



The National Association for the Employment of People who are Blind

NAEPB Board of Directors and Membership Meeting

Wednesday, November 14, 2018

8:30 AM – 11:30 AM ET

Dial-in number: 1-877-860-3058

Pass Code: 925356

*****Callers should plan to dial in at least 5 minutes prior to the start of the meeting. Please place your phones on mute to minimize background noise. ******

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|---|------------------------|
| 1. Call to Order | Mabry |
| 2. Board Roll Call | Petach |
| 3. Minutes for Approval
NAEPB Board Meeting (August 6, 2018) | Petach |
| 4. Treasurer's Report | D'Amico |
| 5. Consent Calendar Reports | Mabry |
| a. BSC Committee – received | |
| b. Ethics Committee – received | |
| c. Marketing Committee – received | |
| d. Operations Committee – received | |
| e. Public Policy Committee – received | |
| f. Services Committee – received | |
| g. Strategic Plan Update – received | |
| 6. Marketing Committee Update | Kerlin |
| 7. Public Policy Committee Update (NDAA and WIOA) | Moneymaker and Vidrine |
| 8. Public Policy Funding Options | Moneymaker |
| 9. 898 Panel Report update | Lynch |
| 10. Draft Revision to Commission Federal Regulations | Mabry |
| 11. President's Update | Mabry |
| 12. NIB Update | Lynch |
| 13. Other Business | Board |
| 14. Adjourn Board Meeting | Mabry |



The National Association for the Employment of People who are Blind

NAEPB Board of Directors Meeting

Monday, August 6, 2018

10:30 AM – 12:00 PM ET

APPROVED NOVEMBER 14, 2018

Mr. Mabry called the meeting to order at 10:30 a.m. He asked Ms. Petach to call the roll.

All members of the board were present:

Rudy D'Amico
Ken Fernald
Jeffrey Hawting
David Horton
Jim Kerlin
Reinhard Mabry
Lou Moneymaker
Michael Monteferrante
Erika Petach
Eric Stueckrath
Renee Vidrine

NIB:

Kevin Lynch
Steve Brice
Andy Mueck
Matt Wieseler
Angela Hartley
Rick Webster
Heather Lyons
Ellen Najjar
Jennifer King

Agencies in attendance:

Arizona Industries for the Blind
Association for the Blind & Visually Impaired (Rochester)
Beacon Lighthouse, Inc.
Bosma
BISM
Industries of the Blind – Greensboro
Lighthouse Works! Inc.
Mississippi Industries for the Blind
San Antonio Lighthouse
Travis Association for the Blind
Virginia Industries for the Blind
West Texas Lighthouse for the Blind

Ms. Petach asked for a motion to accept the minutes of the June 25, 2018 Board meeting that had been circulated with the read ahead materials. Mr. Fernald moved, Ms. Petach seconded. The motion was passed unanimously.

Mr. D'Amico presented the Treasurer's Report which had been circulated prior to the meeting. He asked for a motion to accept the report. Mr. Kerlin moved, Ms. Vidrine seconded. The motion was passed unanimously.

Mr. Mabry presented the Consent Calendar. Reports received and circulated were BSC Committee, Marketing Committee, Operations Committee, Public Policy Committee, Services Committee and Strategic Planning Committee. He asked for a motion to accept the reports as submitted. Ms. Petach moved, Mr. D'Amico seconded. The motion was passed unanimously.

Mr. Mabry asked Mr. Hawting if there were any updates to the strategic plan. Mr. Hawting had nothing to add to his submitted report. Mr. Hawting noted that in discussions with Michael Monteferrante it was agreed to change the wording of tactic #6 under "Program Stewardship" from "Establish AD HOC BSC Advisory Board of BSC/NON BSC Agencies" to "Promote Agency Sales through BSC Channel". This reflects a more accurate assessment of the BSC committee activity, given that it is driven by the BSC Operators.

He also pointed out that many of the committees have several tactics to complete, and due to some overlap it is not always clear if a tactic has been completed, as they may be interrelated. Going forward the committee will try to give a bit more granularity to the tactics.

Mr. Mabry reminded the group that quite a few of these tactics were a result of the Advance in January. Four of the tactics that were added have been completed, five are behind pace, and six are on pace. The board is aware of the work being done on the ones behind pace. Mr. Mabry thanked all the committee members for their hard work and engagement to stay focused.

Mr. Mabry asked Mr. Fernald to update the members on the strategic pricing subcommittee. Mr. Fernald reported that the Commission has been challenged on the 2% administrative fee by the VA and they have started to remove the fee from contracts. This will obviously have an impact for agencies.

Mr. Fernald said the pricing committee would like the Board to discuss the FMP and also have the NPAs delve into what is built into the FMP at each agency. The committee has asked the Commission to create a policy to memorialize and acknowledge the change and create a structure for the NPAs to bill properly.

Mr. Mabry had several questions. Is the policy being drafted now? What type of conversation is going on with the Commission about the elements of that policy? Is there a timeframe for it being approved and distributed to everyone?

Mr. Fernald answered no, it is not being drafted yet. The Commission's involvement to date is they have participated in several committee calls to discuss pricing, talked about the policy and changes to the agencies pricing and they have acknowledged that there are real costs involved. There is no time line although they are removing the 2% fee from prime vendor contracts. The history does not show any type of authority for implementing the 2% fee and there is no authorization from the Commission. It has been in existence since the mid-90s. The Commission staff who have been on the calls with the committee understand the issue and are sympathetic to the fact that this will hurt the bottom line at the agencies. The committee is going to take a hard look at starting to draft a policy to present to the Commission.

Mr. Kerlin asked if it would be better and more efficient to work on the 2% fee as part of the overall pricing policy rather than treating it as a separate matter.

Mr. Fernald said this issue came to the committee as a separate matter, so they had been handling it separately. But they were asking the Board for guidance and advice and appreciated the discussion.

Mr. Mabry said that he and Mr. Fernald had discussed this off-line and agreed to discuss at the Board and Membership meeting in November when all members are present to participate. He did say that between now and then, it would be useful to have something in writing to prepare for that meeting. Mr. Fernald

agreed that they need to get something in writing from the Commission to make sure they are moving in the right direction.

Mr. Mabry asked Mr. Moneymaker and Ms. Vidrine to update on the NDAA and WIOA. Mr. Moneymaker said there is a lot that has been going on in the public policy area. He said the minutes from the last public policy committee meeting that were attached in the read ahead materials covered most issues.

The committee feels the primary reason the 1.5% set aside goal was not part of the NDAA bill that was passed was because the 898 panel report was late getting to the congressional committees and they were wary of passing an AbilityOne 1.5% set aside goal without seeing what was contained in the report. The other reason was a letter that was sent to the big four – Senator McCain, Senator Jack Reed, Congressman Mac Thornberry, and Congressman Adam Smith from disability groups expressing their strong opposition to the inclusion of the goal (set aside) in the bill.

Regarding section 846 of the NDAA on eportals, it is now in phase 2 of the planned process. NIB submitted comments to GSA last month in response to the two RFIs for suppliers and portal providers.

Regarding WIOA, Mr. Moneymaker reported he has tried for some time to get audiences with Secretary DeVos and Undersecretary Collett. Mr. Mabry and Mr. Tiaht had a meeting with Collett some time ago and there have been requests for a further face-to-face with no responses. The committee has been told that there will be some kind of movement regarding the WIOA regulations, in particular the preamble that was designed by RSA, in September. The form would be a NPRM, or it could actually be an issue of new regulations.

The Grothman legislation is alive at least until after the House returns from recess after Labor Day. There can still be representatives recruited to sign on to that legislation.

The Messer-Grothman letter was closed out last week and sent to Secretary DeVos with 18 signers.

There is a letter that has been drafted by Todd Tiaht as a response to a letter dated July 9, 2018, signed by 38 disability groups to Secretary DeVos. The purpose of that letter was to state that the signing organizations strongly oppose the Education Department opening up the WIOA regulations.

The public policy committee would like to have Mr. Tiaht's letter signed by the all of the NAEPB member agencies. The letter will be finalized this week and circulated to all agencies for their review and comments. Mr. Moneymaker asked that everyone agree to sign on to the letter and to let him know if your agency does not want to sign onto the letter.

Mr. Moneymaker concluded his report informing the group that the opening arguments in the IFB Solutions PDS case in the appellate courts will begin next month.

Mr. Mabry commented that the public policy committee has been very active and very engaged in the current issues, and he commended Mr. Moneymaker and Ms. Vidrine for their tremendous work and effort.

Mr. Mabry reminded the members that now is the time to contact your members of Congress to have them come to your agency for a tour and meet with employees to reinforce the importance of their jobs, that they are real and that the employees are making real wages with real benefits. This is very important.

Mr. Hawting asked Mr. Moneymaker about the information in his report regarding NFB and their relationship with NIB. Mr. Mabry said he has just received a copy of a letter written by NFB regarding AFB which is very complimentary of NIB and its work as the CNA. He commented it is a complex relationship between NFB and the AbilityOne program. They are advocating for things that NIB/NAEPB are opposed to but they are not completely negative.

Mr. Mabry asked Mr. Moneymaker if he had an update on the public policy funding options. Mr. Moneymaker explained that NAEPB definitely needs to continue to work hand-in-hand on public policy issues with NIB, but at the same time there is a significant need for NAEPB to have a stand-alone public policy company to allow the organization to be as aggressive as necessary. There are times when NIB is

caught in the middle of circumstances that are important to NAEPB as it relates to activities between the CNAs and the Commission.

The other disability organizations are very well organized, with professional public relations efforts, and it is time that NAEPB stands up to be counted. NAEPB has a tendency not to speak back or refute some of the arguments that come out and it needs to take on a different attitude so people know who the NAEPB is. This will be an expensive undertaking for NAEPB.

A committee was appointed at the last board meeting composed of Mr. Moneymaker, Mr. D'Amico and Mr. Kerlin to take a look at options and what the costs are. At the same time, the committee is looking at methods of payment and one of those will include a potential change in the dues structure. This is also going to require a lot of coordination between NAEPB and a marketing/PR publicity push which Mr. Kerlin is working on to see how those will interface and support each other.

The subcommittee will have a presentation ready to submit to the board by mid-August, including the costs and suggested ways to fund it. Mr. Moneymaker is going to ask for a special board meeting to review this presentation and discuss how NAEPB can assume a voice to stand alone when necessary. The meeting will be to discuss this single item to then distribute to the membership for review, discussion and hopefully approval at the fall board meeting.

Mr. Kerlin stated that this is a very important issue for the NAEPB to take up at this time. The funds are already being spent in other ways, and it is time to formalize the process and recognize that this type of representation is needed.

Mr. Moneymaker added that one statement that came out of the 898 Panel report is that NIB cannot spend money on lobbying. By hiring their own firm, NAEPB will have flexibility.

Mr. Mabry asked Mr. Lynch to give a report on the 898 Panel report.

