



U.S. AIR FORCE

# AF Life Cycle Management Center



*AFLCMC... Providing the Warfighter's Edge*

## Acquisition Insight Days



# AbilityOne Contract Closeout

Lt Col David Huber  
14 June 2016

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# Overview



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- **AbilityOne Program Mission**
- **DoD and AF AbilityOne Spending**
- **AbilityOne Services Rendered**
- **AbilityOne Contract Management Support (Closeout) Services**
- **Specific to Us...**
  - **New Contract**
  - **Example Contract CLINs**
  - **Our Plan of Attack**



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# AbilityOne Program Mission



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**“Provide employment opportunities for people who are blind or have significant disabilities in the manufacture and delivery of products and services to the Federal Government”**



## Statutory and Regulatory Authority:

### Javits-Wagner-O'Day Act (aka AbilityOne)

- 41 U.S.C. 46-48d

### Federal Acquisition Regulations

- FAR 6.302-5 (authorized by statute)
- FAR 8.002(a)(1)(iv) and 8.002(a)(2)
- FAR 8.7

### Code of Federal Regulations

- 41 CFR Chapter 51

### Committee Policy Memorandums

- PR-3 Pricing Memorandum
- Other Committee Regulations & Guides



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# DoD and AF AbilityOne Spending



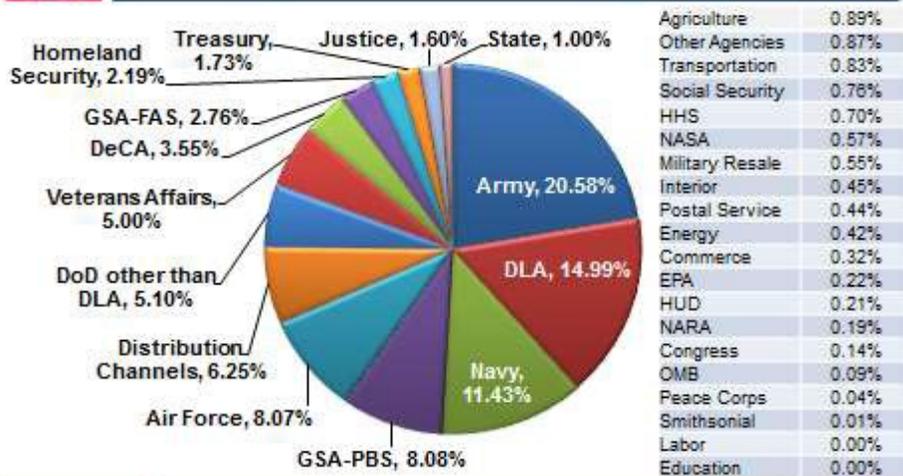
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FY 2014

Total Sales \$2,881,532,877



## AbilityOne Federal Agency Sales

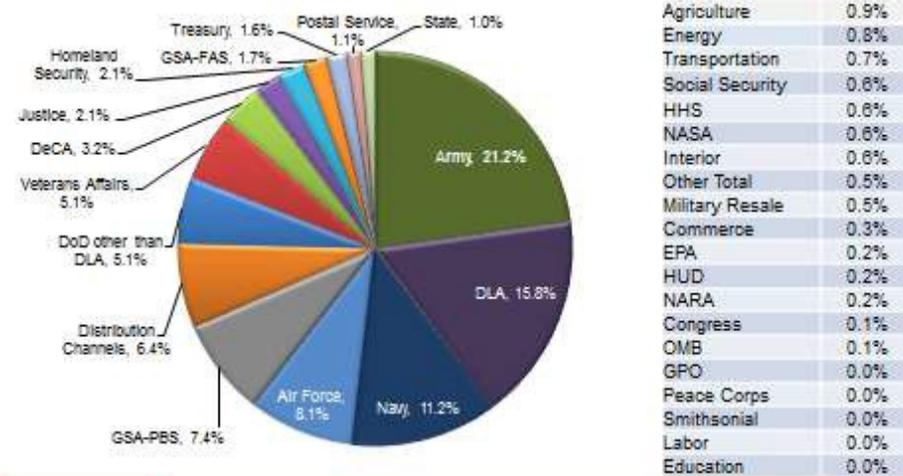


FY 2015

Total Sales \$3,153,999,582



## AbilityOne Federal Agency Sales



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# DoD and AF AbilityOne Spending



