Purchasing from People with Disabilities Program Approval of Services Offered by Community Rehabilitation Programs Discussion Paper

Background

The Texas Workforce Commission (TWC) administers the Purchasing from People with Disabilities (PPD) program. TWC Chapter 806 Purchases of Products and Services from People with Disabilities rule §806.52(c) requires that TWC determine the fair market price of all services provided by individuals with disabilities and offered for sale to state agencies and political subdivisions by Community Rehabilitation Programs (CRPs) participating in the PPD program. The fair market price is determined by state agency negotiations between the Central Nonprofit Agency (CNA) and the CRP for each service contract required. PPD staff then reviews the CNA contract submission to determine projected cost-analysis ratios, such as percentage of disabled labor and wages, and to ensure that administrative and product costs are met. TWC staff reviews CRP submissions to determine whether they meet this requirement before submitting them to TWC's three-member Commission for approval.

Issue

CRPs have presented temporary, new, renewal, and transferred service contracts to TWC for approval. Details of these contracts are as follows:

• Service Contracts Completed under Temporary Approval Authority

- There are five contracts totaling \$17,029.49.
- Estimated wages paid to individuals with disabilities total \$11,519.48.
- The estimated number of individuals with disabilities employed is nine.
- > Individuals with disabilities are paid above minimum wage.

• Temporary Service Contracts Exception

- \triangleright There was one contract totaling \$1,000.00.
- Estimated wages paid to individuals with disabilities total \$672.81.
- The estimated number of individuals with disabilities employed is three.
- > Individuals with disabilities are paid above minimum wage.

• New Service Contracts

- > There was one contract totaling \$10,000.
- Estimated wages paid to individuals with disabilities total \$3,794.80.
- The estimated number of individuals with disabilities employed is five.
- > Individuals with disabilities are paid above minimum wage.

Renewal Service Contracts

- There are 33 contracts totaling \$4,415,524.44.
- Estimated wages paid to individuals with disabilities total \$1,896,587.33.
- The estimated number of individuals with disabilities employed is 150.
 - Individuals with disabilities are paid minimum wage or above.

1 Renewal Service Contracts Exception Report

- > There was one contract totaling \$6,000.
- Estimated wages paid to individuals with disabilities total \$3,387.48.
- > The estimated number of individuals with disabilities employed is four. 4 5
 - > Individuals with disabilities are paid above minimum wage.

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Transfer Contracts

- For these are three contracts totaling \$83,692.72.
- Estimated wages paid to individuals with disabilities total \$38,257.50.
- The estimated number of individuals with disabilities employed is 14. 10
 - Individuals with disabilities are paid above minimum wage.

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Decision Point 13

Staff seeks direction on approving service contracts offered by certified CRPs. 14