Mr. Lynch told the group that the report that has been shared with the group is not public information and he asked that no one share it outside the group for the time being. There are 41 recommendations in the report, and those came from seven sub-committees of the panel. Mr. Lynch said that working with the public policy group chaired by Lou Moneymaker, NIB is putting those 41 recommendations into a ranking matrix that is set up to show which ones must be implemented immediately, which ones are important but not critical and the ones that are less important. NIB will work with the public policy group and the NAEPB on a response that will go back to the panel on those recommendations.

Mr. Lynch mentioned the recommendation that stated the CNAs could not use program funds for lobbying efforts. Mr. Lynch had a conversation with Shay Assad several weeks ago regarding the 1.5% set aside goal and what could be done to get support for it. Mr. Lynch brought up this point from the report that the CNAs were not able to use program funds for lobbying efforts. Mr. Assad was quite taken back that this was in the report as he didn't feel this was an issue. Mr. Lynch and Todd Tiaht will be meeting with Mr. Assad later this week to discuss the steps going forward since the 1.5% did not pass. Tina Ballard will also attend this meeting. Mr. Lynch will report to the board afterwards.

Mr. Lynch will send the ranking matrix out to the group when it is completed later this week.

Ms. Vidrine asked if NIB/NAEPB would be reaching out to SourceAmerica on the 41 recommendations and collaborate where possible on responses. Mr. Lynch said that he has been discussing this with Steve Krotonsky. He reiterated that it is a bit difficult to do anything since the report is not public information, but this allows more time to work on responses.

Mr. Mabry asked Mr. Lynch to continue with a report on the Commission designating AFB as a new CNA. As introduction to this topic, Mr. Mabry told the group he received a call from Tina Ballard and Kim Zeich the Wednesday prior to the announcement of this CNA strongly encouraging him to attend the call and that it was going to be very exciting news. Mr. Mabry did participate in the meeting via phone when the Commission relayed the news.

Mr. Lynch reminded the group that NIB had sent out a link to the AbilityOne site to read the press release and talking points on the announcement.

The AFB Cooperative Agreement (CA) can also be found on the AbilityOne site. It is over 80 pages long and is broken down into three phases with the first one being an 18 month research and studies phase to look at a number of different things that are involved in being a CNA.

The second phase is AFB will begin to take on some of the functions of a CNA but does not include funding which will occur in the third phase when AFB will transition to full CNA functionality.

As Mr. Mabry indicated, NIB has been contacted by many different groups since the announcement. NFB sent a letter this past Friday to the Commission staff, the Commission members and members of Congress, calling for a retraction of this CA since it was not done in a transparent manner.

Mr. Lynch has also heard from other disability organizations who have voiced the same concerns -- primarily about how it was negotiated behind closed doors, that it wasn't put out for proposal and he thinks there will be similar comments from more outside groups. NIB is focused on going forward. NIB has to renegotiate its own cooperative agreement before the end of this year. The RFP was to have been received this week, but the Commission has put that off until mid-September.

NIB is preparing for those negotiations. Mr. Lynch has been contacted by the Inspector General and they will be meeting later this week about some issues he has with the AFB CA. The IG shared that he was only told about the agreement 30 minutes before it was announced to NIB and he was not given a copy until it was on the website.

Mr. D'Amico asked Mr. Lynch if he could tell the group the good, bad and ugly of why the Commission thought this was a good idea for the program. Mr. Lynch said he could only say that it was a recommendation made several years ago that didn't pick up a lot of traction that he was aware of. NIB heard rumors that there might be something but did not receive confirmation prior to the announcement.

Mr. Lynch can only surmise about the reasons. One thing that came out of the 898 report is that there should be competition between the various entities. Mr. Kerlin said there were references on the call the Commission had with the agency CEOs that the CNAs and NPAs should be competitive. He feels that this word is being tossed around in many different ways.

Ms. Nasehi was also on the call and she felt that Ms. Ballard was trying to redefine the word competitive.

Ms. Nasehi asked if anyone knows what position ACB is taking on this. Mr. Lynch said Ms. Hartley had a conversation with Eric Bridges and they are not happy. Ms. Hartley said they are evaluating the situation to determine what position they may take. However just as the NFB and many other organizations have expressed concern that they were not in the loop on this, the constituents involved were not consulted and are concerned that the process was done in secrecy.

Mr. MoneyMaker was also on the call and agreed it was confusing; especially the conversation regarding the issue of competition. He shared that during the call Mr. Puente asked what the process was of selecting AFB. The Commission answered that they used their legislative authority to select the CNA and there was no process.

Mr. Koch commented that Kirk Adams, CEO of AFB, had been on the VIB Advisory Board and resigned right before this announcement. Mr. Koch asked him about the lack of transparency in the selection, and Mr. Adams said that was an AbilityOne Commission decision.

Mr. Mabry wrapped up the discussion. He said the group needs to be very thoughtful at this point. There is a nexus between the 898 panel report and its recommendations and the CNA CA with AFB which has some interesting points in it. He connected that dot with the flow down agreement that was monitored in anticipation of the final document being signed by NIB and this could be a sign of the direction some would like to see the program go.

Mr. Mabry and Mr. Lynch are compiling a list of questions regarding the CA for the Commission. There is discussion as well on who should ask them and how they should be worded.

Mr. Mabry asked the group to take the time to do some heavy analysis and read the material and connect the dots. A plan is going to have to be put together of those that appear to be problematic. Some will be opportunities, but we have to be cautious and thoughtful.

Ms. Vidrine had two comments. She agrees that everything that has happened recently is connected. One thought is that some people have the idea that people who are blind are capable of doing all kinds of things, using technology, getting higher paying jobs, and sometimes forget that people who are blind are just like people who are sighted. Some have the capabilities to have wonderful careers, make a lot of money, use technology to push themselves forward; and others do not, similar to people who are sighted.

Ms. Vidrine's second comment is NFB is an organization representing people who are blind and NIB and its agencies are organizations employing people who are blind. The agency has employees who are members of the local NFB chapter and when the agency speaks with them about what the NFB national chapter stands for and publicizes, the employees are shocked. They do not hear that from the local chapter. They don't understand it.

Mr. Mabry said that Kirk Adams called him the day after the announcement. He shared some of the thoughts from that call. One was to address the question of transparency. Mr. Adams told Mr. Mabry that he had been under an NDA since he left the Seattle Lighthouse, and that the conversation with Ms. Ballard began as he was transitioning to AFB. Mr. Mabry asked Mr. Adams directly about the public announcements and some of the materials that have been put out which give the impression that he is turning his back on the jobs that have been in this program for decades. He asked Mr. Adams very pointedly are you telling me that now you are the AFB President and not the Seattle Lighthouse President that those jobs you created and were so successful in establishing are not real jobs and are not worthy jobs? Mr. Adams said that he believed those jobs are real, are competitive and they are jobs he fully supports and so does AFB.

Mr. Adams said AFB's research shows that blind people in the United States are the most well-educated in the country among any disability group and yet they suffer the same high unemployment rate. He believes that is due to a lack of attention to knowledge-based jobs and he believes that the AbilityOne program has not really catered to that population at all, but have catered primarily to a lower-skilled worker. Therefore, he saw this as an opportunity to expand, not turn away from one versus another.

With regard to the second question about whether or not employees should represent the program: at the fall conference there will be opportunities for employees and veterans who are blind to convey a message that their jobs matter and they are important.

Mr. Mabry has extensive data that has been published by RSA that shows a very different picture nationally and he thinks it is something that can help to guide the strategy over the next few months.

Mr. Edgemon asked if the JWOD Act will have to be amended regarding the 75/25 percent ratio that is currently in it. Mr. Mabry said there are some references to changing the law in the 898 report and with the CA with AFB on doing research and making recommendations to propose legislation to make changes.

Mr. Edgemon then asked a question regarding the WIOA regulations. They have gone to the VRA and not been able to get referrals. What in their mind is integrated? Mr. Mabry responded that in the WIOA regulations every job has to be looked at on a case-by-case basis to see if it meets the guidelines and is integrated. However, there is a preamble to the publication of those regulations that specifically calls out the AbilityOne Program and state programs by comparison and says that generally those jobs are not competitive. What has happened is that some states have instructed their counselors to apply the preamble as regulation. This makes their jobs easier by just assuming that the job is not competitive or integrated and not looking at what the job requires. NAEPB has been urging the Department of Education to send out at the very minimum additional guidance and say that you have to look at every job. They have up to this point been resistant to do that, so we are just keeping the pressure on.

The end result of that is a 30% decrease of placements of people who are blind in jobs over the past three years.

Mr. Gould asked if there is a possibility since the CA with AFB was done in secret, there is a possibility the 18-month research phase could be reduced to nine or 12 months. Mr. Lynch said there is a clause that AFB could ask for the time period to be accelerated, but that is up to the Commission.

Ms. Nasehi asked why is it not an issue that NFB is not being cited for not being integrated? Mr. Mabry said that many of the organizations that signed the letter to the Department of Education do not practice what they preach and are not integrated.

Mr. Mabry said he would speed through the rest of the agenda. The second meeting of the G4 will be next week during the NCSE Forum. The group will also meet with Ms. Ballard and Ms. Zeich. Inclusive of that discussion are several initiatives she has asked the group to consider and recommend to the 898 Panel.

Mr. Mabry asked for a quick update from Mr. Lynch. Mr. Lynch reported that business results through June are all positive, sales up over 9%, coming in at \$570 million. This time last year they were \$522 million. Generally, all of the business lines are up and that is very positive. BSC stores sales are ahead of last year.

Hours for third quarter will be published later this month and should be up.

Mr. Lynch reported he had a brief conversation with Ms. Ballard regarding the Amazon Air Force Pilot. As of a week ago, there was still no data from Air Force and the Commission was told that the Air Force was still rolling it out. The roll out was supposed to end in June, but now may be extended beyond September. NIB has been checking sales at the six base stores where the pilot is being run to see if they have been impacted. At these BSCs, sales are up month over month from last year.

NIB has done some comparison pricing on the Amazon landing page and graphed that information.. There is a steep mark up from what the dealer price is -- more than the 15% Amazon had indicated. In some cases, the price is up 30% to double what the GSA schedule price is. With results like this and without some control, NIB does not expect sales from Amazon.

Mr. Kerlin asked about the Commission pilot with Amazon. Mr. Lynch told the group that the Commission gave Amazon 34 dealer names, and 11 have agreed to move forward.

Mr. Mabry asked if there is any other business to come before the board. There being none, Mr. Mabry asked for a motion to adjourn. Mr. Moneymaker moved, Ms. Vidrine seconded. The meeting was adjourned at 12:25 p.m. ET.

NAEPB Treasurer's Report
For the Year Ending September 30, 2018
NAEPB Board Meeting November 14, 2018

Please see the preliminary financial statements for the year ending September 30, 2018, which are pending review by an independent accountant. The checking account balance was \$4,998 and the savings account balance was \$79,174. There were no accounts receivable at year-end. Three agencies were dropped and \$2,500 has been charged off. Lighthouse for the Visually Impaired and Blind, North Tampa Bay, has decided not to continue their membership. NAEPB membership now stands at 58 agencies.