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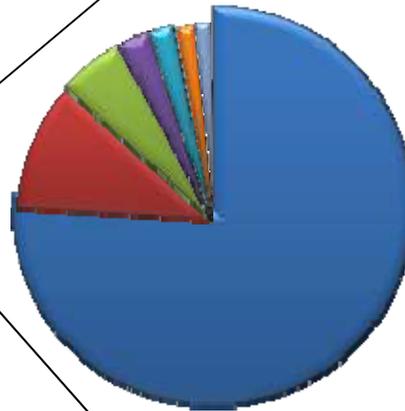
**AF FY15 Obligations**  
Total: \$52.9B

**AF FY15 AbilityOne Obligations by Product or Service Code**  
Total: \$278.5M, 0.53%



■ Non-AbilityOne

■ AbilityOne



	(spending)	(% of AO total)
■ Facility Related Services	\$211,616,763.7	75.98%
■ Knowledge Based Services	\$29,882,632.54	10.72%
■ Clothing, Textiles & Subsistence S&E	\$15,284,528.75	5.48%
■ Sustainment S&E	\$7,361,633.41	2.64%
■ Transportation Services	\$5,836,719.17	2.09%
■ Electronics & Communication Services	\$4,113,382.44	1.47%
■ Facilities S&E	\$3,417,054.93	1.22%
■ Electronics & Communications Equipment	\$645,005.86	0.23%
■ Equipment Related Services	\$151,170.79	0.05%
■ Aircraft, Ships/Submarines & Land Vehicles	\$116,494.00	0.04%
■ Weapons & Ammunition	\$73,649.05	0.02%



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# DoD and AF AbilityOne Spending



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Activity	FY15 AbilityOne Obligations	% of Total AF Obligations	FY15 AbilityOne Actions	% of Total AF Actions
AMC	\$72,455,428.03	0.13%	321	0.21%
AETC	\$49,712,624.07	0.09%	266	0.20%
AFMC	\$49,615,995.33	0.09%	292	0.17%
ACC	\$35,893,761.37	0.07%	289	0.20%
AFSPC	\$23,965,407.52	0.05%	130	0.11%
AFGSC	\$10,924,863.20	0.02%	169	0.09%
AFICA	\$8,141,357.72	0.02%	11	0.01%
USAFA	\$8,027,338.68	0.02%	40	0.05%
AFRC	\$7,373,005.88	0.01%	76	0.01%
PACAF	\$6,172,849.71	0.01%	55	0.03%
AFDW	\$5,334,114.71	0.01%	23	0.04%
AFSOC	\$852,384.70	0.00%	12	0.02%
USAFE	\$29,903.70	0.00%	4	0.00%
<b>FY15 Total</b>	<b>\$278,499,034.62</b>	<b>0.53%</b>	<b>1688</b>	<b>1.14%</b>

**Total AF actions within FY15 = 148,026**

(Source = FPDS-NG)



# DoD and AF AbilityOne Spending



- Progress toward OSD/DPAP goals**

<i>DPAP's Goals</i>	<i>AF in FY15</i>	<i>AF in FY14</i>	<i>Result</i>
➤ <i>Increase AF's AbilityOne spend from FY14 to FY15</i>	\$278.5M on AbilityOne, of \$52.9B total AF spend	\$270.2M on AbilityOne, of \$55.8B total AF spend	\$8.3M net increase in AbilityOne
➤ <i>AbilityOne spend ≥1% of total AF contracting spend</i>	0.53% <i>(does not meet goal of 1%)</i>	0.48% <i>(does not meet goal of 1%)</i>	Positive movement from last year, AF is halfway to goal

