



# U.S. AbilityOne Commission Quarterly Public Meeting

January 25, 2024





# Administrative Remarks

- 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](http://www.abilityone.gov).





# Introductions and Opening Remarks



# Agenda

- 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)





# Subcommittee Updates





# 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 400 Series Policies

## 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, 3<sup>rd</sup> 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



# FY 2024 Q1 – Key Accomplishments

- 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

<u>Direct Labor</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
<b>Hours</b>	48.1 M	46.0 M	43.9 M	41.4 M	<b>41.6 M</b>
<b>Employees</b>	42,684	42,200	39,690	36,377	<b>36,597</b>
<b>Total Wages</b>	\$679.7 M	\$675.9 M	\$668.6 M	\$666.4 M	<b>\$731.9 M</b>
<b>Avg. Hourly Wage</b>	\$14.12	\$14.70	\$15.22	\$16.09	<b>\$17.58</b>
<b><u>Program Products</u></b>	\$1.336 B	\$1.280 B	\$1.152 B	\$1.086 B	<b>\$1.154 B</b>
<b>Services</b>	\$2.602 B	\$2.613 B	\$2.764 B	\$2.782 B	<b>\$2.992 B</b>
<b>Total Sales</b>	\$3.938 B	\$3.893 B	\$3.934 B	\$3.883 B	<b>\$4.146 B</b>





# FY 2023 Compared to 5-Year Average

<u>Direct Labor</u>	<u>FY 2023</u>	<u>5-Yr Average</u>	<u>% Change</u>
Hours	41.63 M	44.21 M	-5.84%
Employees	36,597	39,509	-7.37%
Total Wages	\$731.94 M	\$684.49 M	6.93%
Avg. Hourly Wage	\$17.58	\$15.54	13.13%
<u>Program</u>			
Products	\$1.154 B	\$1.208 B	-4.49%
Services	\$2.992 B	\$2.750 B	8.79%
Total Sales	\$4.146 B	\$3.958 B	4.74%