Accounts payable at year-end were \$1,332 consisting of expense reimbursements for the service committee meeting. Accounting fees of \$2,200 have accrued for the 2017-18 review by an independent accountant. Total equity at year-end was \$81,943.

Total revenues for the year were \$76,334, consisting of \$30,000 in membership dues (prior to adjustment for bad debt expense), \$46,228 of reimbursements from NIB for expenses paid on NAEPB's behalf, and \$106 of interest income. Expenses year to date were \$195,158, including payments for legal (Amicus Briefs) and consulting (WIOA Lobbyist) services of \$74,230 and \$62,500, respectively, and \$42,209 for the annual conference & retreat. The change in net assets for the fiscal year to date is a loss of \$118,824.

Respectfully submitted,

Rudy D'Amico, *Treasurer*

NAEPB
Statement of Financial Position
As of September 30, 2018

ASSETS

Current Assets

Cash Checking	\$	4,998
Cash Savings		79,174
Due from NIB		1,176
Prepaid Expenses		127
Total Current Assets		<u>85,475</u>

TOTAL ASSETS \$ 85,475

LIABILITIES & EQUITY

Current Liabilities

Accounts Payable	\$	1,332
Accrued Expenses		2,200
Total Current Liabilities		<u><u>3,532</u></u>

Equity

Opening Equity Balance		200,767
Change in Net Assets		<u>(118,824)</u>
Total Equity		<u>81,943</u>

TOTAL LIABILITIES & EQUITY \$ 85,475

NAEPB
Statement of Activities

For the Year Ending September 30, 2018

REVENUE	ACTUAL YTD	BUDGET YTD	VARIANCE	Budget 2018
Investment Income	\$ 106	\$ 100	\$ 6	\$ 100
Membership Dues	30,000	31,000	(1,000)	31,000
NIB Reimbursement	46,228	50,000	(3,772)	50,000
TOTAL REVENUE	76,334	81,100	(4,766)	81,100
EXPENSES				
Accounting Fees	2,135	1,500	635	1,500
Legal Fees	74,230	5,000	69,230	5,000
Consulting Fees	62,500	52,500	10,000	52,500
Website Maintenance	331	1,600	(1,269)	1,600
Awards / Honors	191	500	(309)	500
Insurance - Liability / D&O	636	1,200	(564)	1,200
Bad Debt Expense	2,500	1,500	1,000	1,500
Miscellaneous Other Costs	3,340	200	3,140	200
Officers Expenses	2,363	5,000	(2,637)	5,000
Annual Conference & Retreat	42,209	45,000	(2,791)	45,000
Service Committee	3,414	1,500	1,914	1,500
Operations Committee	0	1,500	(1,500)	1,500
BSC Committee	0	1,500	(1,500)	1,500
Public Policy Committee	0	1,500	(1,500)	1,500
Marketing Committee	1,309	1,500	(191)	1,500
Strategic Planning Committee	0	1,500	(1,500)	1,500
Ethics Committee	0	1,000	(1,000)	1,000
Annual Audit Meeting	0	500	(500)	500
TOTAL EXPENSES	195,158	124,500	70,658	124,500
CHANGE IN NET ASSETS	\$ (118,824)	\$ (43,400)	\$ (75,424)	\$ (43,400)



The National Association for the Employment of People who are Blind

BSC COMMITTEE REPORT

SUBMITTED BY MICHAEL MONTEFERRANTE, VP

BOARD MEETING NOVEMBER 14, 2018

This important meeting recap sums up the important topics of conversations that have occurred over the past period. 4PL/Amazon AF Pilot, ETS concerns.

The monthly BSC Operator's teleconference was conducted on 31 October 2018. There were 19 total participants on the call. The focus of the meeting was to discuss ongoing challenges to the BSC program and the need for a unified approach from all BSC operating NPAs, NIB and the Commission in order to assess impacts and craft an effective response/strategy to the changing competitive landscape.

Michael Monteferrante and Buddy Sell of Envision led the main discussion on industry challenges to update the operators prior to our annual convention 13-15 November. The primary topics involved the ongoing Amazon initiatives and the latest developments in the GSA-AbilityOne BSC 4PL partnerships. A summary of the key discussion points is as follows:

- Envision hosted a visit from Commission senior representatives, led by Kim Zeich, on 30 October. Tina Ballard will conduct a follow-on visit to Envision on 29 November.
- Discussions with Kim Zeich and her group included the recently expanded Amazon pilot at USAF installations, all of which have a BSC. The Air Force and Amazon have expanded the pilot to 14 bases. Analysis of USAF total spend on the pilot is still being developed and the need for BSC operators to carefully gauge any downturns in both AbilityOne and Commercial sales at these bases is of paramount importance.
- Amazon's AbilityOne Landing Page was a major point of concern during the Commission visit to Envision. The lack of "mandatory source" language (vs preferred source) from Amazon remains a significant issue. ETS is prevalent on the Landing Page, and several BSC operators as well as NIB Channel Management (represented on the call by Annelie Eyre and Jamie Huffman) cited cases where AbilityOne products were displayed alongside Amazon recommendations for "similar recommended products" (which were ETS).
- Kim Zeich told Envision that the Amazon AbilityOne Landing Page was essentially an exploratory, trial site and not permanent. She indicated that the Commission wants to assess how well the site and the overall Amazon initiative to sell AbilityOne products works before making a determination of its feasibility. The Landing Page could be cancelled if it doesn't work (due to non-compliance with ETS, etc) .
- Price Comparison: Bill Blackton shared LCI's recent pricing analysis of 20 top-selling AbilityOne BSC products against Amazon's offering. In each case, Amazon was more expensive. LCI's conclusion was that the Air Force would save hundreds of thousands of dollars if they bought

their AB1 products from the BSCs vs. the Amazon site. April Lange of Arizona Industries said that a similar comparison of prices at Luke AFB also showed that Amazon was consistently higher than the BSC.

- Annelie Eyre briefed her team's ongoing efforts to track Amazon and the Landing Page and her frequent reports on findings/concerns to the Commission. She welcomed all feedback and evidence gathered by the BSC operators and indicated that NIB will incorporate all findings from the field into her reports.
- The consensus of the group was that Amazon's presence in the federal space was not increasing Government demand (which is relatively static), rather it was taking business from other traditional vendors/suppliers, including the AbilityOne program.
- Buddy Sell briefed the latest restrictions put in place by GSA on their 4PL partnerships with 10 BSC operating agencies. GSA, concerned over potential violations of the Competition in Contracting Act (CICA), has emplaced severe constraints on the BPAs that serve as the cornerstone of the 4PL arrangements. All commercial purchases will be limited to the \$10,000 micro-purchase limit and all AbilityOne purchases will be limited to \$250,000 (Simplified Acquisition Level). Any commercial products over \$10,000 that are currently on our BPA catalogs must be removed by 22 November.
- Michael Monteferrante tasked Buddy Sell to draft up a White Paper by 2 November outlining some potential options for GSA in order to continue a vibrant 4PL partnership arrangement with the BSCs. The tenets of this paper will be staffed to the BSC operating CEOs and NIB in hopes of fostering productive discussions at the upcoming national conference. It will be critical for all CEOs, NIB and the Commission to be on the same page with regards to this strategy. GSA has already indicated that they believe the 4PL is a sound concept and offers unparalleled convenience and flexibility for our customers. GSA is also open to direct discussions with a combined AbilityOne working group (NIB, NPAs) to consider all options that will keep the 4PLs viable and lucrative while also abiding by CICA policies.
- Envision indicated that Kim Zeich and her team seemed amenable to a potential solution wherein the AbilityOne NPAs could all compete against each other for high dollar requirements (a TLS-like solution) generated from the 4PLs. This could possibly eliminate GSA legal concerns over lack of competition while keeping open the opportunity for all of our NPAs to fulfill commercial buys well above the micro-purchase limit. A unified position will be key in order to take a solution to GSA in the immediate future. No poaching and no physical activity will be permitted.

Bottom Line from today's meeting: Amazon represents a significant threat to the BSC and overall AbilityOne program. NPA CEOs must remain in step with NIB and the Commission to carefully assess Amazon's initiatives in the federal government procurement space and ensure the integrity and viability of our program is not irreparably damaged. A strong and mutually beneficial relationship with GSA (the 4PLs are a key piece of this) is equally important in order to continue growing the program and offering our customers a unified solution that is far more cost-effective and customer friendly than on-line business with Amazon.



The National Association for the Employment of People who are Blind

ETHICS COMMITTEE REPORT

SUBMITTED BY ERIC STUECKRATH

BOARD MEETING NOVEMBER 14, 2018

Nothing has come before the committee from the board or membership.

The Code of Ethics and Conduct Policy has been distributed to all member agencies for signature and should be returned to Ellen Najjar at NIB on behalf of the NAEPB, by Friday, November 26.

If there are issues for your agency to sign, make sure to let Ellen or Eric know that you are aware of and working on getting it signed.



The National Association for the Employment of People who are Blind

MARKETING COMMITTEE REPORT

SUBMITTED BY JIM KERLIN, VP

BOARD MEETING NOVEMBER 14, 2018

SKILCRAFT Branding Repositioning Initiative

- Competitive audit of SKILCRAFT categories was completed
- Marketing representatives from four associated agencies attended a working session to collaborate on the development of the Brand Experience Platform
- Currently working on the creative and graphic execution of the brand (inclusive of logo and tagline) across products and services
- Phase 4, final phase, will include the development of thorough brand guidelines and updating of current marketing materials based on the new guidelines.
- The Phase 4 work is scheduled to be completed in late January. A launch go-live date is TBD.

NIB Advocacy Marketing Campaign

- Excellent progress has been made; campaign messaging is in development based on qualitative and quantitative research.
- Reingold was selected as the Marketing Communications Firm to develop the campaign
- Listening sessions were held with associated agency CEOs to understand key issues and goals
- Phase 1 research has been completed to understand perceptions of targeted audience (elected officials, policy makers and influencers)
- Currently, Reingold is developing key messaging options based on Phase 1 research. Messages will then be tested in Phase 2 research to determine which will be most impactful with the target audience.
- Following Phase 2 research, Reingold will finalize messaging and tactics for the campaign.

SKILCRAFT Product Promotion

- Sub-Committee created.
- Scope of work and deliverables defined as follows:
 - ✓ Draft of Charter has been divided among the subcommittee and will be available by January 2019

- ✓ Establish a centralized repository for all product marketing information with cross-functional collaboration
- First meeting held August 14, 2018
- Roles and responsibilities assigned
- Agency survey went out to determine the agency need in regard to product marketing efforts and/or needs



The National Association for the Employment of People who are Blind

OPERATIONS COMMITTEE REPORT

SUBMITTED BY KEN FERNALD, VP

BOARD MEETING NOVEMBER 14, 2018

Updated Operations Committee Strategic Tactics are as follows:

1. Establish pricing methodology for a Fair and Equitable Commodity Pricing Process
2. “Mandatory” support and enforcement
3. Identify and improve metrics and source of metrics to get better operational results in the area of on time delivery and customer satisfaction.
4. Develop/Implement “LEAN” new product introduction process

Two phone meetings with sub-committee chairs have been held in recent months. The focus of the meetings has been to provide updates on current activities, and to start streamlining the sub-committee structure. Each sub-committee has been asked to develop a statement of purpose with objectives and goals

Sharing of sub-committee best practices is a targeted outcome of this meeting to enhance the effectiveness of each sub-committee. Scheduled quarterly meetings with VP, NPA chairs and NIB reps is intended to enhance focus and information sharing.

