



U.S. AbilityOne Commission Quarterly Public Meeting

January 31, 2023



Slide numbers adjusted subsequent to meeting



Administrative Remarks

- This official meeting of the U.S. AbilityOne Commission is open to the general public and is being recorded.
- Meeting panelists such as the Commission members and other planned speakers may un-mute as needed.
- The Zoom setting for public attendees today is listen-only; attendees may use the Chat Box to send comments.
- During the Public Engagement presentations, attendees may send questions or comments for the speakers via the Chat Box.
- Meeting materials can be found on www.abilityone.gov.





Introductions



Agenda

- Chairperson's Remarks
- Remembrance of Bobby Silverstein
- Executive Director Report
 - FY 2022 Preliminary Program Results
 - FY 2023 First Quarter Accomplishments
- Inspector General Presentation
- Regulations and Policy Subcommittee Updates
 - Compliance Policy Update
 - ABLE Account Changes





Agenda (cont.)

- *Break*
- Public Engagement
 - Office of Federal Procurement Policy Perspective
Eliana Zavala, Management Analyst, OFPP
 - Contract Performance Expectations
AbilityOne Representatives Panel
- Closing Remarks - Chairperson
- *Break*
- Tribute to Tina Ballard, former Executive Director





Chairperson Remarks



Remembrance of Bobby Silverstein





Executive Director Report



Preliminary FY 2022 Program Results and 3-Year Trend

<u>Direct Labor</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
Hours Worked	46.0 M	43.9 M	41.4 M
Employees	42,200	39,690	36,377
Total Wages	\$675.9 M	\$668.6 M	\$666.4 M
Avg. Hourly Wage	\$14.70	\$15.22	\$16.09
AbilityOne Products Sales	\$1.280B	\$1.152B	\$1.086B
AbilityOne Services Sales	\$2.613B	\$2.764B	\$2.782B
AbilityOne Total Sales	\$3.893B	\$3.916B	\$3.868B





Job Mobility Statistics 3-Year Trend

<u>Placements</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
AbilityOne Placements Moved from AbilityOne contract direct labor jobs to jobs outside the NPA (or indirect labor jobs)	1,743	1,515	1,612
Non-AbilityOne Placements Moved from other contract direct labor jobs to jobs outside the NPA (or indirect labor jobs)	3,371	3,385	3,018
Direct Placements Assisted in finding jobs outside the NPA (or indirect labor jobs); no direct labor participation	10,638	11,034	10,207





FY 2023 Q1 Accomplishments

- Provided orientation to new Commission members
- Officially opened co-located office for Agency and IG staff
- Held inaugural “Reverse Industry Day” training for AbilityOne Representatives (ABORs)
- Issued Performance and Accountability Report (PAR)
- Completed communication and outreach activities:
 - Vice Chairperson Keynote at OPM DEIA Summit
 - Inclusion through Policy Innovation (IPI) Panel – AbilityOne and Office of Federal Contracts Compliance
 - National Trends in Disability Employment (nTIDE) meeting





21 Federal Agencies with ABORs

- Department of Agriculture
- Department of Commerce
- Department of Defense
- Department of Education
- Department of Energy
- Department of Health & Human Services
- Department of Homeland Security
- Department of Housing & Urban Development
- Department of Interior
- Department of Justice
- Department of Labor
- Department of State
- Department of Transportation
- Department of Treasury
- Department of Veterans Affairs
- Environmental Protection Agency
- General Services Administration
- National Aeronautics and Space Administration
- Nuclear Regulatory Commission
- Office of Personnel Management
- Social Security Administration





U.S. AbilityOne Commission

Office of Inspector General



Stefania Porter, Inspector General
January 31, 2023





Investigations & Evaluations

- We conduct Investigations both within OIG and with law enforcement partners.
- We work with the Department of Justice.
- Every year we conduct the FISMA evaluation.





Audits – Peer Reviews of OIGs

- AbilityOne OIG underwent Modified Audit Peer Review:
Our OIG Office of Audits (OA) established policies and procedures were current and consistent with applicable professional standards, and controls in place for outside auditors.
- Our OIG OA is performing the Audit Peer Review of another OIG's Audit Organization.