- Notable observations in FY15, relative to FY14:**

- **AF increased AbilityOne obligations by \$8.3M in FY15**
- **The 3 MAJCOMs that made biggest strides for FY15 AbilityOne obligations (percentage of total spend): 1) AMC, 2) AETC, 3) AFMC**
- **The top 3 Product/Services for AF obligations toward AbilityOne: 1) Custodial/Janitorial; 2) Food; 3) Facilities Operations Support**



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# AbilityOne Services Rendered



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- **Administrative**
- **Commissary Shelf Stocking**
- **Contact Center / IT Support**
- **Contract Management Support**
- **Custodial**
- **Document/Records Management**
- **Electronics Recycling**
- **Fleet Management**
- **Food Services**
- **Grounds Maintenance**
- **Healthcare Environmental**
- **Kitting**
- **Laundry**
- **Secure Document Destruction**
- **Secure Mail**
- **Supply Chain Management**
- **Total Facility Management**





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# AbilityOne Contract Management Support (Closeout) Services



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- **Performing contract closeout support services to federal government contracting offices**
- **Gov't can address more mission critical and inherently governmental functions while AbilityOne facilitates return of unliquidated obligations**
- **Partnership between AbilityOne and DoD designed to address the contracting community workplace needs**
- **Partnership provides non-inherently governmental contract management support for closeout and creates career oriented, upwardly mobile employment for people who are blind or people with severe disabilities**





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# AbilityOne Contract Management Support (Closeout) Services

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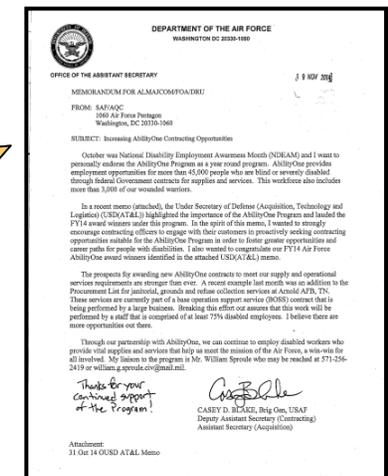
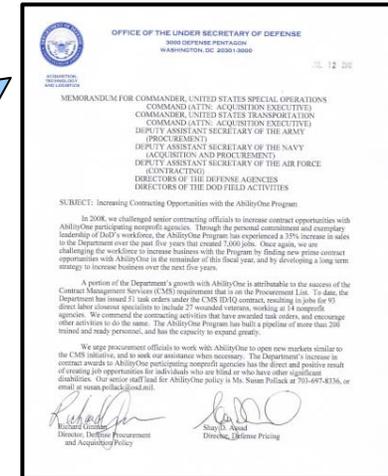
Through the personal commitment and exemplary leadership of DoD's workforce, the AbilityOne program has...created 7,000 jobs.

A portion of the Department's growth with AbilityOne is attributable to the success of the Contract Management Service requirement that is on the procurement list

DPAP Memo, 12 Jul 12

AbilityOne provides employment opportunities for more than 45,000 people who are blind or severely disabled...this includes more than 3,000 of our wounded warriors.

SAF/AQC Memo, 19 Nov 14





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# AbilityOne Contract Management Support (Closeout) Services

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My memorandum...announced an important strategic sourcing initiative between DoD and the AbilityOne program for contract management support (CMS) services and the plan to award a long-term contract based on the success of the ongoing CMS pilot contract with the Department of the Army. I am pleased to inform the procurement community that the AbilityOne Contract Closeout Support Services ID/IQ contract was awarded...and must be used by all DoD components.