Strategic Pricing Committee:

The work of this committee continues with bi-weekly phone meetings.

The sub-committee has hosted AbilityOne staff on 2 of its regularly scheduled phone meetings to ensure the commission remains informed of the work of the committee.

The following Key issues have been identified and are being worked on by sub-committee members.

- Key issue: FMP build up
- Key issue: FMP definition
- Key issue: Lack of NPA education and advocacy
- Key issue: Lack of distribution parity

As has been reported previously, the following issue has been brought to the committee.

- AbilityOne Commission has received a challenge from the VA regarding the application of the 2% Administrative Fee
- Commission has informed NIB and committee of no record authorizing 2% fee
- Commission may move to eliminate the application of the 2% fee

The sub-committee has performed work in the area of understanding the costs associated with the transition from GSA Depots to commercial distribution that our NPAs are currently transacting business. It will be necessary for NPAs to evaluate FMP build up to determine if distribution costs are currently a factor in FMP (overhead, G&A, direct labor) and to understand and evaluate the availability to charge fees per the distribution policy (51.540) Appendix B if performing the function of the distribution chain.

The committee has conducted numerous exercises from mapping supply chain and touch points, conducting price analysis against commercial equivalents, discussions with partners (SP and MSC), AbilityOne Commission, other manufacturers (3M, Hutamaki America)) to identify the root cause and develop solutions.

The subcommittee is at the solution development stage which includes 1) define, recommend establishing distribution parity, 2) clearly define FMP in line with commercial practice (the FMP does not represent the price the end customer pays but the first channel of the supply chain- therefore create new price points (FMP Manufacturing, FMP customer and MSRP), and 3) education/ training. These draft solutions were derived from an issues list the team developed during numerous meetings of both full committee and smaller workgroups focused on specific topics. Please see attached presentation to be presented during the November 13, 2018 Operations Committee meeting.

Next steps: The committee plans to discuss the draft solutions with the Operation's Committee members and then hold a face-to-face meeting with Pricing Committee members and AbilityOne Commission staff to determine viability of proposed draft solutions.

Office Products, JanSan/MRO, Writing Instruments:

These committees primarily meet jointly to work on combined projects.

Customer Service/Delivery Performance

- Essendant
 - Essendant has introduced its new supplier performance report card. Agencies receive emails with the data as opposed to having to go out to the supplier portal. The new report card in its initial stage is as comprehensive as that of the one on the supplier portal. But more functionality will be introduced in subsequent releases. The report card from the supplier portal is still available and has additional detail.
 - Dan Carson send an email to the OP Subcommittee members indicating that the new report card is available, along with a request to view the training PowerPoint that Essendant has released. Gerry Gogliotti is available for questions but has asked for us to view the training first.
 - A training session on the new report card was provided by Gerry Gogliotti of Essendant during our last OP committee call.
 - There is still no plan as to whether Essendant can provide program level data to us (i.e. all NPAs)

- LCI will have their report card system up and running by the end of the CY 2018. Program level data may be available sooner.
- Grainger - Lisa Cullinan of Grainger is now our PoC for supplier performance.
- Grainger has developed programwide performance data.
- Training webinar was held and demonstrated less than favorable performance by our NPAs supplying to Grainger.
- Less than 50% of NPAs supplying to Grainger attended webinar
- The need for improving NPA performance has been stressed

Sales challenges

- Commission-Amazon-AF pilot. Commission has invited 34 AbilityOne authorized distributors to participate in their pilot with the Air Force and Amazon. The pilot went live July 23rd and NIB will be assisting the Commission with operational support including monitoring and reporting compliance concerns if applicable.
- Annual A-list review completed and results delivered to the wholesale partners. Effective date of list change will be January 1st, 2019.

ETS Challenges

- Annual cumulative ETS sales on GSA Advantage through FY Q3 is down to 2.8% from over 11% 2 years ago. Close collaboration with GSA and the Commission's implementation of Distribution Policy 51.540 have significantly contributed to the improved results.

Food Service sub-committee:

1. **Customer Engagement:**

- a. DLA support: DLA has approved a list of NSNs that will be included in the DLA nonfood prime vendor program. This will include NSN's from 7-9 AbilityOne agencies. DLA is working internally to update the offering and corresponding systems to incorporate the Ab1 products. DLA will reach out to the primes over the course of the next 60 days to notify them to deplete current stock of commercial products and replace with the corresponding Ab1 product.
- b. We are still waiting for Leo Devore from Source America to provide us with usage for the 3 key products used in the custodial contracts: Soap, TP and Can Liners. It is our hopes that this will lead to additional conversations with SourceAmerica involving Food Service opportunities. Leo is planning a tour at Travis Association on Nov. 4th to include LTG Ostrowski, who will be over the new Army Command Center in Austin. In addition, there will also be 4-5 local SourceAmerica NPA's. Each agency will be given 15 minute to discuss capabilities. Again, hoping to bring awareness to AB1 products available for their contracts, both Food Service and Custodial.

2. **Marketing Development:** Final touches being made for new Food Service Catalog that will be shared with KO's and contractors.

3. **Compliance:**

- a. Solicitation Monitoring: The NIB ETS team has completed a new compliance tracker that is available online. This will give us all visibility on contracts that are being monitored and/or awarded with next steps.
- b. Draft letter of Commission: Happy to report that the draft letter is at the Commission for review. This will be available soon for distribution.

Textile and Apparel Group (TAG)

- Status on NAEPB/Agency co-chairman.
- Curtis Eatman from AIB retired.
- TAG NAEPB co-chairman – two NIB Agency individuals interested. I am going to send out an election request for a vote to elect an individual.
- Would like to have this role in place by the annual conference.

some of the highlights from the TAG Meeting in Philadelphia, PA/Cherry Hill, NJ – September 4,5,6, 2018

- Highest attendance ever and an incredible turnout. We had 160 attendees in 2018. Previous high was 85 in 2017 in San Antonio.
- The TAG Committee chose Philadelphia/Cherry Hill, NJ in 2018 due to it's proximity to DLA Troop Support Philadelphia. The TAG Committee discussed the importance of the DLA/NIB/NIB NPA's relationship and the ability to have DLA staff attend a TAG Meeting which they would normally not be able to. DLA attended in full force with over 20-30 staff attending for some portion of the Meeting.
- Special Thank You to Steve Merch with his support of NIB and especially his efforts to never miss a TAG Meeting in the last 5 years.
- Our first ever roundtable discussion with DLA Supervisors was a huge success for the attendees and presenters. 45 minutes turned into one hour quickly.
- Our first ever presentation by the PEO Soldier Quality and Design Team. Thank you to Rey Bonjoc and Anna Carlos for their upcoming presentation and support.
- Thank you to Mr. William Kenny (Executive Director, Head of Contracting Activity, Defense Logistics Agency Troop Support) and Lt. Colonel Maxwell (Director of DLA Clothing and Textiles) for being able to attend and address the attendees.
- Our first ever presentations from SourceAmerica and Unicor as we grow our relationships with these partners.
- Thank you to Belinda Moore and Steve McLaughlin from Bestworks for being the Agency Host and doing an outstanding job in the preparation.
- Thank you to all of the sponsors. This Meeting could not have happened without our partner suppliers.
- Outstanding presentations from NIB to support the NPA's.
- Thank you to the NPA's for attending. 27 of 32 NIB Textile NPA's attended. This is the highest ever.
- Other than the \$60 registration fee, the TAG Meeting was fully funded by Sponsors and final numbers show \$2,000 excess that will be a start for 2019 TAG. NIB normally contributes \$2,400 and this was not needed in 2018.
- Next TAG Meeting, 2019, TBD.

Military Resale(MR) No Report

Construction and Architect / Engineer Products No report

Medical Advisory Group Update No report

2018 NIB/NAEPB TRAINING CONFERENCE & EXPO

COMMITMENT TO SERVE



#NIBConfExpo

Strategic Pricing Subcommittee Update

Ken Fernald and Jennifer King November 13, 2018

Update

Goal: Establish pricing methodology for a Fair and Equitable Commodity Pricing Process

Key Activities Completed:

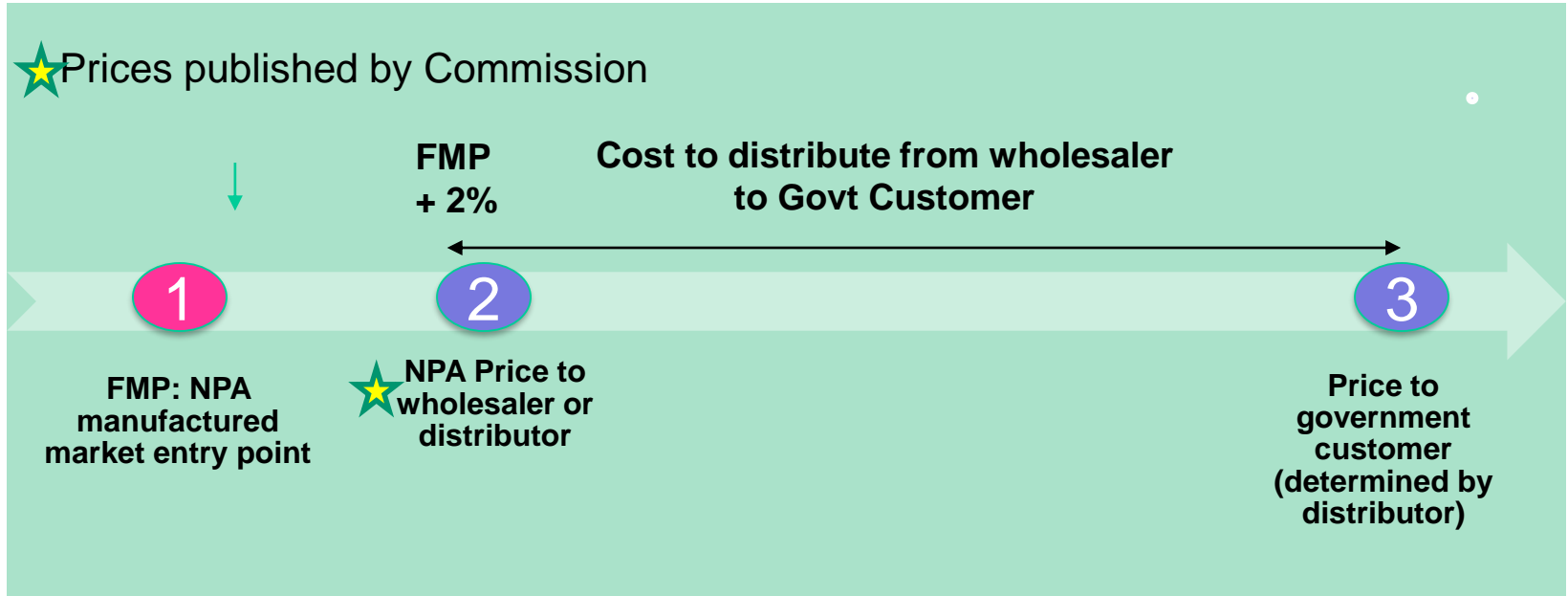
- Partner interviews: 3M, SP Richards (Private Label), MSC, and Huhtamaki America
- Commission requested feedback on relevance of 2% admin fee
 - Subcommittee recommended retention until solution socialized
- Stress test pricing models
- Establish distribution parity among the NPAs
- Solution recommendation