# FY 2023 Compared to Prior Year

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

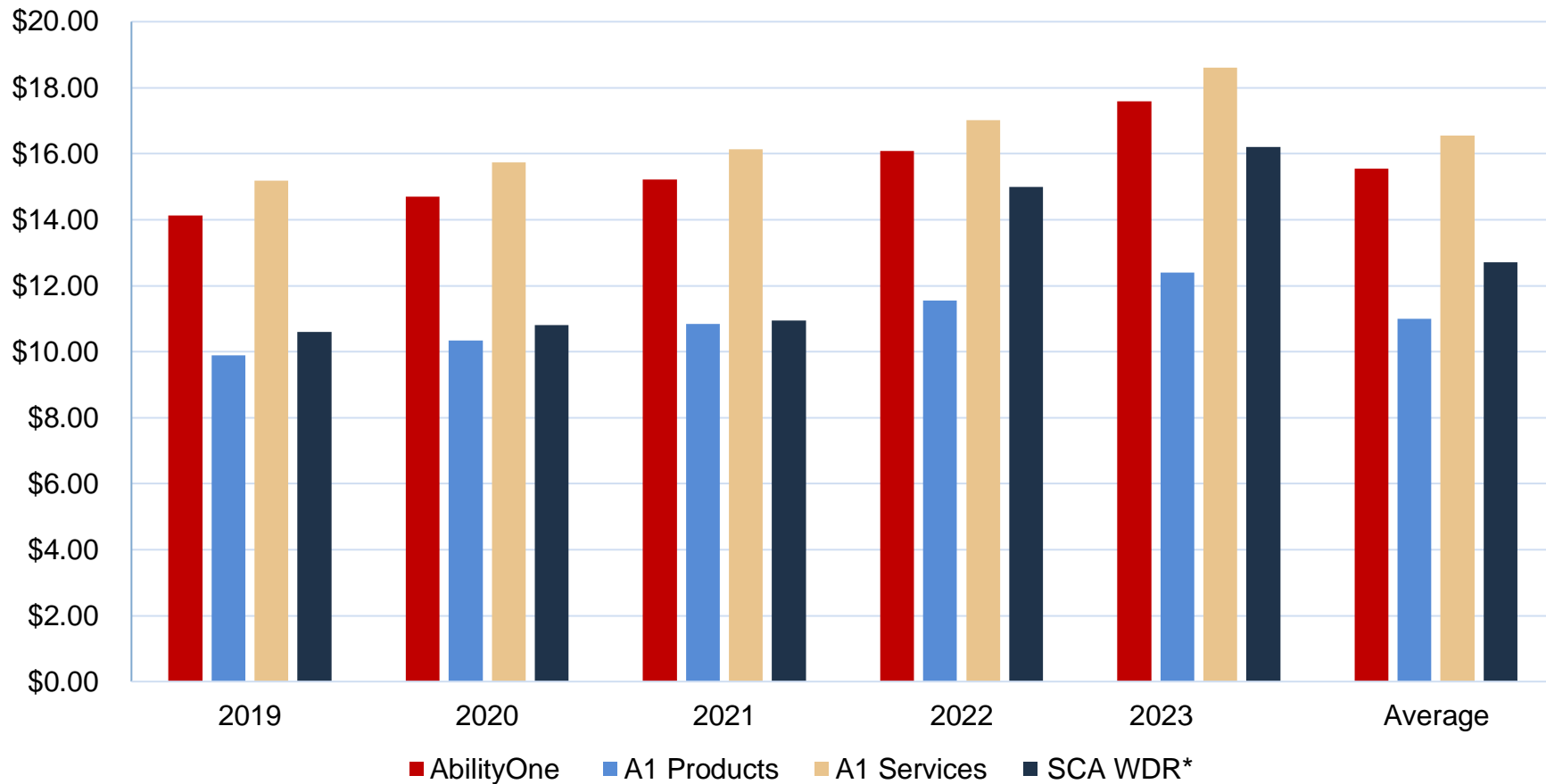






# AbilityOne Hourly Wage Comparison

## Hourly Wage



\*Service Contract Act Wage Determination Rate





# Job Mobility 5-Year Trend

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

*Percentages of total AbilityOne employees indicated*





# U.S. AbilityOne Commission

## Office of Inspector General



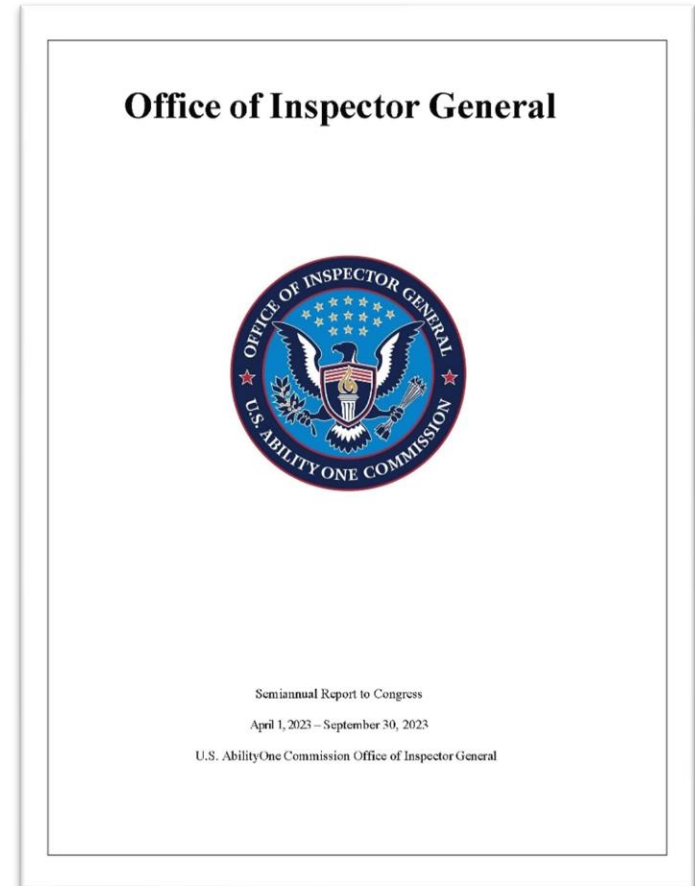
Stefania Porter, Inspector General  
Lauretta Joseph, Assistant IG for Evaluations  
January 25, 2024





# Semiannual Report to Congress

- SAR Spring 2023  
Theme: **Transformation**
- SAR Fall 2023  
Theme: **Next Stage**





# Top Challenges Report

- 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





# Evaluations

The OIG has expanded its oversight toolkit to include evaluations

- Laretta Joseph, Assistant Inspector General for Evaluations
- Office will design and implement long-term nationwide evaluations
- Consistent with the IG Act





# Oversight Planning

- OIG's Biennial Oversight Plan
- Maps out OIG oversight over two years (2024-2025)
- OIG 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](mailto:hotline@oig.abilityone.gov)





# Break



# Public Engagement Topic

## *Pathways from AbilityOne Program Employment to Federal Government Employment*



# Background and Context



# Background

- 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.





# Today's Panelists

## 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