Report on the AbilityOne Cooperative Agreements
- 07/10/2020 Performance Audit of the Central Nonprofit Agency Selection of Nonprofit Agencies for Project Assignment and Allocation of Orders
- 07/10/2020 Performance Audit of the Procurement List Addition Process, Procedures, And Practices

A performance audit of the Commission's Compliance Program is underway in FY 2022.

As discussed in Strategic Objective II, the Commission uses the results of the OIG's Top Management and Performance Challenges report, as well as other Commission staff assessments, to identify and prioritize risks to mitigate and programs to improve. The Commission will continue to evaluate its performance to assure that its programs are operating as intended and achieving results.

APPENDIX: ORGANIZATIONAL CHART