AbilityOne Distribution Parity

The uniform application of established terms and conditions by nonprofit agencies across all purchasing channels to:

- 1.) promote consistent performance throughout the supply chain and
- 2.) fairly compensate nonprofit agencies for distribution functions performed at the request of supply chain partners not included in the fair market price

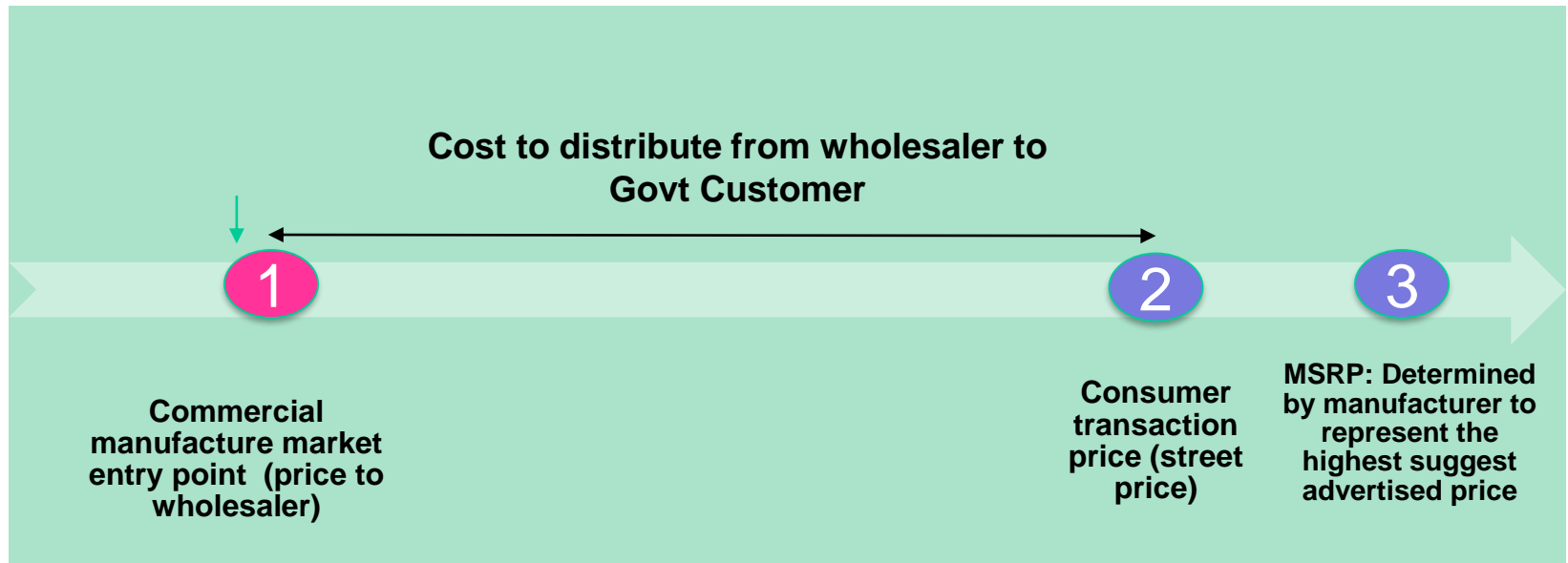
Price Continuum Components: Current AbilityOne Commodity Product



Discussion Points:

1. Current process for commodity price development is achieved by market analysis. The NPA with NIB conducts a market survey of like products (ETS) within the market to determine the current market price the customer pays and deducts supply chain costs to arrive at a manufactured price. The NPA analyzes their competitiveness against current market pricing to determine viability of development. If viable, a product development plan is then developed.
2. There is a need for future dialogue on the instruments used to develop market analysis..
3. The CNA fee is assumed in point 1. In comparison, commercial entities pay fee or rebates on average of 16%.

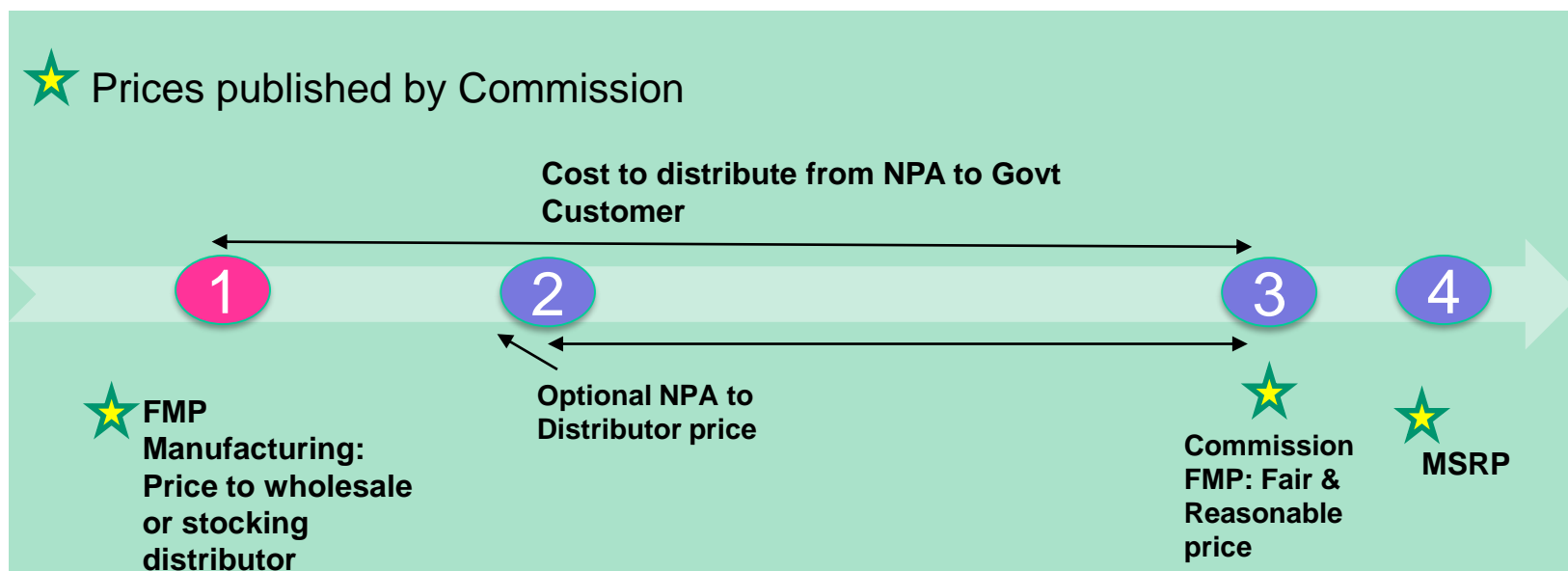
Price Continuum Components: Commercial Commodity Products



Discussion Points:

1. Manufacturers will impose restrictions as to how they sell the product; \$2500 minimum, case pack only, etc..
This encourages the dealer to buy from the wholesaler as they are the more efficient means for sale.
2. Manufacturers conduct due diligence prior to point 1. to evaluate their competitiveness in the market.
3. The spread of distance between points 1 and 2 must be sufficient enough to allow for participation by the supply chain (wholesaler and distributor).

Suggested Future AbilityOne Price Model



Recommended Price Points:

1. FMP Manufacturing: Represents the price products exits manufacturing and enters the first level of the supply chain. This does not include distribution costs. NPA/ NIB would recommend and Commission agree/ publish.
2. Optional NPA to Distributor price: The NPA can sell direct to distributor at the wholesale price if the same terms and conditions apply as if NPA selling to wholesaler (established minimums, full case only, no special labeling/ handling etc.). If not, the NPA should include any wholesale cost normally incurred by the wholesaler in the distributor price to protect the wholesaler while compensating the NPA for those functions.
3. Commission FMP: Fair & Reasonable price derived from a market survey to represents the upper limit price paid for the product using the least efficient manner to distribute the product. NPA/ NIB recommend and Commission agree/ publish.
4. MSRP: The price point should be in line with the MSRP of ETS items to establish an advertised “ceiling price”. Established by the NPA, this points supports distribution partners in establishing price points. The Commission will not establish this price point but anticipate publishing.

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The National Association for the Employment of People who are Blind

**PUBLIC POLICY COMMITTEE REPORT
SUBMITTED BY LOU MONEYSMAKER
BOARD MEETING NOVEMBER 14, 2018**

**NAEPB Public Policy Committee Meeting
October 17, 2018**

Lou called the meeting to order at 3:03 p.m. He asked Ellen to call the roll.

Present were:

Lou Moneymaker
Renee Vidrine
Ken Fernald
Matt Koch
Lauren Branch
Libby Murphy
Reinhard Mabry
Lise Pace
Rob Porter
Rob Buettner
Marissa Lynch
Michael Monteferrante
Kevin Lynch
Angela Hartley
Rick Webster
Heather Lyons
Charles Cooper
Todd Tiaht
Ellen Najjar

Lou explained that today's meeting is a combination of the NAEPB Public Policy Committee and the Public Policy Issues Update group. He thought it would be more efficient to have a combined call this week. While the regular issues will be discussed and updated, he will also brief everyone on the public policy strategic planning meeting held last week and make assignments for work done at that meeting.

Lou reported that the PDS decision was also received today and because of the potential impact and next steps needed, the meeting may or may not get through the conversation about the strategic planning session. If we don't get there, we will schedule for another time in the very near future.

He asked Lauren Branch to give an update on WIOA. Lauren reported she did not have anything substantial to report. The sub-committee met several weeks ago and is working on a strategy with state directors.

Reinhard asked if the publication of the GAO report requested by Patty Murray adds anything that can be used to gain more support. Lauren said she has not had time to study in detail and to think about how it can be used. She has been speaking to state directors who are favorable to our position to try

and get them to meet with Steve Wooderson on this issue. She has talked to Bill Robinson and is trying to get several other states on board to talk to. Reinhard said the state directors should see this senatorial report which will confirm what we have said on the state calls. Lauren will send the report to the Rehab Network for next week's call.

