Commission Update

Draft Cooperative Agreement with Central Nonprofit Agencies

April 27, 2016

Note to readers: The content of this presentation is a summary based on a draft Cooperative Agreement. Readers are cautioned that this content is subject to change, and that they should not consider this presentation to be an actionable or final document.
Environmental Considerations

- 2013 GAO recommendations
- 2016 Omnibus direction
- Operational environment
  - Commission staff resource limitations
  - Program sales growth
- Significant civil rights change (ADA, WIOA)
- Changes in Commission composition
- Desire to modernize on the part of internal and external stakeholders

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Informed Process

• Stakeholder input obtained and considered
  – CNAs responded to Request For Information
  – NPA CEO Sessions (over 50 participated)
  – Small groups ID “must haves”, whole group consensus
  – Met with Nat’l Disability Leadership Alliance advocates
    • Lead, not lag behind, in disability policy and change
  – Kept OMB and Congressional staff in the loop
  – Consistent consensus: grow employment, oversight, help NPAs succeed, rationalize fees in relation to value
Cooperative Agreement Approach

• Transformational initiative
  – Formalizes business relationship between Commission and CNAs
  – Cooperative Agreement foundation (public purpose, significant Gov’t involvement) with innovative design
  – Uses principles of contracts and agreements to:
    • Drive more accountability
    • Incentivize exceptional performance
    • Optimize AbilityOne Program outcomes

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Mutual Benefits to Agreement

• Applicable to Commission, CNAs and NPAs
  – Meets Congressional Mandate
  – Enhances AbilityOne Program
  – Builds stronger public case for accountability
  – Improves transparency and stakeholders’ line of sight
  – Defines value-added services provided for the fee
  – Strengthens relationships with Administration, Congress, NPAs and disability community
    • For NPAs, also strengthens relationships with Boards and local communities
  – Drives better outcomes for the people we serve

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Cooperative Agreement Elements

• Performance-based Work Statement (PWS)
  – **Objective:** To establish the governing relationship between the Commission and the CNA by expressing the Commission’s requirements in the form of the minimum quality standard to be met.
  
  – **Key Performance Indicators:**
    1. Employment Growth
    2. Program Administration, Oversight, and Integrity
    3. NPA Support, Assistance, and Development
    4. Training and Strategic Communications
  
  – **Quality Assurance Surveillance Plan:** Identifies the methods and procedures the Commission will use to ensure CNAs meet minimum performance standards outlined in PWS.

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Rewards for performance above minimum standards through the Award Fee process

- Current fee ceiling (in effect now) will be NTE CNA fee
- CNAs will be requested to provide fee proposals after the agreement is signed
- CNAs will collect fees from NPAs as they already do and will establish a separate account for Award Fee portion
- Award Fee Review Board determines how much Award Fee was earned based on Award Fee Plan
- Commission approves access to Award Fee
- Results in accountability and performance-based, mission-driven outcomes

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## Alignment with GAO/Omnibus Report

<table>
<thead>
<tr>
<th>GAO/Omnibus Reports</th>
<th>Cooperative Agreement</th>
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<tbody>
<tr>
<td>Roles and Responsibilities (Commission and CNAs)</td>
<td>Section C, PWS, 2.0 General Requirements</td>
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<tr>
<td>Expenditures of funds</td>
<td>Section C, PWS, 3.2.4.2 Financial and Accounting System; 4.0 Program Performance Deliverables</td>
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<td>Performance goals and targets; Periodic evaluations</td>
<td>Section C, PWS, 3.1-3.4 Key Performance Indicators; Section E, Attachments 3 Award Fee Plan and 4 Quality Assurance Surveillance Plan</td>
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<td>Governance standards and other internal controls to prevent fraud, waste and abuse</td>
<td>Section C, PWS, 3.2, AbilityOne Program Administration, Oversight, Integrity</td>
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<td>Access to data and records</td>
<td>Section C, PWS, 3.2.3.3 and 3.2.3.4, Records Management and Inspection</td>
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<td>Consequences for not meeting expectations</td>
<td>Section C, PWS, 6.0 Quality Control Plan; Section E, Attachment 4, Quality Assurance Surveillance Plan</td>
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<td>Reporting (e.g., Congressional, Regulatory, Circulars, Routine)</td>
<td>Section E, Attachment 1, Deliverables Schedule</td>
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<td>Provisions for updating the agreement</td>
<td>Section D, Agreement Administration</td>
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### Proposed Timeline

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<thead>
<tr>
<th>Action</th>
<th>NLT Completion</th>
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<tr>
<td>Issue RFI to CNAs</td>
<td>January 22, 2016</td>
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<tr>
<td>Responses to RFI Due</td>
<td>February 21, 2016</td>
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<tr>
<td>Evaluate Responses to RFI</td>
<td>March 10, 2016</td>
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<td>Receive and Incorporate Feedback in CA</td>
<td>March 31, 2016</td>
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<tr>
<td>Modify PWS for CA</td>
<td>April 8, 2016</td>
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<tr>
<td>Transmit CA to CNAs</td>
<td>April 15, 2016</td>
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<tr>
<td>Questions and Answers Due</td>
<td>May 6, 2016</td>
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<tr>
<td>Oral Presentations from CNAs</td>
<td>May 16, 2016</td>
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<tr>
<td>Conclude Discussions</td>
<td>June 6, 2016</td>
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<tr>
<td>CA Signed by All Parties</td>
<td>June 15, 2016</td>
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<tr>
<td>Distribute CA</td>
<td>June 15, 2016</td>
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<tr>
<td>Request Fee Proposal</td>
<td>TBD</td>
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