

EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

October 30, 2020

MEMORANDUM TO CHIEF ACQUISITION OFFICERS SENIOR PROCUREMENT EXECUTIVES

FROM: Michael E. Wooten Administrator

SUBJECT: Increasing the Participation of Americans with Disabilities in Federal Contracting

This Administration has repeatedly acknowledged the contributions of Americans with disabilities to our country's economic strength and is committed to furthering their participation in the workforce. The purpose of this memorandum is to create a stronger pathway for the increased participation of persons with disabilities in federal contracting through the AbilityOne Program. The memorandum also seeks to promote greater awareness and use within the federal acquisition workforce of other Federal programs that facilitate employment of persons with disabilities.

Each year, through the AbilityOne Program, the Federal Government awards nearly \$4 billion in government contracts to more than 475 entities (known as nonprofit agencies or NPAs), each of which produces and delivers products or services to federal agencies with a collective workforce of approximately 45,000 people. This activity has made the AbilityOne Program one of the Nation's largest sources of job opportunities for individuals who are blind or have significant disabilities. During the fight against the coronavirus (COVID-19), NPAs have been performing front line mission-essential contracts, adding many production lines for Personal Protective Equipment such as gloves, masks and hand sanitizer, as well as extra shifts, weekend hours and support for deep cleaning, meal, laundry, and commissary services.

Over the last three years, spending through the AbilityOne Program has increased by approximately 18% to an all-time high of \$3.9 billion in FY19, contributing to the creation of about 1,600 new full-time positions over this same period. While this trend is promising, more must be accomplished in the federal contract marketplace to tap the potential of a population that has historically experienced the lowest employment rate of any segment in U.S. society. This includes thinking about how existing areas of employment might be grown and how emerging technologies and innovative buying strategies can create access to segments of the economy that traditionally have not been a source of meaningful employment opportunities for people with disabilities.

Because the AbilityOne Program serves as the primary gateway for helping people with significant disabilities gain access to the federal contracting marketplace, the actions outlined in this memorandum generally focus on this Program. However, the memorandum also encourages consideration of other federal resources that support increased employment for all people with disabilities. These resources include the Department of Labor's Office of Disability Employment Policy (ODEP), which has developed important tools to help private sector employers, including government contractors, recruit, hire and retain people with disabilities, and the Department of Education's Office of Special Education and Rehabilitative Services (OSERS) that seeks to achieve full integration and participation of people with disabilities, in part, through equal opportunity and access to education, training and employment. By considering all available resources, agencies can support robust employment through NPAs as well as through other private sector entities that sell products and services to the Federal Government.

Accordingly, this memorandum outlines five key actions to expand the reach and impact of the AbilityOne Program and other Federal resources that support the employment of people with disabilities. Some actions are designed for immediate impact while other actions focus on the creation of new employment opportunities to meet future workforce demands.

1. AbilityOne Representative

Creating opportunity for people with disabilities in the federal marketplace begins with heightened management promotion and workforce attention on the AbilityOne Program. The Senior Procurement Executive of each CFO Act agency is asked to designate an AbilityOne Representative ("ABOR") that advocates federal buying in accordance with mandatory source contracting procedures, engages with the workforce to build use of the Program, and offers feedback to the U.S. AbilityOne Commission to improve the value of the Program. At a minimum, the ABOR should support the following activities in accordance with an action plan that the ABOR has developed in coordination with the Senior Procurement Executive:

- a. Conduct in-reach with the federal acquisition workforce to increase attention on the AbilityOne Program. This includes:
 - i. promoting training that refreshes the acquisition workforce on the requirements of the Program, as set forth in FAR Subparts 6.3 and 8.7 and clause 52.208-9,¹ such as the online Continuous Learning Module created by the Defense Acquisition University² and the Federal Acquisition Institute,³ or briefings by AbilityOne Commission staff

¹ FAR clause 52.208-9 requires contractors that must use NPAs as mandatory sources of supply to use specified sources in the contract schedule or if not available or unsatisfactory, to receive approval from the contracting officer before they can have such requirements met through other means.

