This official meeting of the U.S. AbilityOne Commission is open to the general public and is being recorded.

ASL interpreters are pinned to the top of the Zoom screen; live captioning is enabled. To see captions on your screen, use the CC icon at the bottom of the Zoom window.

The Zoom setting for public attendees today is listen-only.

The Chat Box is enabled for comments or questions.

Screen reading software users can silence Zoom alerts (including chats), if desired, by muting your computer audio and joining the meeting by phone.

Meeting materials can be found on www.abilityone.gov.
Introductions and Opening Remarks
• Chairperson’s Opening Remarks
• Remembrance: Andrés Gallegos
• Chairperson’s Award Presentation
• Subcommittee Updates
  • Regulations & Policy
  • Enterprise Risk Management (ERM)
  • Performance Management
• Executive Director Report
  • FY23 AbilityOne Program Results
Agenda

• Inspector General Presentation

• BREAK

• Public Engagement Topic:
  Pathways from AbilityOne Program Employment to Federal Government Employment
  • Background and Context
  • Public Discussion
Remembrance

In Memory of
Andrés Gallegos
1960 - 2023
Exceptional Service Recognition

William “Bill” Sproule
Chief, Installation Support
for U.S. Air Force
Contracting
Air Force AbilityOne
Representative (ABOR)
Regulations and Policy
Policy 400 Series Update

Final
• AbilityOne Commission Compliance Program (51.400)
• Determining Eligibility of Participating Employees (51.403)

Initial Paperwork Reduction Act Notice
• Participating Employee Eligibility Form Comments were due January 16, 2024

Drafts Soon to be Published for Feedback
• AbilityOne Entry Qualifications (51.401)
• AbilityOne Program Qualifications (51.402)
• Direct Labor Hour Ratio Requirements (51.404)
Additional Drafts to be Published for Feedback

• Employment Laws and Mandatory Disclosures (51.406)

• Inspections, Corrective Actions, and Disqualifications (51.407)
Policy 51.405 - Employee Career Development

- First draft issued in January 2023; updated in April 2023.
- Policy covered job individualizations; person-centered employment plans; and a career advancement program.
- Policy included a procedures section for developing details in collaboration with CNAs and subject matter experts.
- Commission contracted with APSE in Sept. 2023 for expertise, with a completion date of Sept. 2024.
- Implementation will include a multi-year approach, starting with education and assessment of NPA capacity, and then implementation.
Policy 300 Series Approach

The Commission’s 300 series policies address certain Central Nonprofit Agency (CNA) duties, including:

• Process for CNAs to recommend an NPA for new work
• Criteria to recommend an NPA for new work
• Program Fee

The new series will update the guidance for the recommendation process and criteria, as appropriate, and will provide guidance on additional topics not addressed in policy today, including business development.
Enterprise Risk Management
ERM - Audit Update

- IAW Strategic Objective 3, “Ensuring effective governance…across the AbilityOne Program,” closing open audit recommendations is a high priority
- Closed 35 open audit recommendations in FY24 Q1
  - 4 – Program audits
  - 31 – Financial Statement audits
- 50 open recommendations
  - 19 – Financial Statement audits (12) and FISMA (7) audits
  - 31 – Program specific
- Program recommendations will be addressed by policy updates
- Pending final reports – Contract Admin, 3rd Party Service Provider
Performance Management
Performance Management Update

• FY 2024 Strategic Plan Focus
  • Focus on closing Performance Measures
  • Continuing Implementing Strategic Objectives #2 and #3:
    • Issuance of updated policies
    • Review deliverables from the AbilityOne Program Career Planning Support Services Contract (APSE)
  • Prioritize implementing goals of Strategic Objective #4 – partnering with other Federal agencies
    • Work with AbilityOne Representatives (ABORs) to provide customer support and training regarding the AbilityOne Program.
    • Initiatives to work with Federal agencies to support Federal Government hiring of people who are blind or significantly disabled
• Strategic Plan implementation via performance plan and evaluation of Executive Director and staff
Executive Director Report
• Second annual “Reverse Industry Day” training for AbilityOne Representatives (ABORs)
  – Over 200 attended in person or online
  – Panels discussed manufacturing and service capabilities
  – AbilityOne products exhibit and networking opportunities
• Completed Memorandum of Agreement between Army PEO Soldier, Defense Logistics Agency, and Commission
• Completed Fort Knox competition pilot test
• Issued Performance and Accountability Report (PAR); attached Top Management and Performance Challenges report reflected progress in meeting challenges
FY 2024 Q2 – Key Activities

