



ACICIEID Marketplace Dynamics Subcommittee

**Findings, Conclusions,
Preliminary
Recommendations**

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MARKETPLACE DYNAMICS

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MARKETPLACE DYNAMICS SUBCOMMITTEE

To assist the Subcommittee in creating its draft findings, conclusions, and preliminary recommendations, it organized its initial work into three topic areas:

- 1.) Ability One
- 2.) Employer Perspectives/HR
- 3.) American Job Centers

As with the other subcommittees, our work has just started and we have identified several other areas for future examination and discussion.

ABILITY ONE FINDINGS

Javits O'Day Wagner Act (JWOD Act, 1971) requires that nonprofits that provide goods and services to the Federal government under the AbilityOne (A1) program must have a 75% ratio of individuals who are blind or have other significant disabilities included in their workforce.

In FY 2014, 46,000 individuals with disabilities worked under the A1 Program. Source America and the National Industries for the Blind (NIB) are the Central Nonprofit Agencies (CNA) that work with AbilityOne. NIB oversees 84 nonprofits. Source America oversees 500 nonprofits and represents nonprofits that employ people with ID, DD or have other significant disabilities.

According to the Deputy Executive Director of A1 who addressed the subcommittee, 428 SourceAmerica nonprofits currently hold FLSA Sec. 14 (c) employer certificates.

ABILITY ONE FINDINGS

From 2011 to 2014, the overall income from sales of goods and services to the Federal government by NIB dropped from 717.7 M in 2011 to 612.8 M in 2014. SourceAmerica non-profits sales of goods and services ranged from 2.264 B in 2011 to 2.269 B in 2014.

A1 attributes flat or reduction of sales to overall budget austerity and military drawdowns.

The Deputy Executive Director of A1 explained the total sales above are not 100% profit. In particular, the cost of providing goods and services such as raw materials, equipment, labor and subcontracts must be deducted.

Source America and NIB receive a fee from each nonprofit after a contract is signed. After the goods or services are provided, then the Federal government is invoiced and the nonprofit receives compensation.

ABILITY ONE FINDINGS

The 15 member A1 Commission that provides oversight of the program consists primarily of Federal appointees, where the majority are procurement specialists. The remaining four members are private citizens knowledgeable about the employment of people who are blind or have other significant disabilities.

Most Federal agency appointees on the A1 Commission are not experts on the employment of people who are blind or have significant disabilities. Federal appointees with knowledge of Federal disability policies are the U.S. Dept. of Education (RSA) and the U.S. Dept. of Labor (ODEP).

Ability One Conclusions

A1 currently lacks a strong external monitoring process. For example, A1 is not currently monitored by any Office of the Inspector General.

The JWOD Act is outdated because it is not in compliance with current Federal disability policies or civil rights laws. JWOD Act requires segregation of employees who are blind or have significant disabilities at their worksites and is not in compliance with the 1999 Supreme Court decision *Olmstead v. L.C.*

Nonprofits under the A1 Program that go below the 75% ratio of employees who are blind or have significant disabilities (which is required by the JWOD Act) may be penalized.

Ability One – Preliminary Recommendations

Congress should consider amending the JWOD Act so that the A1 program ensures that the only priority for Federal procurement opportunities for nonprofit organizations under A1 is that they provide competitive, integrated employment opportunities for PWD.

The JWOD law should be updated to require all nonprofit organizations that provide goods and services to the Federal government through the A1 program to have human resource staff to assist in the placement of employees into competitive, integrated employment settings in their communities. For example, nonprofits can provide resources to employees who are blind or have other significant disabilities regarding customized employment and individual supported employment, benefits planning, financial literacy and other community-based day supports.

No employee who is blind or has other significant disabilities working for a non-profit under the A1 program should receive a subminimum wage under the FLSA Sec. 14 (c).

Congress should appropriate funding to provide for an Inspector General to be assigned to work directly with the A1 Program.

