

FORUM 2017: Creating Connections Together



Keepin' it Real Since the 1980s

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History

- Originally referred to as: Sheltered Workshops
 - Utilization of Sheltered Workshops has existed in the Code since 1978 in DPS's enabling language
- Early 80's the Virginia Public Procurement Act (VPPA) was established



History

- All public bodies subject to VPPA
- However, 30 exemptions from VPPA granted
- Executive Order 20 – July 22, 2014
- Advances utilization of small businesses certified by DSBSD
- But ESO's weren't able to be certified by DSBSD because they are not for profit



History

- Procurements to ESO's – exempt from set-aside and competition, so why aren't agencies using them?
- Too focused on meeting the new goals established in EO-20

History

- DPS has partnered with DARS and ESOs to modify the Code with the name change
- DPS continues to educate state agencies in our VCA and VCO training programs
- DPS has supported legislation that will remove agency barriers to utilizing ESOs





History

- In 2016 the General Assembly passed HB1288
- including ESO's in the "certification" definition of DSBSD
- 2.2-4310: requiring public bodies to establish programs to facilitate participation of ESO's in procurement transactions



History

- HB1288 also included that “Contracts and subcontracts awarded to ESO’s shall be credited toward a contractor’s small business, women-owned, and minority-owned business contracting and subcontracting goals.”
- Do you see any problems with this?



History

- In the 2017 General Assembly session, the language was clarified even more.
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- HB2396 states that “Contracts and subcontracts awarded to ESO’s shall be credited toward the small business, women-owned, and minority-owned business contracting and subcontracting goals of state agencies and contractors.”



Where are we currently?

- Public bodies can use Certified ESO's without competition (2.2-4344)
- ESO's need to get certified by DSBSD
<https://www.sbsd.virginia.gov/certification-division/eso/>



VPPA Definition

Employment Services Organization:

an organization that provides employment services to individuals with disabilities that is an approved Commission on the Accreditation of Rehabilitation Facilities (CARF) accredited vendor of the Department for Aging and Rehabilitative Services

VPPA Exemption

- **§ 2.2-4344** Exemptions from competition for certain transactions. A. Any public body may enter into contracts without competition for:
 - 1. the purchase of goods or services that are produced or performed by:
 - b. Employment services organizations that offer transitional or supported employment services serving individuals with disabilities





APSPM 2.2.c

- State agencies may purchase from ESO's without competition if:
 - 1. items are of acceptable quality
 - 2. can be supplied within the time required
 - 3. are not produced by schools or workshops under VIB or by Corrections
 - 4. are within 10% of fair market value



Credit for Utilizing ESOs

- 2.2-4310.B.iii
- (iii) employment services organization procurement to the Department of Small Business and Supplier Diversity in a form specified by the Department of Small Business and Supplier Diversity. **Contracts and subcontracts awarded to employment services organizations shall be credited toward a contractor's *the* small business, women-owned, and minority-owned business contracting and subcontracting goals of state agencies and *contractors*.** The Department of Small Business and Supplier Diversity shall make information on service disabled veteran-owned procurement available to the Department of Veterans Services upon request.



Why – Legislative Intent?

Employment of Virginians with Disabilities

Leverage the state's acquisition and procurement policies and the need for quality products and services while supporting the Commonwealth's important socio-economic goals of providing increased employment opportunities for Virginians with disabilities.



Benefits to Virginians with Disabilities



- Virginians with disabilities achieve greater independence
- Reduced dependence on Government support
- Join the ranks of taxpayers
- Experience the American Dream!



Benefits to Government

- Administrative cost savings from streamlined acquisition process
- Eliminates the need to re-compete contracts
- Time savings with ease of searching for a qualified and experienced supplier of products or services
- Paperwork & pre & post award cost savings through development of long-term relationships with quality outcomes
- Quality services & products from experienced vendors
- Security Clearances
- Motivated & Reliable workforce dedicated to customer satisfaction
- Superior performance and attendance ratings of employees
- New tax revenues from wages of previously unemployed Virginians
- Ongoing employment supports for contract employees at no cost to the contracting agency
- Eliminates headaches from high turnover from entry level & low-skilled FTEs



Goods and Services that ESOs Provide

(Partial List)

- Administrative Support Services
- Data Entry & Data Conversion
- Document Destruction
- Document Imaging
- Microfilming
- Food Service Operations
- Janitorial/Custodial
- Contact & Call Centers
- Total Facility Management
- Commissary Service
- Courier Services
- Contract Management Support
- Fleet Management
- Supply Chain Management
- Laundry Services
- Mailing & Fulfillment Services
- Grounds Maintenance
- Landscaping



Goods and Services that ESOs Provide

(Partial List)

- Switchboard Operations
- Clerical Services/Temp Services
- Assembly and Disassembly
- Bindery Services & Shrink-wrapping
- Bulk Mail Preparation
- Collating, Labeling & Assembly
- Corrugated Boxes & Paper Products
- Recycling
- Warehousing & Shelf Stocking
- Auto Detailing
- Forms Publication, Storage & Fulfillment
- Shipping & Receiving
- Mail Center Operations
- Rest Stop Operations & Maintenance
- Industrial Sewing
- Box Stitching
- Electronics Assembly
- Engraving Services



Employment Services Organizations (ESOs) have proven track record –

- Capacity and Track Record to Deliver:
 - On Time
 - Within Budget
 - Contract Specifics
- Longevity and Tenure