Charles said we are working to have Congress follow up on its appropriations report language with Education to press for new guidance around WIOA. A letter is also being drafted for NIB and NAEPB leadership to send to Education with a copy of the GAO report to reinforce the need for new guidance to state VR/blind agencies. Lou asked Charles if the committee members should be distributing the report to our individual members of Congress to make sure they have seen it. Charles said it wouldn't hurt, but it is important that we frame it for them. They aren't going to read the whole report. Lou asked if Charles is drafting the letter for Reinhard and Kevin signatures. After the letter is sent to Secretary Devos, individual agencies could then prepare a note to their Congressional member and send with a copy of the letter and the GAO report saying "I wanted to make you aware of this report".

Rick added there is a possibility that the NCD report has come out, and this report may have been rushed out in a draft form to beat the Department of Education getting their NPRM out on integrated work settings. This could be a sign that the NPRM is coming out soon.

Lou asked Matt to give an update on the 898 panel. A take away from last week's meeting is that Shay Assad is ready to move the DoD administratively on the 2% goal if he can get some congressional support for that. Todd said that within the next year the plan is to get similar language in the FY19 NDAA to what was drafted this year. In the short term the group could pursue some political cover and get Shay to implement an administrative action to get this moving by having some members of Congress write to Shay in support. Todd is trying to encourage Shay to leave a legacy by setting this goal before he retires.

Lou gave a quick summary of the discussion. We are looking at a short term administrative fix and long term legislative fix of getting the 2% goal in the FY19 NDAA. Kevin said we are working to get Shay to the conference and hope to have some discussions with him at that time. Kevin has also spoken to Todd regarding this conversation with Shay as things are changing in his department's role. We need to get an idea of what would be helpful to him and what he wants to do. Kevin said in terms of language for the next NDAA, we can follow those lines. On other fronts, we should wait until we have a conversation with Shay.

Lou asked if Shay comes to the conference will it be a large or small meeting. Kevin said that Ellen is working with his office to see if he might be available during the NAEPB board and business meeting on Wednesday morning. Kevin stressed to this group this request goes back to a meeting held in April with Shay to go over the issue that DOD wants to support the AbilityOne program but also has to deliver and meet the requirements of the government. Kevin is not sure this would still be an issue now. The other issue was to give him recommendations regarding the 898 panel report. He would view this as an opportunity to speak to the membership about the 898 panel, but is not sure Shay will be able to attend. Reinhard agreed that the group would be happy to get face time with Shay.

Lou reported that the DOD Performance based payments concept and subcontracting with larger corporate entities doing business with DOD is off the table.

In terms of the AbilityOne Commission, the regulatory revisions are still not published for comment. We distributed a draft of the revisions, but they are not yet completed and finished to be put out for public notice. At Tuesday's Commission meeting, three agency employees who are blind, one of whom is a veteran, addressed the Commission. They had a half an hour to tell their story and how the AbilityOne program has affected their lives. They were Danny Kelly, IFB Solutions, Daryl Wells, Industries of the Blind – Greensboro, and Lise Pace, Bosma Enterprises.

Lou asked for an update on the VA issues. Kevin told the group that David Horton is on a call with his legal counsel so could not join this call. He said Heather Lyons is in attendance and would be best to report. Heather reported that the decision IFB Solutions vs PDS Consultants decision came out today. It was negative for the AB1 Program and IFB Solutions, and affirms the decision of Judge Firestone. The VA would and should always be conducting the Rule of Two based on the VBA of 2006. We don't know what will happen next, but there is an opportunity to appeal. David, his staff and their legal team are meeting to determine how they are going to appeal this decision. The NIB/IFB Solutions/Bosma Enterprises and several other law suits are still in stay, and we have not had a chance to speak to our counsel/s yet to determine next steps.

Lou asked about where the VA is according to the decision of the Court of Appeals that the VA is required to administer the Rule of Two even when goods and services are on the Procurement List (PL) regardless of date when they were placed on the PL. Heather is not sure as this decision only pertains to this particular procurement. We are not sure how the VA will rule on other procurements.

The court stated in its' opinion it was the intent of Congress for the VBA to trump the JWOD Act because they eliminated language in the VBA of 2006 that was found in the VBA of 2003 that protected the JWOD Act.

Lou moved on to talk about the public policy strategic planning meeting. There was a meeting last week attended by members of the NAEPB Public Policy Committee and others who were representatives from NIB and interested parties such as Charles and Todd.

Lou said the purpose of the meeting was to take a more strategic look at how we want to move forward with our public policy program. We had a facilitator lead us through our meeting. There were a number of exercises we went through to narrow down what the strategic initiatives will be, and that should better position us for positive results from our public policy activities. After meeting and discussing the issues presented, the group determined what the three most important initiatives are that we need to be focusing on.

The first strategy deals with "the goal" – getting some sort of a goal administratively and/or legislatively in DoD. It would generate revenue and employment.

The second strategy deals with "our jobs are real and they matter" - not only to the employees but the public, our customers and those we work with. Part of this is resolving the conflict between WIOA and JWOD.

The third strategy deals with "NAEPB membership engagement" – why it is extremely important to our future for all our members to participate and engage with the activities of the NAEPB.

The next step is to assign groups to begin to work on these strategic initiatives. There needs to be leadership in putting these committees together and the pools we can select from are very broad, such as the NAEPB public policy committee, the NIB public policy committee, the NIB marketing committee, people in the memberships who are not actively engaged, experts such as Charles and Todd who work with us on a regular basis, perhaps a legislator, maybe from the business sector. The groups should not be so large that they can't get their jobs done.

Lou asked if anyone has any comments about where we will draw from to put people on these working committees. Lou would like to get these committees populated sooner rather than later. He is going to ask Renee, Reinhard and himself accept the task of populating these committees and getting them headed in the right direction.

Michael asked Todd where he is at with his multiple retainers. Todd currently has three active agreements: one with NIB is month to month, the extended WIOA contract through next month, and the BSC contract is extended through November 30.

Lou called for volunteers from the group for each initiative. The responses were:

The Goal

Matt Koch
Michael Monteferrante

Jobs Matter

Ken Fernald
Rob Buettner

Member Engagement

Libby Murphy
Lise Pace

Angela said NIB would select staff to assist the committees once they are formed.

Lou thanked everyone for volunteering and adjourned the meeting at 3:55 p.m.



The National Association for the Employment of People who are Blind

SERVICES COMMITTEE REPORT

SUBMITTED BY DAVID HORTON

BOARD MEETING NOVEMBER 14, 2018

The NAEPB Committee met August 27-28 at the Lighthouse (agenda attached). The purpose of the meeting was to redefine the Services Committee, discuss challenges and opportunities and what the agencies involved in services, NAEPB and NIB can do to bridge the gaps.

After much productive discussion the group consensus was a subcommittee structure as follows:

Skilcraft Contact Center Solutions

- **Council of five members as the consortium's oversight. The council will be a representation of agency with strong call center knowledge as well as specific knowledge in the areas of IT, HR, Business Development, and Operations.**
 - **Council members are:**
 - **BD – Joshua Trask**
 - **IT Kaleb Stunkard**
 - **HR – Rob Buettner**
 - **Operations – Envision**
 - **Chair – Jessica Watson**

CMS IS- Contract Management Services Integrated Services Group

Shelly Sanders Chair, Wallace Neal NIB Contact

Focus

Recommending changes to the next generation IDIQ

Business development

Expanding the CMS value proposition/expanding the scope of services

Strategic Initiatives Committee

Alicia Lansford, Chair, Billy Parker NIB Contact

ProMote and Security Clearance

NAEPB Services Committee Meeting
Chicago Lighthouse
August 27-28, 2018
Agenda

Monday, August 27

Arrive at The Blackstone Hotel, 636 South Michigan Avenue,
Chicago, IL 60605

6:00pm Dinner in The Legend Room at The Blackstone Hotel

Tuesday, August 28

8:00am Chicago Lighthouse Vans (2) from The Blackstone Hotel to
Tollway Call Center (bags will be taken to Chicago Lighthouse
during the tour)

8:15am Tour the Tollway Call Center. When tour ends, board vans to
travel to Chicago Lighthouse

9:00am Breakfast in the Board Room

9:20am Tour of Chicago Lighthouse

10:00am Welcome – Janet Szlyk and David Horton

Current Services Committee Structure – David Horton/ Shelley
Sanders/ Jessica Watson/Lee Nasehi

Current NIB Services Team Focus – NIB

12:00pm Working Lunch

Open Communications - All
Challenges

Services Support Needs

What can NIB, the Agencies and NAEPB do to bridge the
gaps?

Proposed Services Committee Structure – David Horton

Recap/Action Items – David Horton

4:00pm Adjournment



STRATEGIC PLANNING SUBCOMMITTEE REPORT – NOVEMBER 14, 2018

The NAEPB Strategic Planning Committee includes the following members:

Rudy D’Amico, Joshua Gould, Jeffrey Hawting, CJ Lange, Libby Murphy, Tammy Owen, Karen Walls, Matt Wieseler (NIB)

SCORECARD

The Scorecard has been updated to reflect the first three quarters of the fiscal year. The Committee calls out the following trends/changes:

PROGRAM STEWARDSHIP:

- BSC inspections with no ETS violations has improved from 70.5% to 90%

EMPLOYMENT GROWTH & SATISFACTION

- Direct labor hours made modest gains increasing from 2.4% to 3.1%
- Indirect labor hours made modest gains increasing from 2.1% to 4.6%
- White collar jobs increased but still lag behind goal
- Upward mobility numbers across all four categories significantly lag behind the annual goal and behind prior year numbers. This requires deeper discussion among members to understand why NPAs are struggling to promote employees.

CUSTOMER SATISFACTION & OPERATIONAL EXCELLENCE

- Essendant delivery performance is still unavailable.
- We have added a new LCI Vendor Scorecard metric that measures NPA on-time delivery performance for LTL and FTL only (see next page). At this time it does not include small parcel, though we hope to add this at a later date. Average delivery performance stands at 52.5%, with weighted average at 32.7%. The Committee proposes to send each NPA the scorecard as shown below with their NPA name shown so they can see how their performance ranks among peers. Peer names will not be revealed.
- Social media as measured by the number of Facebook, LinkedIn and Twitter followers has now exceeded goal.