Employer perspectives and HR Findings

The current business narrative is that it is “the right thing to do to hire individuals with disabilities.”

A service provider lag exists for employers that want to hire people with ID, DD and other significant disabilities. Silos within individual corporate entities are often a barrier to communications as one office is not aware that another part of the company may have a position available that could lead to CIE.

Transportation challenges exist for people who do not drive or have access to public transportation, especially in rural areas across the US. Lengthy or complex urban commutes are also a barrier to CIE for some people who are blind or have other significant disabilities.

Businesses may be unaware of American Job Centers’ (AJC) business outreach and services provided. Further, AJCs lack consistency in the quality of services they provide to businesses.

Employer Perspective & HR Conclusions

Changing the Narrative – the committee must develop concrete recommendations that help educate employers that hiring persons with disabilities is good for the business bottom line and provides benefits to the company such as reduced turn-over and lower absenteeism rates.

The best way to change the narrative is to demonstrate to employers the evidence and offer examples that persons with IDD or have other significant disabilities want to work, are qualified and dedicated employees. As such, hiring PWDs is a cost effective way to build an inclusive workforce that is representative of the businesses' customer base. Savings can be realized in advertising, computing the vacancy, lost productivity and training.

Companies, whatever their size, must have an internal plan supported by strong executive leadership and their Board of Directors in order to successfully implement a plan for recruiting, hiring, training and retaining individuals with disabilities. Large companies can develop a business model with customized plan to meet employer and employee needs.

Additional Employer Perspective Findings

Business to business connection with peers work best in assisting companies in learning more about employing people with ID, DD and have other significant disabilities.

Businesses need to establish partnerships with government, service providers, secondary and postsecondary educational institutions and other businesses within their local communities.

Service providers that work with people with IDD and other significant disabilities do not understand businesses and many are poorly prepared to educate job applicants in job readiness.

During job interviews, applicants emphasize what they cannot do versus what they can accomplish.

The quality and abilities of job coaches vary. Job coaches can make or break an employee's ability to be successful on the job.

High schools and colleges are not preparing students for employment.

Employees with ID, DD or have other significant disabilities exceed expectations on the job. This exceeds the employee, family members and employer expectations.

Conclusions

People with ID, DD and other significant disabilities need internships and mentoring experiences while still in school in order to prepare them for employment.

Hold service providers, schools and colleges accountable.

Involve family members and guardians in employment meetings and company events.

Job coaches should sign an agreement with businesses acknowledging the expectations of the business as they work with an employee.

AMERICAN JOB CENTERS – FINDINGS

The AJCs, formerly the One-Stop Centers, offer job-seekers, students, businesses and career professionals access to an array of employment-related services and tools in one location. For example, individuals with disabilities can utilize resources such as career counseling, career planning, resume assistance, direct job placement, classroom and on-the-job-training, information about local and national labor markets and unemployment compensation.

AJCs across the United States lack continuity in outreach to businesses.

AJCs are inconsistent in the quality of services provided to companies that want to hire people with disabilities.

AJC staff need ongoing education on “Disability Awareness” and how to provide quality services to people with IDD and other significant disabilities.

PRELIMINARY CONCLUSIONS/AJCs

AJCs are not using the same language as businesses, and as a result, are not as effective as they could be connecting employers with individuals with disabilities.

AJC staff are confused on what they can communicate to businesses regarding a disabled candidate seeking employment. For example, staff have questions about standards relating to provision of services (e.g., ADA Title II, Section 504), and standards relating to employment (e.g., ADA Title I, and specific parts of Section 504).

FUTURE ISSUES TO BE ADDRESSED

OFCCP 503 Rules and State use programs

Fair Labor Standards Act Sec. 14 (c)

High Growth Industries such as technology, health care, and retail

More Effective Engagement with Workforce Boards and VR

Transportation

Self Employment for People with IDD and other significant disabilities