ESO Experience with Federal Contracts In VA

- **Since 1938 for products**
 - **Wagner-O'Day Act**
- **Since 1974 for services**
 - **Javits-Wagner-O'Day (JWOD) Act (now AbilityOne)**
- **AbilityOne in Virginia (FY17)**
 - **2,587 FTEs**
 - **\$339.14 Million in Contract Sales**
 - **Contract Tenure = 1 year (258) to 25 years (87 contracts)**
 - **\$13.67 Average Wage Paid**



Federal Government Partners

- Quantico
- DOE
- CMS
- DGS - General Services Administration – HQ & Regional Operations
- EPA
- DOD + All Service Branches
- Portsmouth Naval Hospital
- Veterans Medical Centers & Hospitals
- FBI
- Bureau of Alcohol & Tobacco
- HUD
- Dept of Commerce
- Defense Logistics Agency/Defense Supply Center
- U.S. Marine Corps HQ
- Federal Trade Commission



Federal Government Partners Cont'd

- DOT
- U.S. Patent & Trademark Office
- NASA
- U.S. Customs
- Dept of Treasury
- U.S. Mint
- Social Security Admin.
- Fish & Wildlife Service
- Food & Drug Admin.
- Federal Aviation Administration
- Dept of Energy
- Dept of Agriculture
- Agency for Healthcare Research & Quality
- Federal Aviation Admin

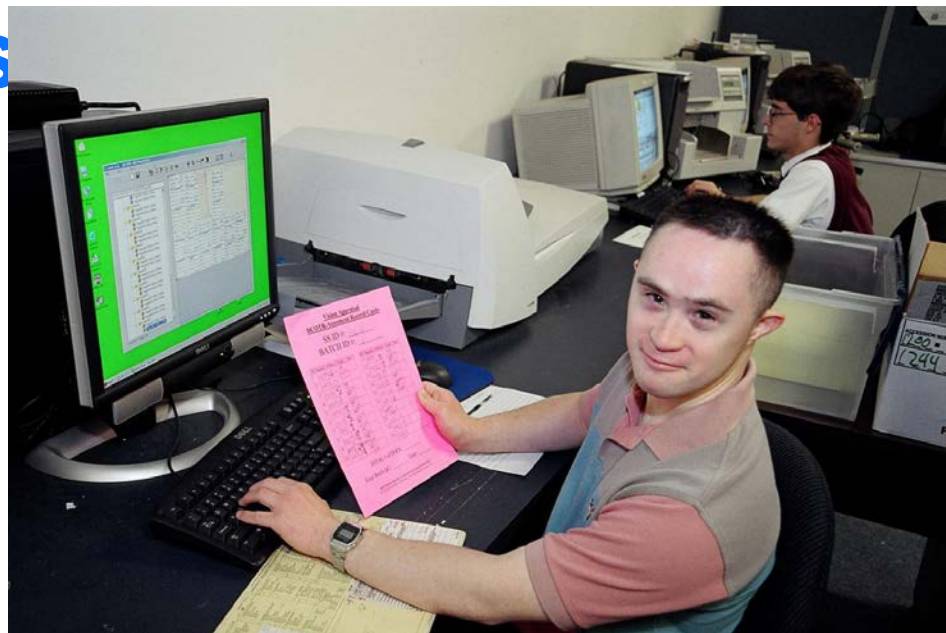


State Examples of Procurement to ESOs

State	Total Contract Value
Maryland	\$44,826,876
West Virginia	\$18,278,909
Indiana	\$10,240,028
Tennessee	\$10,082,136
Oklahoma	\$32,822,924
Florida	\$29,730,735



ESOs Can Meet Your Needs - Help Employ Virginians with Dis





An ESO Example – VersAbility



WHERE ABILITY MEETS OPPORTUNITY



WHERE ABILITY MEETS OPPORTUNITY

- Private, non-profit organization supporting individuals with disabilities since 1953
- Based in Hampton but serving all of southeastern Virginia
- Supports 1,600 individuals with disabilities each year and their families and caregivers
- Comprehensive service provider, serving individuals with disabilities in community living, day support, early childhood, and four different employment programs



WHERE ABILITY MEETS OPPORTUNITY

VersAbility Resources:

- 1,000 employees; over 50% are people with disabilities
- FY18 budget of \$43.9 million
- DSBSD-certified Employment Services Organization (ESO-005)
- Certifications: CARF, ISO 9001:2015, R2/RIOS, CIMS-GB
- Cleared personnel and facilities



Government Contracts

- 15 Federal contracts 11 in the region and 4 nationwide
- Over 600 individuals work side-by-side with enlisted and civilian personnel across the region and beyond

Examples Large and Small:

- US Air Force – Langley AFB
 - Lifeline to airmen and women deployed, inflight, domestic 24/7 since 1999
 - 26 people employed, 22 with disabilities
 - Call Center operations for Air Combat Command bases: AZ, CA, GA, ID, NC, ND, NE, NV, SC, VA (2), FL





WHERE ABILITY MEETS OPPORTUNITY

VersAbility Resources:

- US Navy – Naval Special Warfare Group 4
 - Digitization of records
 - Offsite work for 2 people with disabilities for 1 year
- State & Municipal Contracts
 - Contract with DGS 2015-2017: Electronics disposal/recycling
 - Many municipal contracts for various services



Commercial Contracts

- Current and past jobs include:
 - Digitizing industrial X-rays (22 million) and paper documents (many millions)
 - Regional leader in electronics recycling (over 5 million lbs annually at peak)





Commercial Contracts Cont'd

- Manufacturing pipe caps for shipbuilders
- Manufacturing a wound-care product in a clean room
- Product assembly for international companies
- Packaging materials and handling order fulfillment
- Partnering with entrepreneurs taking products to market





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WHERE ABILITY MEETS OPPORTUNITY



Questions?



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