LCI Vendor On Time Shipping Data

Vendor Name	NPA Rank	Count of SKU's/Order Lines Shipped	Average Days On Time	Count of On Time Shipments	Count of Late Shipments	YTD On Time Percentage
AVERAGE SCORE		427	-16	140	287	52.5%
WEIGHTED AVERAGE			-14	247	903	32.7%
NPA - Anonymous	1	4	14	4	0	100.0%
NPA - Anonymous	2	16	5	16	0	100.0%
NPA - Anonymous	3	179	8	179	0	100.0%
NPA - Anonymous	4	32	13	30	2	93.8%
NPA - Anonymous	5	79	-62	73	6	92.4%
NPA - Anonymous	6	400	2	362	38	90.5%
NPA - Anonymous	7	171	-74	153	18	89.5%
NPA - Anonymous	8	331	1	284	47	85.8%
NPA - Anonymous	9	264	2	207	57	78.4%
NPA - Anonymous	10	58	-1	45	13	77.6%
NPA - Anonymous	11	795	0	522	273	65.7%
NPA - Anonymous	12	416	-47	268	148	64.4%
NPA - Anonymous	13	410	0	230	180	56.1%
NPA - Anonymous	14	55	-2	26	29	47.3%
NPA - Anonymous	15	36	-2	16	20	44.4%
NPA - Anonymous	16	473	-10	184	289	38.9%
NPA - Anonymous	17	36	-53	14	22	38.9%
NPA - Anonymous	18	88	-23	33	55	37.5%
NPA - Anonymous	19	91	-56	30	61	33.0%
NPA - Anonymous	20	162	-6	44	118	27.2%
NPA - Anonymous	21	1647	-15	379	1268	23.0%
NPA - Anonymous	22	800	-8	128	672	16.0%
NPA - Anonymous	23	438	-21	67	371	15.3%
NPA - Anonymous	24	202	-8	28	174	13.9%
NPA - Anonymous	25	1678	-11	232	1446	13.8%
NPA - Anonymous	26	2280	-14	296	1984	13.0%
NPA - Anonymous	27	688	-30	53	635	7.7%
NPA - Anonymous	28	122	-44	7	115	5.7%
ASSUMPTIONS:						
This data does not include small parcel shipments UPS/FedEx.						
Delivery date calculated from the date the load was entered into LCI TMS allowing 3 days for transit						
Shipment defined as date of shipment of a SKU on a PO compared to the delivery date on the PO.						

MEMBERSHIP ENGAGEMENT AND VALUE

- With the loss of one member, the number of NAEPB member agencies in good standing now moves to green.
- Membership engagement falls from 85% to 69%.
- Board reports has improved from 71% to 82%.
- Member support, as measured by the number of NPAs who received a NIB grant has fallen from 30 to 16.

SALES AND BUSINESS GROWTH

- Total AbilityOne sales continue to grow, with an increase from 7.0% to 9.1%, but there was a drop in services sales:
 - Products increased from 6.2% to 10.8%
 - Services decreased from 11.9% to -0.8%. This is an area that requires deeper discussion and attention.
- BSC sales increased slightly from 6.8% to 7.8%
- The number of products added to the PL increased from 33 to 60 but still falls well below the annual goal of 110.
- The number of NPAs who added a project to the PL increased from 21 to 32, still below the annual goal of 35.

STRATEGIC PLAN TACTICS UPDATE

The following table reflects progress on the seventeen tactics that fall under each of the five strategic pillars. One tactic is shared by two Committees. The shared goal between Public Policy and BSC Committees has been expanded out to measure all three sub-tactics.

Board of Directors	June 25	August 6	Nov 13
• Support Roll Out of NIB Employee Satisfaction Survey	Deferred	Deferred	Deferred
• Coordinate with NIB to develop a LinkedIn “information center” to share information and best practices	Complete	Complete	Complete
• Engage G-5 for regular meetings with the Commission	Complete	Complete	Complete
• Engage NAEPB membership to decide on the 2% set-aside opportunity	On Pace	On Pace	On Pace
Public Policy			
• Revised Public Policy strategy for CY2018	On Pace	On Pace	On Pace
• Have federal agencies establish goals (shared with BSC Committee)	On Pace	On Pace	See below
• Enact FAR regulation to monitor/report on AbilityOne sales			Behind Pace
• AbilityOne flow down language in all government contracts			On Pace
• ... Mine data to show value of BSC channel			On Pace

	June 25	August 6	Nov 13
Services			
• Develop business models that can be easily replicated	On Pace	On Pace	On Pace
Operations			
• Establish pricing methodology for a Fair and Equitable Commodity Pricing Process	On Pace	On Pace	On Pace
• Develop/implement “LEAN” new product introduction process	Behind Pace	Behind Pace	Behind Pace
• Identify and improve metrics and <u>source</u> of metrics to get better operational results	On Pace	On Pace	On Pace
BSCs			
• Establish AD HOC BSC Advisory Board of BSC/NON BSC Agencies Replaced with:	On Pace	Behind Pace	Behind Pace
• Promote Agency Sales through BSC Channel			
• Have federal agencies establish goals (shared with PP/Communications Committee)	On Pace	On Pace	See PP above
Marketing			
• Develop long term marketing plan	On Pace	On Pace	On Pace
• Develop a national marketing pitch	Complete	Complete	Complete
• Implement branding strategy for Skilcraft products & services	On Pace	Behind Pace	Behind Pace
• Develop SKILCRAFT product promotion marketing collaboration	On Pace	On Pace	On Pace
Strategic Planning			
• Correlate Sales and Employment Growth with membership engagement	Complete	Complete	Complete
Ethics			
• Reciprocal Purchasing: “How we fit into each other’s supply chain to create jobs. Give feedback to NIB to make the purchasing process easier” (p.9)	Behind Pace	Behind Pace	Behind Pace



2018-2019 Strategic Plan

Updated November 13, 2018

FY2017-2019 NAEPB Strategic Plan

To represent the collective interest of its member organizations to enable them to maximize employment opportunities for people who are blind.

Program Stewardship (Strengthen The Ability One Program and Prepare for the Future)

- NAEPB and its members operate ethically for the good of the field and the AbilityOne program.
- Members are transparent, sharing their best practices and skills to mutually improve the field and the people we serve.
- NAEPB strives to maintain open communication and cooperation with its stakeholders, most notably the AbilityOne Commission, NIB, SourceAmerica and NCSE, to ensure the AbilityOne program endures.
- NAEPB strives to collaborate with other blind-focused national organizations for the betterment of the constituents they serve. NAEPB is a thought leader in employment.

Employment Growth & Employment Satisfaction (Grow And Diversify Employment)

- NAEPB strives to expand employment in both volume and diversity, to offer the widest array of job opportunities practical to people who are blind and explores technology to help.
- NAEPB seeks to provide employment, whether within its member agencies or in the broader business community, to any person who is blind who wants to work.
- NAEPB members encourage opportunities for advancement and economic independence for all people who are blind.
- NAEPB seeks to ensure the business and regulatory environment promotes and encourages the AbilityOne program to thrive.

Customer Satisfaction & Operational Excellence (Be Supplier Of Choice)

- NAEPB members seek to be recognized as a best in class supplier to the federal government.
- NAEPB seeks continuous improvement to improve its results and deliver maximum value for its customers.
- NAEPB values its customers and strategic partners who collaborate to enhance job opportunities for people who are blind.
- NAEPB seeks opportunities to improve the efficiency of the AbilityOne program to ensure it is responsive to the needs of the government customer


Membership Engagement and Value (Engage Members and Provide Value)





- Ensure that NAEPB members are provided with the support they need to promote their businesses and their mission within the AbilityOne program.
- Ensure there are forums to address the individual needs and aspirations of the members.
- Promote collaboration and information sharing among and between members to foster the health and vitality of the membership.
- Provide relevant, useful and timely information to the membership.

Sales & Business Growth (Grow and Strengthen)

- Promote and encourage policies and initiatives that maximize the growth of the AbilityOne program.
- Encourage initiatives to research new lines of business to diversify business.
- Develop sales and marketing plans and initiatives to promote the high quality lines of business offered by member agencies.
- Promote collaboration between its members to enhance marketability and grow business.

NAEPB Scorecard – 10.1.17 – 6.30.18

								
PROGRAM STEWARDSHIP	Measurement	Wt	Last Full Yr	Full Yr Goal	Previous YTD	Curr YTD		Source / Comments
Program Direct Labor Ratio	Combined NPA AbilityOne direct labor ratio	25	80.6%	80.0%	80.7%	79.7%		
NPA Compliance	Ratio of NPAs in compliance with labor ratio requirements	20	98.4%	100.0%	96.8%	88.5%		
Market Compliance	Number of ETS violations in Non-NPA BSC's	10	102	90	76	23		Moved from "Employment Growth"
	Number of ETS violations from NPA authorized distributors	10	23	0	11	4		Newly Added Metric
	Total ETS sales of top 15 selling GSA Advantage Authorized vendors	10	\$1,048,340	\$0	\$848,700	\$347,230		Newly Added Metric
NPA BSC Compliance	Percent of BSC inspections w/no ETS violations in FY	10	92.3%	100.0%	100.0%	90%		
Support for AbilityOne	Number of AbilityOne Champions	15	157	160	148	170		

								
EMPLOYMENT GROWTH AND EMPLOYMENT SATISFACTION	Measurement	Wt	Last Full Yr	Goal for Year	Previous YTD	Curr YTD		Source / Comments
Direct Labor Hours Growth	Percent change in AbilityOne direct labor hours	25	-1.2%	1.5%	0.2%	3.1%		
Indirect Labor Hours Growth	Percent change in <u>indirect</u> labor hours by NPA employees who are blind	25	-2.1%	3.0%	-0.3%	4.6%		Newly Added Metric.
White Collar Jobs	Number of blind employees in AbilityOne service jobs	20	1,085	1,100	1048	1040		3

**EMPLOYMENT GROWTH AND
EMPLOYMENT SATISFACTION
CONTINUED**















	Measurement	Wt	Last Full Yr	Goal for Year	Previous YTD	Curr YTD		Source / Comments
Upward Mobility	Promotions of employees who are blind from Direct to Indirect labor (supervisory)	10	46	50	37	35		Revised Metric.
	Promotions of Direct labor employees who are blind to other Direct labor positions (non-supervisory)	10	123	130	88	65		Revised Metric.
	Placements of existing direct labor NPA employees outside the NPA	10	38	42	35	33		Newly Added Metric
	Placements (not employees of NPAs), e.g. rehab-only clients	N/A	388	427	303	165		Newly Added Metric

**CUSTOMER SATISFACTION AND
OPERATIONAL EXCELLENCE**



	Measurement	Wt	Last Full Yr	Goal for Year	Previous YTD	Curr YTD		Source / Comments
Delivery Performance	Essendant AbilityOne on time fill rate percentage	40	66.2%	90.0%	59.0%	N/A		Metric Not Available
Delivery Performance	LCI on time fill rate percentage (LTL & FTL only)			90.0%		52.5%		Newly Added Metric
Social Media Followers	Number of NIB Facebook, LinkedIn, and Twitter followers	30	6,591	7,000	6,349	7,088		
NPA Growth	Number of NPAs whose program sales increased YOY	30	28	50	29	42		

MEMBERSHIP ENGAGEMENT AND VALUE								
	Measurement	Wt	Last Full Yr	Goal for Year	Previous YTD	Curr YTD		Source / Comments
Number of Members	Number of NAEPB Member Agencies in Good Standing	35	59	58	59	58		Lost one member
Member Engagement	Percent attendance at Advance, Symposium, and Annual Mtg	25	73%	75%	70%	69%		% of NAEPB members attending 2018 Symposium
Board Reports	Percent of committees who issue reports at board mtgs	25	89%	90%	64%	82%		
Member Support	Number of members who receive a grant from NIB	15	36	38	17	16		Includes NPAs approved for grants