² *CLM 023 DAU AbilityOne Training*, (Nov. 7, 2019), <u>https://icatalog.dau.edu/mobile/CLModuleDetails.aspx?id=418</u>. ³ *AbilityOne Federal Training Course*, (Oct. 5, 2020),

https://faitas.army.mil/Faitas/External/Courses/Search/Results;keywords=fcl-a-0025/Details/FCL-A-0025%20 ~11~ CL ~12~.

for key users of the Program, such as purchase card holders and program coordinators;

- encouraging the use of resources that promote just-in-time, or "frictionless," acquisition with AbilityOne NPAs, such as the Spend Under Management dashboard on the Acquisition Gateway, which allow agencies easily to identify NPAs that sell through the General Services Administration's Federal Supply Schedules Program; and
- working with buying offices that are the most significant users of the AbilityOne Program to discuss suggestions that can be shared with the Commission and the AbilityOne Central Nonprofit Agencies to further improve the responsiveness of the Program and align its offerings with workforce needs.
- b. Collaborate with the AbilityOne Commission, the agency's Acquisition Innovation Advocate and Industry Liaison, and ODEP and OSERS on acquisition strategies that promote increased participation of people with disabilities in the workforce through use of NPAs or other private sector contractors;
- c. Consult with the Office of Small Disadvantaged Business Utilization to coordinate on actions that may simultaneously promote the achievement of small business goals and increase purchases from NPAs (such as small business distributors of AbilityOne products);
- d. Make a pledge to award a minimum percentage of the agency's total contract spend on AbilityOne products and services each year (see paragraph 3, below), monitor progress, and work with management and the workforce to adjust practices as necessary and appropriate where the pledge is not met; and
- e. Meet with the Senior Procurement Executive, no less than annually, to discuss progress made against the action plan, including the following (if not part of the action plan):
 - i. where internal awareness or contracting practices might be strengthened;
 - ii. new opportunities for the provision of AbilityOne products and services; and
 - iii. other opportunities for gainful, competitive integrated employment for people with disabilities.

2. AbilityOne ABORs Team

A cross-agency team will be established and managed by the Office of Management and Budget's Office of Federal Procurement Policy to support the work of the Commission. A senior official from the Commission will serve as the Vice Chair. Members will include the AbilityOne Representatives (ABORs) designated in accordance with this memorandum. Representatives from ODEP, OSERS, the Office of Personnel Management and the Small Business Administration will be invited to participate as advisors to facilitate awareness of, and collaboration with, other organizations with responsibility for helping to create jobs, promote entrepreneurship, and/or promote opportunities for persons with disabilities. Additional members or advisors may be added as appropriate.

At a minimum, the Team will:

- a. share and advocate best practices for increasing opportunities for people with disabilities;
- b. serve as a catalyst to create a bold vision for future employment opportunities;
- c. sponsor or co-sponsor government-wide events, such as workforce learning events, focus groups, and challenges;
- d. support outreach to interested stakeholders such as through webinars, roundtables, and town halls; and
- e. assist with the development of policy, regulatory or legislative changes that promote job opportunities for people with disabilities.

The Team's initial activities should include consideration of the following:

- <u>Identification of contracting strategies that promote the employment of persons with</u> <u>disabilities by NPAs</u>, such as by asking prime contractors, including small businesses, to subcontract with NPAs and other than small business prime contractors to develop subcontracting plans for the use of NPAs and, more generally, by reviewing recommendations made by the Panel established by section 898 of the FY 17 National Defense Authorization Act that might beneficially impact civilian agency activities.
- <u>Identification of contracting strategies that promote hiring of persons with disabilities</u> by private sector contractors who are not NPAs,⁴ such as by (i) encouraging agencies to consider use of an evaluation factor that gives credit for offerors who employ persons with disabilities⁵ and (ii) building awareness in the federal contracting base

⁴ Section 503 of the Rehabilitation Act requires covered federal contractors and subcontractors to take affirmative action to employ and advance in employment individuals with disabilities. Since 2013, the implementing regulations issued by the Department of Labor's Office of Federal Contracting Compliance Programs (OFCCP) have included an aspirational utilization goal of 7% to give contractors "a yardstick against which they can measure the success of their efforts in outreach to and recruitment of individuals with disabilities." Office of Federal Contract Compliance Programs, *Section 503 Regulations Frequently Asked Questions*, https://www.dol.gov/ofccp/regs/compliance/faqs/503_faq.htm#Q3.

