



**U.S. AbilityOne Commission
Key Points on Designation of American Foundation of the Blind
as a New AbilityOne Central Nonprofit Agency
July 26, 2018**

- The Commission is announcing an initiative today that is a new step toward advancing the Program's strategic direction.
- It's about increasing jobs for people who are blind.
 - Specifically, this initiative will increase the Commission's focus on growing employment in knowledge-based careers that pay a living wage, and that are integrated workplaces where integrated employment is customary.
- The economy, society and world are moving in the direction of more knowledge-based jobs, and have been for years.
- The Commission is increasing its emphasis on these types of jobs.
- That said, the Commission determined that CNA bandwidth is critical to achieve the Commission's #1 priority -- increasing career opportunities for people who are blind or have significant disabilities.
- As we've seen over the past several years, laws and public policy are changing around us.
- The Commission cannot ignore these changes, nor the implications for the Program's current business model.
- To maximize opportunities, the Commission is laser-focused on positioning the Program for mission success.

Commission Designating AFB as a New CNA Focusing on Knowledge-Based Jobs

- For these reasons, the Commission has approved the designation of a new Central Nonprofit Agency.
- The new CNA is the American Foundation for the Blind (AFB).

- The CNA designation is effective today.
- AFB's primary focus as a CNA will be on increasing job placement and career advancement opportunities in knowledge-based positions.
- AFB's goals as a CNA include:
 - Jobs that pay a living wage
 - Paths to careers
 - Removing barriers to competitive integrated employment
 - Expanding job options
- The Commission's designation of AFB is based on its authority in the JWOD Act to designate CNAs – the Act is explicit on this point.
- Designating AFB as a CNA recognizes the realities of the environment the Program operates in, and acknowledges that the Program must continue to move forward with the times.
- The new CNA is not an indication that the Commission wants to replace or eliminate either NIB or SourceAmerica.
- NIB and SourceAmerica will continue to play valued roles in the Program.

There are 3 major reasons why we're taking this step: Jobs, Innovation and Competitiveness

- **First, Jobs** – Commission's #1 priority for the Program is increasing the number of career opportunities.
- **Second, Innovation** – The Commission believes that innovation is critical to who we are and how we work. The future is coming, and the Program needs to be ready.
 - For people who are blind, the foundation of the Program since 1938 has been largely manufacturing.
 - Manufacturing continues to benefit the Program, but we need to intensify our focus on knowledge work.
- **Third, Competitiveness** – Competition is a major cornerstone of Federal contracting.
 - The Commission's new Chairperson, Thomas D. Robinson, highlighted competitiveness in his presentations at recent CNA conferences – specifically, that the AbilityOne Program needs to be competitive across the board – quality, price, speed and service.

- While AbilityOne is a mandatory program, its products and services still need to be competitive with the rest of the industrial base.
- Competitiveness produces more innovation and choice.
- Over the past few years, the Program has seen consistent interest in more competition – for example, from Congress, the GAO, and the ongoing work of the Section 898 “Panel on Department of Defense and AbilityOne Contracting Oversight, Accountability, and Integrity” authorized by the National Defense Authorization Act for Fiscal Year 2017.

Cooperative Agreement with AFB

- The vehicle for designating AFB is a Cooperative Agreement that the Commission signed with AFB today.
 - In June, 2016, Cooperative Agreements were also established with NIB and SourceAmerica.
- The Cooperative Agreement will be posted on the Commission website today.
- AFB’s first requirement as a CNA is to execute a study structured into three phases over a total of 5 years.
- After 5 years, AFB will be required to meet all requirements in 41 CFR 51.
- Until then, each phase acts as a building block to get to the next phase.

- Basically, Phase I is R&D, Phase 2 is Initial Capability, Phase 3 is Full Production

- Phase 1 is an 18-month “Research and Studies” phase.
 - Phase 1 is about developing a new CNA model to transition into Phase II, where the CNA will begin to execute some of the requirements outlined in 41 CFR 51.
- The Commission is waiving most of the CNA requirements for the period of Phase 1, since AFB will not be able to operate as a full CNA at the start.
 - The Phase 1 research and studies are being conducted to achieve a series of objectives spelled out in the Cooperative Agreements.
 - Objectives include:
 - Identify innovative employment opportunities, careers and lines of business for people who are blind

--- Identify a model for continuous identification of employment opportunities, careers and lines of business

--- Identify multiple ways to identify blind veterans seeking employment, identify the type of employment they desire, and provide them employment

-- Again, during that first 18 months, AFB will not have the authority to act as a CNA in the same sense that NIB and SourceAmerica function as CNAs.

-- They will not be working with NPAs on PL projects.

-- They will not be putting products or services on the Procurement List.

-- And they will not be authorized to collect a fee.

- Phase 2 is CNA Capability Development

-- Phase 2 focuses on taking the lessons from Phase 1 and developing a CNA model to transition to a point where the CNA will begin executing some of the requirements outlined in 41 CFR 51.

-- AFB will begin to implement recommendations and findings from Phase I research and studies and, pending Commission approval, begin to execute CNA regulatory requirements.

- Phase 3 is Transition to Full CNA Functionality

-- During this phase, AFB will provide management, labor, supervision, materials, equipment and supplies to furnish CNA program services as outlined in the Cooperative Agreement.

-- These program services include the capability to serve as a CNA for nonprofit agencies.

Next Steps

- Begin to implement the Cooperative Agreement with AFB

- Monthly meetings between Commission and AFB to discuss progress and deliverables