Top Challenges – Report Nov. 2022

- 1) Implementation of the Strategic Plan
- 2) Enhancement of Program Compliance
- 3) Breakdowns in Internal Control over Financial Management and Reporting
- 4) Unimplemented OIG Audit Recommendations





Top Challenge 1 – Report Nov. 2022

- 1) Implementation of the Strategic Plan
 - a) Implementation of New Cooperative Agreements with CNAs
 - b) Modernization and Enhancement of Oversight of NPA Compliance
 - c) Successful Implementation of the Section 898 Panel Recommendations
 - d) Use of an Enterprise-wide Risk Management (ERM) Framework





Audit – Recently Completed

Audit of the Compliance Program

- Objective: To determine whether the Compliance Program has been implemented effectively.
- Snapshot in time: The auditors reviewed practices from 2019 to 2021.
- Conclusion: The auditors identified opportunities for the Commission to improve the effectiveness of the Compliance Program in 4 areas.





Audit – Recently Completed

- Audit of the Compliance Program – 4 Areas for Improvement:
 - 1) Updating Guidance by the Commission
 - 2) Improving Documentation of Procedure and Maintenance of Records (by the Commission and CNAs)
 - 3) Better Management of Data in PLIMS
(at times requiring manual uploading of reports)
 - 4) Additional Oversight Needed:
 - Compliance Visits
 - 75% Overall DLH
- 11 Recommendations
- Looking forward, OIG has launched a new audit.





Audits - Ongoing

Audit of Data Reliability, Availability, and Accessibility

Objective:

To determine if data that is generated to monitor and report on program growth and program employment is reliable, available, and accessible by the Commission to better inform decision-making and ensure achievement of strategic objectives.





Audits – Ongoing

- Audit of the Commission's Contract Administration Process
- Audit of Third-Party Service Provider Agreements
- Audit of the Quality of Products in Support of Meeting Government Requirements





OIG FY23 Objectives

- Alignment of OIG goals in Support of the Commission's Mission and New Strategic Plan
- Continued Communication with Key Stakeholders
- Continued Commitment to Fostering Integrity, Economies, and Efficiencies





Regulations and Policy Subcommittee Updates



Compliance Policies Process

- **June 30, 2022:** Issued Strategic Plan for 2022-2026
- **January 27, 2023:** Posted three draft compliance policies
- **Jan. 31 to March 15:** Six-week public feedback period; multiple opportunities for engagement during this period

Next Steps:

- Update remaining compliance policies for public feedback
- Issue final set of compliance policies
- Develop and enter into revised Cooperative Agreements





Compliance Policies Framework

- **51.400 – AbilityOne Commission Compliance Program**
- 51.401 - Entry Qualifications for Nonprofit Agencies
- 51.402 - Qualifications of Nonprofit Agencies
- **51.403 - Documentation of Eligibility on the Basis of Blindness or Significant Disability**
- 51.404 - Direct Labor Hour Ratio Requirements
- **51.405 - Job Customizations, Person-Centered Employment Plans, & Career Advancement Programs**
- 51.406 - Inspection, Corrective Action, Disqualification
- 51.407 – Employment Laws and Requirements





Goals of Compliance

- Protect the **integrity** of the AbilityOne Program.
- Ensure that the AbilityOne Program remains a **trusted source of supply and services** for Federal agencies.
- Create AbilityOne jobs that provide **quality employment** and serve as a **springboard to upward and outward employment** for those employees who desire such career advancement.
- Ensure compliance with all other **statutory and regulatory requirements**.





51.400: Compliance Overview

- **Compliance is inherently a governmental responsibility.**
- **The updated policy creates a modernized and reimagined compliance system** that leverages the differential resources of the Commission and the CNAs, while maintaining all necessary Commission control.
- The Commission **will set uniform expectations** for CNAs' inspection reviews; monitor and assess **the quality of CNA reviews**; strictly monitor **corrective actions**; and require **effective electronic data transmission**.
- The Commission **will not** conduct routine frontline inspections but will do **targeted inspections as it deems necessary**.