⁵ For example, to determine the level of credit provided, agencies could ask for information on the total number of such employees and what this number represents as a percentage of the total workforce. If it is suitable to award an

of resources that help contractors create a more disability inclusive workplace, including through the promotion of ODEP's Workforce Resource Program (WRP), Employer Assistance and Resource Network on Disability (EARN) and the Job Accommodation Network (JAN).

• <u>Creation of awards</u> given out during events to celebrate excellence in federal acquisition that recognize outstanding contributions of members of the acquisition workforce, NPAs, or other federal contractors who have taken impactful actions leading to employment opportunities for people with disabilities.

3. AbilityOne Pledge

Making a pledge to increase the percentage of spend on products and services from the AbilityOne Program can serve as a useful management tool to drive and celebrate increased participation of NPAs in the federal marketplace. A pledge can also provide an incentive to help the AbilityOne Program expand its reach into markets, such as professional services, that can more effectively tap into the skills of college-educated persons with disabilities that are seeking meaningful employment.

Accordingly, each CFO Act agency is encouraged to re-prioritize its contract spend by entering into a pledge with the Commission by December 15, 2020, to increase its percentage of spend on products and services from the Procurement List operated pursuant to 41 U.S.C. § 8503 above its FY 2020 baseline and, to the extent feasible, make a minimum pledge equal to at least 1% of the total amount of funds obligated for contracts entered into with the agency during the fiscal year, with a further goal of increasing spend to 1.5% in FY 2022. Information about participants in the pledge program and achievements reached under the program will be shared publicly on the Acquisition Gateway.

4. Hire at Home

People with disabilities can contribute to agency missions not only as part of the contracting workforce but as members of the acquisition workforce. In FY 2020, the Office of Contracting at Wright Patterson Air Force Base established a goal for 10% of its contracting positions to be filled by people with disabilities. A number of resources exist that can help agencies identify possible hiring opportunities. For example, the Computer/Electronic Accommodations Program (CAP),⁶ operated out of the Department of Defense, helps agencies identify assistive technology and accommodations to support individuals with disabilities and

indefinite-delivery, indefinite-quantity (IDIQ) contract, the percentage identified in the initial contract award could be used as a baseline, with evaluation credit being given in orders based on whether the percentage has been maintained and increased. A similar employment factor was used by the Department of Veterans Affairs to promote employment of Veterans in its Transformation Twenty-One Total technology-Next Generation (T4NG) IDIQ contract. See VA118-15-R-0558 at p. 123, available at <u>https://govtribe.com/opportunity/federal-contractopportunity</u>/transformation-twenty-one-total-technology-next-generation-t4ng-va11815r0558.

⁶ Department of Defense, *Computer/Electronic Accommodations Program*, https://cap.mil/.

wounded, ill, and injured service members throughout the Federal Government in accessing information and communication technology.

Heads of contracting activities (HCAs) are encouraged to work with their Chief Human Capital Officers to identify possible hiring opportunities for people with disabilities in their acquisition workforce. As part of these efforts, HCAs may find it beneficial to consider professional support from private sector organizations that have expertise in creating an accessible and sustainable working environment.

5. Preparing for the Future State

The President's Management Agenda (PMA) calls on agencies to strive for bold change in how the Federal Government delivers its mission to meet the demands of the 21st century. One of the PMA's goals is to promote cross-sector partnerships between government and industry to help stimulate the development and testing of ideas to improve mission delivery, citizen services, and stewardship of public resources. Important efforts already have begun to reimagine employment opportunities for people with disabilities in the federal sector. Last year, the PMA made a challenge award to study the onboarding of neurodiverse individuals for cyber positions in government, and an NPA has created a development program to help these prospective employees with the soft skills needed for job interviews and working in an integrated environment, including for federal government contractors.

To build on these efforts, a call for ideas will soon be announced to identify new gainful employment opportunities and pathways to economic growth and prosperity for persons with disabilities in federal contracting. The call will invite input on a broad range of ideas, from entrepreneurship and job creation to expanded use of assistive technologies. The input will be used to help shape pilots and related activities that can support competitive integrated employment and inclusion in the workforce.

Questions regarding this management guidance should be directed to Eliana Zavala (Eliana.M.Zavala@omb.eop.gov) or Mathew Blum (Mathew_C._Blum@omb.eop.gov).