• Ongoing outreach, communication, transparency efforts
  – Participating in multiple AbilityOne NPA meetings to engage in two-way dialogue
  – Continuing engagement with the Compliance Council and other stakeholders as we seek feedback on Commission guidance
  – Presented at Disability Employment Technical Assistance Center’s Community of Practice meeting re: subminimum wage transition

• Ongoing transformation and modernization efforts
  – Outreach to Federal programs and nonprofit organizations, e.g.:
    • USDA SNAP Employment and Training Program
    • Council of State Agencies for Vocational Rehabilitation (CSAVR) and the Talent Acquisition Portal
FY 2023
AbilityOne Program
Preliminary Results
### Program Results by Fiscal Year

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct Labor</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Hours</strong></td>
<td>48.1 M</td>
<td>46.0 M</td>
<td>43.9 M</td>
<td>41.4 M</td>
<td>41.6 M</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td>42,684</td>
<td>42,200</td>
<td>39,690</td>
<td>36,377</td>
<td>36,597</td>
</tr>
<tr>
<td><strong>Total Wages</strong></td>
<td>$679.7 M</td>
<td>$675.9 M</td>
<td>$668.6 M</td>
<td>$666.4 M</td>
<td>$731.9 M</td>
</tr>
<tr>
<td><strong>Avg. Hourly Wage</strong></td>
<td>$14.12</td>
<td>$14.70</td>
<td>$15.22</td>
<td>$16.09</td>
<td>$17.58</td>
</tr>
<tr>
<td><strong>Total Sales</strong></td>
<td>$3.938 B</td>
<td>$3.893 B</td>
<td>$3.934 B</td>
<td>$3.883 B</td>
<td>$4.146 B</td>
</tr>
<tr>
<td>Direct Labor</td>
<td>FY 2023</td>
<td>5-Yr Average</td>
<td>% Change</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------</td>
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<td>--------------</td>
<td>----------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hours</td>
<td>41.63 M</td>
<td>44.21 M</td>
<td>-5.84%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>36,597</td>
<td>39,509</td>
<td>-7.37%</td>
<td></td>
<td></td>
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<tr>
<td>Total Wages</td>
<td>$731.94 M</td>
<td>$684.49 M</td>
<td>6.93%</td>
<td></td>
<td></td>
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<tr>
<td>Avg. Hourly Wage</td>
<td>$17.58</td>
<td>$15.54</td>
<td>13.13%</td>
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<td></td>
</tr>
<tr>
<td>Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products</td>
<td>$1.154 B</td>
<td>$1.208 B</td>
<td>-4.49%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>$2.992 B</td>
<td>$2.750 B</td>
<td>8.79%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Sales</td>
<td>$4.146 B</td>
<td>$3.958 B</td>
<td>4.74%</td>
<td></td>
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</table>
## FY 2023 Compared to Prior Year

<table>
<thead>
<tr>
<th>Direct Labor</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hours</td>
<td>41.40 M</td>
<td>41.63 M</td>
<td>0.55%</td>
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<tr>
<td>Employees</td>
<td>36,377</td>
<td>36,597</td>
<td>0.60%</td>
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<tr>
<td>Total Wages</td>
<td>$666.36 M</td>
<td>$731.94 M</td>
<td>9.84%</td>
</tr>
<tr>
<td>Avg. Hourly Wage</td>
<td>$16.09</td>
<td>$17.58</td>
<td>9.26%</td>
</tr>
<tr>
<td><strong>Program</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products</td>
<td>$1.101 B</td>
<td>$1.154 B</td>
<td>4.78%</td>
</tr>
<tr>
<td>Services</td>
<td>$2.782 B</td>
<td>$2.992 B</td>
<td>7.59%</td>
</tr>
<tr>
<td><strong>Total Sales</strong></td>
<td>$3.883 B</td>
<td>$4.146 B</td>
<td>6.79%</td>
</tr>
</tbody>
</table>
AbilityOne Hourly Wage Comparison

