



TOP MANAGEMENT AND PERFORMANCE CHALLENGES FOR FISCAL YEAR 2026



U.S. ABILITYONE COMMISSION
OFFICE OF INSPECTOR GENERAL



**U.S. AbilityOne Commission
Office of Inspector General**

355 E Street SW (OIG Suite 335)
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December 17, 2025

MEMORANDUM

TO: Robert D. Hogue
Chairperson
U.S. AbilityOne Commission

Kimberly M. Zeich
Executive Director
U.S. AbilityOne Commission

FROM: Carla Smith *Carla Smith*
Acting Inspector General
U.S. AbilityOne Commission Office of Inspector General

SUBJECT: Final Report of the Fiscal Year 2026 Top Management and Performance Challenges

We are pleased to transmit the following final report on the U.S. AbilityOne Commission's Top Management and Performance Challenges. The U.S. AbilityOne Commission Office of Inspector General (OIG), issued this report.

If you have any questions, please contact me or Laretta A. L. Joseph, Assistant IG for Audit and Evaluation at 571-329-3419 or at ljoseph@oig.abilityone.gov.

cc: Christina Brandt
Vice Chairperson
U.S. AbilityOne Commission

Kelvin Wood
Chief of Staff
U.S. AbilityOne Commission

U.S. AbilityOne Commission Office of Inspector General

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Introduction

In accordance with the Reports Consolidation Act of 2000, the Office of Inspector General (OIG) is reporting what it has determined are the most pressing management and performance challenges facing the U.S. AbilityOne Commission (Commission) for fiscal year (FY) 2026. This report provides our views on these challenges for inclusion in the Commission's Performance and Accountability Report (PAR) for FY 2026.

Management and performance challenges are based on the OIG's observations from the work performed as well as information obtained while conducting oversight activities. The OIG identified these challenges based on the results and findings of its oversight, including audits, evaluations, and investigative activities. as well as information uncovered while conducting oversight.

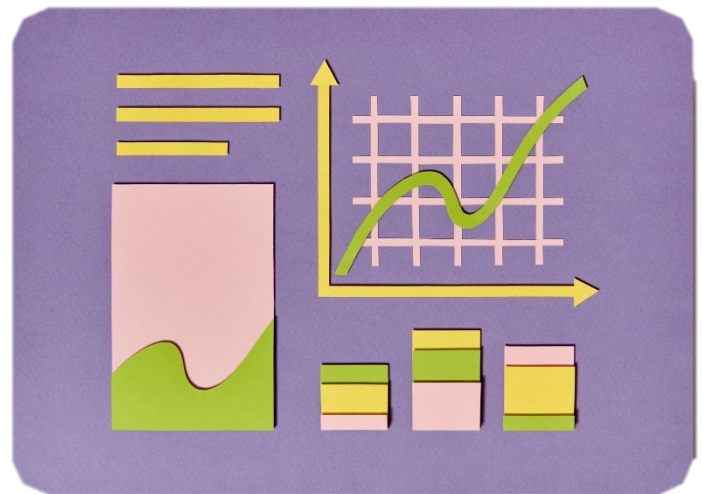
- Enhancing Information Technology
- Modernizing the Program
- Strengthening Human Capital

Addressing these challenges will enhance the Commission's efficiency and effectiveness in meeting the mission and goals of the AbilityOne Program.

Enhancing Information Technology:

Data Collection and Analysis

Data is a fundamental component of information technology. More specifically, data analysis is critical for the AbilityOne Program (Program). It provides valuable information to the Commission on progress and challenges, allowing it to make informed decisions and necessary adjustments for the Program. The Commission recently overhauled many of its data collection tools by including electronic data collection forms and improving data systems. The Commission has and continues to focus on data collection; however, the challenge is their ability to collect the right data and then use it to monitor and track the Program.



The Commission uses Annual Representation and Certification (ARC) forms to collect data points from the Central Nonprofit Agencies (CNAs) and the Nonprofit Agencies (NPAs). In 2024, the Commission entered into new cooperative agreements with the CNAs, which updated CNA's tasks and responsibilities as they relate to data collection. The CNAs were specifically tasked to develop web-based data collection tools and comprehensive data dashboards. The data collection requirements include AbilityOne Program-level data, such as NPA contract performance and Program compliance data, CNA-specific reporting data, and NPA employee qualification and career development information.