51.403: Eligibility Determinations

- NPAs must determine if an applicant **is blind or has a significant disability** in order to count towards the minimum 75% DLH ratio.
- Our **public engagement session in February 2022** highlighted major concerns with the collection and review of medical documentation and use of the IEE forms.
- Concerns included the **burdens on NPAs** and the risks of **inaccurate determinations**.
- The proposed guidance responds to those concerns by using **other government certifications** to the fullest extent legally permissible.





51.403: New Proposed Eligibility Determinations

The proposed policy provides that:

- A certification from the Social Security Administration that an individual is **eligible for SSDI or SSI** will suffice to establish that the person has a “**significant disability**” or (if applicable) is **blind**. (In other words – is a “participating employee.”)
- A certification from a **state Medicaid agency** that an individual is **eligible for Home and Community Based Services (HCBS)** suffices to establish that the person **has a “significant disability”** or (if applicable) is **blind**. (In other words – is a “participating employee.”)





Policy 51.403: New Proposed Eligibility Determinations (cont.)

In contrast:

A certification by a **vocational rehabilitation (VR) agency** that an individual is eligible for VR services, or a certification by the **Veterans Administration** that an individual is eligible for any level of disability benefits, will suffice as **medical documentation** that the individual **has a disability or** (if applicable) **is blind** if the certification states the specific disability.

However, the **NPA** must **further determine** that the person **requires significant accommodations or job supports to perform the job** in order for the person to be deemed to have a “significant disability.”





51.405: A New Policy

- Operationalizes the goal of providing **job customizations, person-centered employment plans (PCEPs) and career advancement programs** for participating employees
- **Job customization** includes identifying the appropriate job based on an individual's skills and interests **and** identifying the job supports necessary for the person to do the job successfully. (“**Job individualization.**”)
- Recognizes that employees will have different job desires and **expects PCEPs to reflect that self-determination.**
- Anticipates a **phased-in implementation approach.**





51.405: A New Policy (cont'd)

- Establishes **procedures** by which the Commission, in consultation with the CNAs and subject matter experts, **will develop the standards** for job customizations, PCEPs and career advancement programs.
- Requires CNAs to work with their NPAs **to identify their financial resources and gaps** and **to create phase-in plans for NPAs** based on the availability of resources.
- Requires NPAs to explore **all possible federal, state, local and community resources**, including Medicaid HCBS funding, Social Security Employment Networks, Veteran Administration services and Vocational Rehabilitation services (as available)
- The Commission will **engage with other federal agencies** to communicate the need for NPAs to have access to such resources.





A Pause and a Re-Focus

- The new compliance policies will entail a fundamental shift for the Commission, CNAs, NPAs, and stakeholders.
- **On February 1, 2023, the Commission will pause routine, traditional compliance reviews in order to consider comments, retrain staff, develop updated compliance materials for the NPA community, and ensure alignment among all participants.**
- While ongoing reporting and corrective actions will continue, the Commission will limit inspections to critical issues during this pause.





In a PCEP: Use of ABLE Accounts

With an ABLE (Achieving a Better Life Experience) account, an individual with a disability can:

- **Place up to \$16,000 of salary or gifts per year into the account, which is not counted for purposes of determining eligibility for benefits.**
- **Save up to \$100,000 in the account and not have that money counted as assets for benefits eligibility.** States may allow higher savings levels.
- **Use money from the account for a wide range of living expenses, including food, housing and transportation.**





The Expansion of ABLE Accounts

- Current Law: To be eligible to use an ABLE account, the person must have **acquired their disability prior to age 26**.
- The FY2023 Omnibus Appropriations law included the **ABLE Age Adjustment Act**, with some modifications.
- Under the law as amended, an individual who **acquired their disability prior to age 46** may use an ABLE account.
- The change in the law is effective for the **2026 tax year**.





Break



Public Engagement

Federal Contract Performance



Office of Federal Procurement Policy Perspective



Federal Customer Panel: Contract Performance Expectations



Panelists

- Justin Crosby
Department of Energy ABOR
- Sheila Roche
NASA ABOR
- Linda Walker
Defense Health Agency ABOR





Audience Comments and General Discussion



Chairperson Closing Remarks



Break



Tribute to Tina Ballard