DPAP Memo, 14 Sep 10





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# AbilityOne Contract Management Support (Closeout) Services



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<u>September 2010 – April 2016</u>	<u>Off-Site</u>	<u>On-Site</u>	<u>Grand Total</u>
<b>Contracts Received</b>	<b>137,664</b>	<b>268,583</b>	<b>406,247</b>
<b>In Process</b>	<b>30,802</b>	<b>91,442</b>	<b>122,244</b>
<b>Sent to KO for Signature</b>	<b>102,978</b>	<b>168,567</b>	<b>271,545</b>
<b>Contracts pending signature/approval</b>	<b>42,187</b>	<b>35,950</b>	<b>78,137</b>
<b>Contracts closed in procurement system</b>	<b>60,791</b>	<b>132,617</b>	<b>193,408</b>
<b>Contracts that cannot be closed</b>	<b>3,884</b>	<b>8,574</b>	<b>12,458</b>
<b>• Total de-obligations identified</b>	<b>\$967M</b>	<b>\$570.7M</b>	<b>\$1.53B</b>
<b>De-Obligations through Procurement System</b>	<b>\$620.5M</b>	<b>\$250.9M</b>	<b>\$871.3M</b>
<b>Pending Signature/Mod</b>	<b>\$346.5M</b>	<b>\$319.8M</b>	<b>\$666.3M</b>
<b>• Images Scanned</b>	<b>7.2M</b>	<b>2M</b>	<b>9.2M</b>
<b>• Modifications sent to KO for Signature</b>	<b>11,002</b>	<b>12,799</b>	<b>23,801</b>
<b>• Quality</b>			<b>99.70%</b>

(Source = Services Development, National Industries for the Blind)



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# Specific to Us... New Contract



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- **DoD-Wide Contract:**
  - IDIQ Contract Term: 5 years (base/4 one year options)
  - FFP & FFP LOE
  - NIB acts as Prime--subcontracts to AbilityOne non-profit orgs
  - IDIQ Task Orders issued from menu of services
  - Decentralized / Direct Ordering
- **Menu of Services:**
  - Government-Site/Contractor-Site Facilities
  - Contract Close-Out...*Ready-to-Close Contracts*
    - Modifications/De-obligations prepared and distributed
  - Digital Imaging
  - Document Destruction
  - Document Warehousing



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# Specific to Us... Example Contract CLINs

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CLIN	DESCRIPTION	UOM
0007	<u>INVENTORY/PACK CONTRACTS FOR SHIPMENT TO CLOSEOUT TEAM</u> - Inventory contracts to be closed from the Customer's facility.	Day
0008	<u>SHIPPING</u> - Shipping charge for boxes of contracts shipped in standard box (10"x12"x15") weighing ≤30 pounds, shipped within CONUS, including Alaska/Hawaii.	Box
0010	<u>ON-SITE CONTRACT CLOSEOUT SPECIALIST</u> - Perform functions in support of contract closeout as well as other post-award contract administrative services, as outlined in Section 8.0 of the PWS, in support of contract completion and closeout of contract files.	Month
0011	<u>ON-SITE GENERAL CLERK II</u> - Receive contract documents, conduct inventory of received documents, prepare documents for scanning, scan documents and perform quality checks, prepare documents for destruction, destroy documents, and other general administrative tasks.	Month
0012	<u>ON-SITE SUPERVISOR</u> - Oversee the closeout team ensuring contract closeout procedures are executed completely and accurately to the highest quality standard and that the completed file is ready for submission to a warranted government contracting officer for closeout, maintain full accountability for closeouts, ensuring that all contract file documents are properly tracked, validated and reconciled, including but not limited to validation of contract file completeness, product and/or service delivery, receipt, and acceptance research and analysis, invoicing and payment research and analysis, de-obligation of excess funds and drafting contract modifications as required.	Month
0014	<u>DOCUMENT DESTRUCTION</u> - Destruction of contract documents in accordance with DoD regulation and Customer's guidance.	Box



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# Specific to Us... Our Plan of Attack

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- **Initial Plan:**
  - Let existing A&AS contracts expire naturally
    - PEOs do not exercise next option
    - PEOs fund future AbilityOne capabilities
  - PEOs w/out A&AS support fund initial task order: WL, WI, & PZI
- **Current State:**
  - WI & WL were first (task order #1)
  - WN was next (task order #2)
    - Included contracts from AFMETCAL (Heath OH)
  - PZI next (finalizing task order #3)
  - WW possible overlap with task orders #1 and #2

**AF was allocated \$1.61M “DPAP” funds for services  
AFMC got \$730K...of that \$730K, we got \$644K**



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# Questions?