SALES AND BUSINESS GROWTH								
	Measurement	Wt	Last Full Yr	Goal for Year	Previous YTD	Curr YTD		Source / Comments
AbilityOne Sales Growth	Year over year sales increase in %		-7.0%	3.0%	-6.5%	9.1%		
AbilityOne Products Growth	Year over year sales increase in %	15	-10.6%	3.0%	-10.5%	10.8%		Now showing Products as a stand-alone result
AbilityOne Services Growth	Year over year sales increase in %	15	25.1%	20.0%	28.9%	-0.8%		Now showing Services as a stand-alone result.
BSC AbilityOne Sales Growth	Year over year sales increase in %	25	2.2%	3.0%	1.9%	7.8%		
Portfolio Management	Number of projects added to the P/L	25	105	110	76	60		
NPA Project Support	Number of NPAs who added a project to the P/L	20	30	35	29	32		

Program Stewardship

(Strengthen The AbilityOne Program and Prepare for the Future)

Activity/Tactic		Timeline	Goal	Measurement
Description	Owner	Estimated Delivery	Expected	Specific Results
Tactic #1: Revised PP strategy for CY2018	Public Policy Committee	Updated annually by March of each year	a) PP Strategy to support four key initiatives: (1) NDAA, (2) WIOA, (3) VA, (4) Ongoing compliance JWOD Act b) Adopt a clearly defined strategy that will have near-term and long-term impact with results of efforts reviewed annually; c) Adopt a clear and consistent messaging plan to continue year round till the issue is addressed by policymakers or abandoned d) Support Spring NIB Public Policy Symposium e) Revamp AbilityOne Champions program to provide legislative support on an as-needed basis	<ul style="list-style-type: none"> Schedule a public policy summit attended by at least three of the following: VSA, ACB, AFB and NFB to align platform planks # of AbilityOne Champions who align behind NAEPB public Policy initiatives
Tactic #2: Develop long term marketing plan	Marketing Committee	Phase 1. April 16, 2018 Phase 2. May 1, 2018 Phase 3. June 1, 2018 Phase 4. TBD	a) To develop a marketing plan that is national in scope that tells the power of the AbilityOne program story. b) Develop and launch Marketing plan to reach key policy makers including the 4000 members of congress and staff inside the beltway.	<ul style="list-style-type: none"> Phase 1. Develop scope of work and vet with NAEPB Board Phase 2. Do RFP and identify the 3rd party marketing/PR firm. Phase 3. Fully develop national program marketing campaign plan. Phase 4. Launch campaign to policy makers and deliver digital content to NPA family for local use
Tactic #3: Develop a national marketing pitch	Marketing Committee	June 1, 2018	Develop a compelling story around employment of vets within the NIB and AbilityOne programs for a short-term marketing campaign. Focus on support for Veterans/military and the power of our program.	Story developed and launched by National news outlet (e.g. NY Times, Washington Post, etc.)
Tactic #4: Establish pricing methodology for a Fair and Equitable Commodity Pricing Process	Operations Committee	December 2018	a) Secure membership, NIB and AbilityOne Commission consensus of a new pricing methodology that is equitable & strategically positions all programs; b) Establish guidelines that are fair & balanced to ALL while advancing the mission.	<ul style="list-style-type: none"> Submit proposal to Commission and work for approval/adoption
Tactic #5: "Mandatory" support and enforcement	Ethics Committee	September 2018	a) Secure Commission approval of procedure on policing authorized distributors b) NAEPB members to sign MOU supporting reciprocal purchasing c) NAEPB provide clear ordering options for members to support reciprocal purchasing	<ul style="list-style-type: none"> AbilityOne procedure Less ETS violations All NPAs adopt MOU Total AO Sales
Tactic #6: Promote Agency Sales through BSC channel	BSC Committee (BSC Operators)	January 2018	a) Secure joint BSC operator MOU committing to support all appropriate new AbilityOne product launches by stocking and testing them in customer-appropriate stores.	<ul style="list-style-type: none"> Total AbilityOne sales

On Pace

On Pace

Complete

On Pace

Behind Pace
Behind Pace

Employment Growth & Employment Satisfaction

(Grow And Diversify Employment)

Activity/Tactic		Timeline	Goal	Measurement
Description	Owner	Estimated Delivery	Expected	Specific Results
Tactic #1: Develop business models that can be easily replicated	Services Committee	Ongoing	a) Refine Call Center Model and provide best practices on the association website b) Support PROMote program to ensure Technology training is expanded c) Set-up digital accessibility consortium	<ul style="list-style-type: none"> Number of successful new businesses, Number of new AbilityOne jobs Number of Blind employees promoted
Tactic #2: Support Roll Out of NIB Employee Satisfaction Survey	Board of Directors	Q1-2018 Deferred to FY2019	a) NIB announce roll out of survey b) NAEPB board endorse completion	90% of NPAs participate
Tactic #3: Implement branding strategy for Skilcraft products & services	Marketing Committee	1. Build out Brand Architecture – April, 2018 2. Define 5-year Plan – May, 2018 3. Communicate to stakeholders – TBD	Revitalize SKILCRAFT brand strategy which can be used collectively and individually by NIB and NPAs to market SKILCRAFT product and service offerings to prospective customers.	Print and digital media of revitalized SKILCRAFT brand for products and services complete

On Pace

Deferred

Behind Pace

Customer Satisfaction & Operational Excellence

(Be Supplier Of Choice)

Activity/Tactic		Timeline	Goal	Measurement
Description	Owner	Estimated Delivery	Expected	Specific Results
<p>Tactic #1: Identify and improve metrics and <u>source</u> of metrics to get better operational results in the area of on time delivery and customer satisfaction</p>	Operations Committee	September 2018	Look at supply chain and best practices to improve on time and complete delivery metrics and improve quality.	<ul style="list-style-type: none"> Establish agreed metrics to measure agency performance; distribute to all members Deliver 90% on time and complete performance metric Mentor NPAs with systemic performance issues
<p>Tactic #2: Develop SKILCRAFT product promotion marketing collaboration</p>	Marketing Committee	Ongoing	<p>a) Collect and download all available SKILCRAFT materials from NIB</p> <p>b) Provide all collateral in template format for personalization</p> <p>c) Share access to all NPAs</p>	<ul style="list-style-type: none"> Increased A1 sales Increased blind employment

On Pace

On Pace

Membership Engagement and Value

(Engage Members and Provide Value)

Activity/Tactic		Timeline	Goal	Measurement
Description	Owner	Estimated Delivery	Expected	Specific Results
Tactic #1: Coordinate with NIB to develop a LinkedIn “information center” to share information and best practices	Board of Directors	May 2018	Develop a LinkedIn site where NPAs can either share or request information and best practices Engage NIB to assist with coordination	Tool developed and rolled out to membership
Tactic #2: Engage G-5 for regular meetings with the Commission	Board of Directors	February 2018	To re-engage CNAs, NAEPB and NCSE with the AbilityOne Commission to drive more effective communication among all entities and greater alignment on key issues affecting the program	G5 meeting scheduled.
Tactic #3: Correlate Sales and Employment growth with membership engagement.	Strategic Planning Committee	May 2018	To validate whether a NPA’s participation in the NAEPB Annual Retreat indicates stronger sales and employment growth results.	Compare NAEPB Annual Retreat participants sales and employment growth results with non-participants results

Complete

Complete

Complete

**DIRECT LABOR HOURS

DL Hours Growth	All NPAs	Advance Attendees	Non-Attendees	DL Hours	All NPAs	Advance Attendees	Non-Attendees
Median 3-yr Growth	0.49%	0.55%	-1.35%	Median FY17 Hours	61,657	88,567	29,247
Avg 3-yr Growth	2.41%	1.2%	4.56%	Avg. FY17 Hours	93,049	124,761	44,160
Weighted 3-yr Growth*	2.76%	2.82%	2.50%				

*Weighted by AbilityOne direct labor hours

**ABILITYONE SALES

A1 Sales Growth	All NPAs	Advance Attendees	Non-Attendees	A1 Sales	All NPAs	Advance Attendees	Non-Attendees
Median 3-yr Growth	1.56%	-0.32%	1.38%	Median FY17 Sales	\$ 5,324,860	\$ 12,248,456	\$ 2,120,321
Avg 3-yr Growth	5.86%	2.89%	8.96%	Avg. FY17 Sales	\$ 11,984,634	\$ 16,406,032	\$ 5,064,185
Weighted 3-yr Growth**	2.98%	2.64%	4.79%				

*Weighted by AbilityOne sales

Sales & Business Growth - REVISED

(Grow and Strengthen)

Activity/Tactic		Timeline	Goal	Measurement
Description	Owner	Estimated Delivery	Expected	Specific Results
Tactic #1: Have federal agencies establish goals	Public Policy Committee and BSC Committee	December 2018	a) Enact FAR regulation government-wide to monitor and report on purchases from AbilityOne and promote YOY growth b) A1 “flow down” language in all government contracts c) Continue to collaborate with resources in order to mine data for collection and analysis to demonstrate value of the BSC channel	<ul style="list-style-type: none"> Convince oversight committee to make reporting a requirement Sales growth Job growth
Tactic #2: Engage NAEPB membership to decide on the 2% set-aside opportunity	Board of Directors/Full Membership	May 2018	a) Need discussion on whether both a 2% set-aside and mandatory status can co-exist b) If yes, what is the path to achieving the 2% goal?	<ul style="list-style-type: none"> Membership decision on pursuing 2% goal Path defined to achieve goal
Tactic #3: Develop/implement “LEAN” new product introduction process	Operations Committee	December 2018	a) Develop process map and obtain signed off by NAEPB and NIB b) Review plan with AbilityOne Commission for concurrence	<ul style="list-style-type: none"> Reduce time for P/L addition A1 sales growth

a. Behind Pace
b. On Pace
c. On Pace

On Pace

Behind Pace

2018 Committee Assignments Project Report

- **Board of Directors**
 - Coordinate with NIB to develop a LinkedIn “information center” to share information and best practices
 - Engage G-5 for regular meetings with the Commission
 - Engage NAEPB membership to decide on the 2% set-aside opportunity
- **Public Policy and Communications**
 - Revised Public Policy strategy for CY2018
 - Have federal agencies establish goals (shared with BSC Committee)
- **Services**
 - Develop business models that can be easily replicated
- **Operations**
 - Establish pricing methodology for a Fair and Equitable Commodity Pricing Process
 - “Mandatory “ support and enforcement
 - Develop/implement “LEAN” new product introduction process
 - Identify and improve metrics and source of metrics to get better operational results.
- **Base Supply Centers**
 - Promote Agency sales through BSC Channel
 - Have federal agencies establish goals (shared with PP/Communications Committee)
- **Marketing**
 - Develop long term marketing plan
 - Develop 2-3 national marketing pitches
 - Implement branding strategy for Skilcraft products & services
 - Develop SKILCRAFT product promotion marketing collaboration
- **Strategic Planning**
 - Correlate Sales and Employment Growth with membership engagement
- **Ethics**
 - Mandatory Support and Enforcement

Of the 18 total tactics; 1 is shared between two committees (totaling 17 assignments)

What's Missing?

- 898 Panel
- Flowdown agreement*

* The Commission regards this matter is “on hold” unless it can obtain the authority to impose a flowdown agreement on the NPA’s.