Hourly Wage

- AbilityOne
- A1 Products
- A1 Services
- SCA WDR*

*Service Contract Act Wage Determination Rate
## Job Mobility 5-Year Trend

<table>
<thead>
<tr>
<th>Mobility</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outward Mobility:</strong> From AbilityOne direct labor job to indirect labor job or another employer</td>
<td>1,803</td>
<td>1,743</td>
<td>1,515</td>
<td>1,612</td>
<td>1,610</td>
</tr>
<tr>
<td></td>
<td>4.22%</td>
<td>4.13%</td>
<td>3.82%</td>
<td>4.43%</td>
<td>4.40%</td>
</tr>
<tr>
<td><strong>Upward Mobility:</strong> From AbilityOne direct labor job to a supervisory or higher wage direct labor job</td>
<td>1,498</td>
<td>1,365</td>
<td>2,030</td>
<td>1,953</td>
<td>2,476</td>
</tr>
<tr>
<td></td>
<td>3.51%</td>
<td>3.23%</td>
<td>5.11%</td>
<td>5.37%</td>
<td>6.72%</td>
</tr>
</tbody>
</table>

Percentages of total AbilityOne employees indicated
Semiannual Report to Congress

• SAR Spring 2023
  Theme: Transformation

• SAR Fall 2023
  Theme: Next Stage
1) Implementation of the Strategic Plan
   a) Implementation of new Cooperative Agreements with CNAs to Modernize and Enhance Program Compliance
   b) Successful Implementation of the Section 898 Panel Recommendations
   c) Use of an Enterprise-wide Risk Management (ERM) Framework

2) Breakdowns in Internal Control over Financial Management and Reporting
Audits

• Financial Statement Audit FY23

• Federal Information Security Modernization Act

• In progress:
  • Quality of Products in Support of Meeting Government requirements
  • Commission’s Contract Administration Process
  • Third-Party Service Provider Agreements
  • Data Reliability, Availability, and Accessibility
  • Enterprise Risk Management
The OIG has expanded its oversight toolkit to include evaluations

- Lauretta Joseph, Assistant Inspector General for Evaluations
- Office will design and implement long-term nationwide evaluations
- Consistent with the IG Act
OIS’s Biennial Oversight Plan

Maps out OIS oversight over two years (2024-2025)

OIS utilizes a comprehensive risk-based methodology to inform planning and future engagements
OIG Contact Information

AbilityOne Office of Inspector General

https://abilityone.oversight.gov

To SUBMIT a COMPLAINT to OIG:
Please submit complaints using our Portal
https://abilityone.oversight.gov/hotline

You may also submit a complaint via our:
Hotline Toll-Free Number: 1-844-496-1536
Email: hotline@oig.abilityone.gov
Break
Public Engagement Topic

Pathways from AbilityOne Program Employment to Federal Government Employment
Background and Context
Today’s discussion is about pathways and supports for individuals to move from AbilityOne jobs to Federal jobs.

A panel of experts will discuss employment and inclusion strategies, including both the requirements and authorities in place that foster participation of individuals with disabilities in the Federal workforce.

A panel of Federal employees who previously worked on AbilityOne contracts will talk about their career paths.

This dialogue will identify ways AbilityOne employers and employees can engage to cultivate or utilize pathways to civil service for individuals with significant disabilities.
Panel 1: Federal Experts in Disability Employment & Inclusion

- Dexter Brooks  
  EEOC, Office of Federal Operations
- Louis Orslene/Akinyemi Banjo  
  Dept. of Labor, Office of Disability Employment Policy
- Christopher White  
  Internal Revenue Service, Human Capital Office

Panel 2: Federal Employees, Formerly AbilityOne Employees

Current civil servants will discuss the paths they took from AbilityOne direct labor jobs to Federal Government jobs.
Audience Comments and General Discussion
Chairperson
Closing Remarks