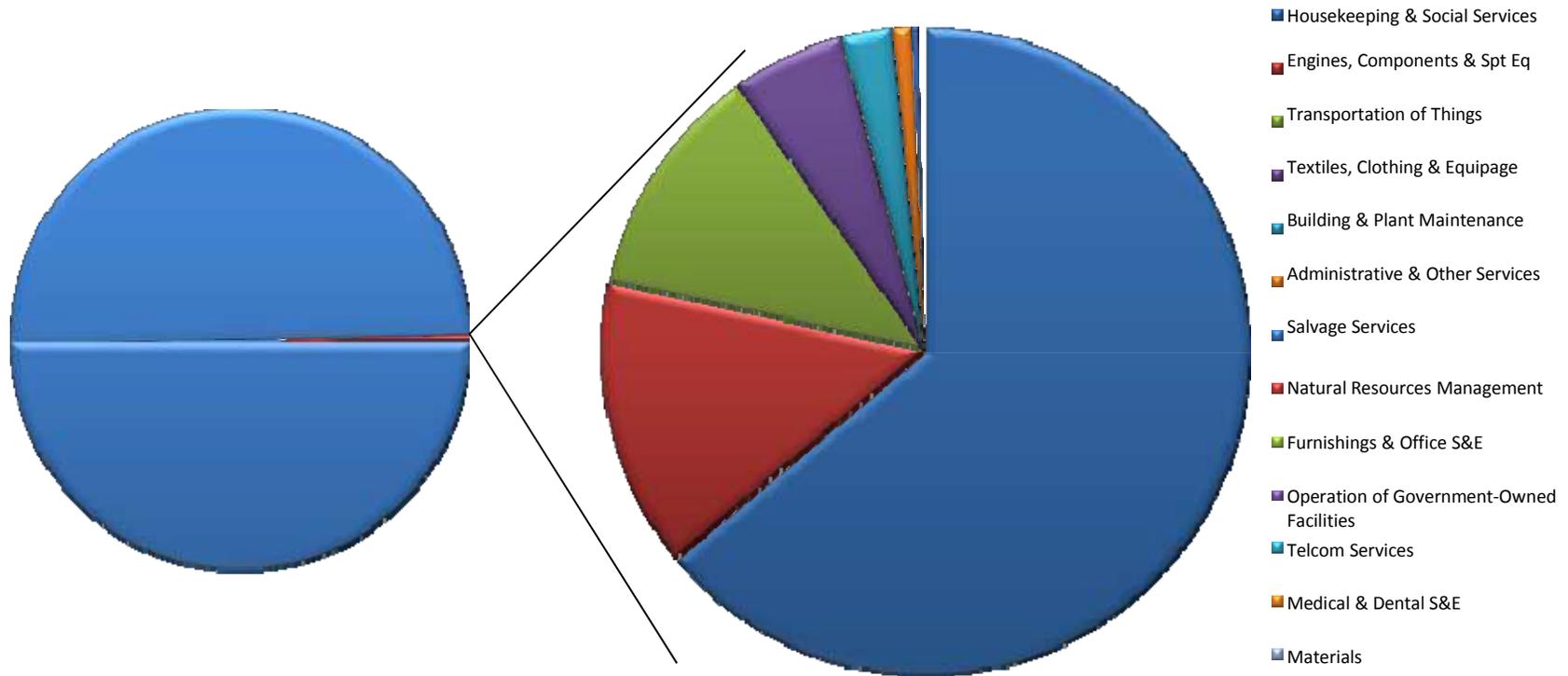


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# Backup



**Total FY15 AFMC Obligations – \$36.9B**  
**Total FY15 AbilityOne Obligations - \$49.6M**