As a part of the OIG’s 2025 review of the Commission’s Access to Data, the Commission detailed its plan to collect AbilityOne Program data from the CNAs that would be used to create accessible dashboards for the Commission. The creation of these data-driven dashboards is the first step in moving toward data informed decision-making. However, the challenge remains for the Commission to determine what additional data needs to be collected, how to analyze the data that is collected, and what further decisions need to be made to help the Program reach its mission and goals.

Information System Upgrades

A key component to data collection is to ensure that the data systems that are in place are current and operating in a proficient manner. The Commission has identified upgrading the Procurement List Information Management System (PLIMS) as a long-term priority since its optimal function is core to the Program and it includes sensitive industry data that is important for data analysis.

In its 2022–2026 Strategic Plan, the Commission stated that PLIMS needed to be updated, and in 2022, The Commission received a \$1.8 million Technology Modernization Fund investment to support the updates. PLIMS is the digital backbone of the Commission that connects the Commission with the CNAs and holds valuable data for the Program. As of FY25, the Commission has deployed the PLIMS 2.0 software with updates to assist in supporting their data collection and program modernization efforts. PLIMS 2.0 currently includes the key core functionality of the legacy system but does not yet have all the capabilities required by the Commission staff to maximize efficiency. In their FY2026 budget justification¹, the Commission stated that “deploying core functionality of PLIMS 2.0 will be ongoing during FY2026”.

However, more system upgrades are needed, therefore the Commission is planning for another update to PLIMS. PLIMS 2.1² “will provide additional efficiencies, particularly by automating tasks currently performed by employees and allowing the Commission staff to maintain its Procurement List with fewer staff.” The U.S. Chief Information Officers (CIO) Council has identified outdated IT infrastructure is an obstacle to progress which impacts operational and mission goals³. In 2023, they issued a handbook⁴ for small agency CIOs and executives that help address IT modernization challenges because it is a “constant process that requires evolving management of hybrid cloud scenarios and active energy management of the physical infrastructure.” Modernizing the Program will continue to be exacerbated by the need to fund and produce an information system that can support the Commission and the Program’s needs.

Related OIG Reports

[Evaluation of Access to AbilityOne Program Data](#)

¹ [AbilityOne FY2026 Congressional Budget Justification](#)

² The Commission refers to the ongoing updates to the system in FY26 as PLIMS 2.1.

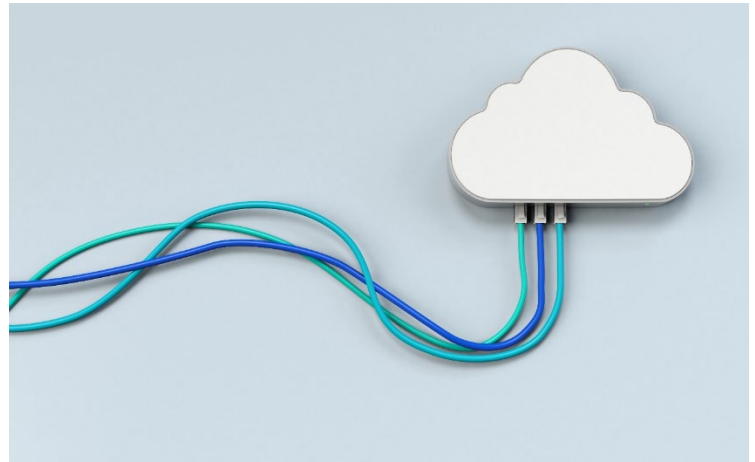
³ [U.S. Chief Information Officers Council, IT Infrastructure Modernization Policy Paper](#)

⁴ [Small Agency CIO and IT Executive Handbook](#)

Modernizing the Program:

Strategic Plan Implementation

The OIG has reported program modernization as a top management and performance challenge for several years. As a result, the Commission has focused on developing strategic plans that include goals and objectives that will change the direction of the Commission. While a shift in direction is a herculean task, the Commission is seemingly focused on implementation of the strategic plan for the long term.



The Commission introduced a draft of their FY 2026–2030 Strategic Plan components. This iteration of the Strategic Plan stated the Commission will focus on outward strategic objectives, outcome goals, and strategies to help increase employment opportunities and participation and the overall visibility of the AbilityOne Program. The draft strategic plan also includes performance measures associated with each strategic objective. If all the goals outlined in the draft strategic plan are implemented, the Commission will have a solid roadmap to its Program’s modernization.

Need For Robust Compliance Program

The Commission’s Compliance Program identifies the obligations of the CNAs to perform oversight of the NPAs and strengthens the control that the Commission will exercise over the CNAs’ compliance activities. In addition, the Commission has open recommendations related to the implementation and oversight of compliance activities.

Due to changes over the years, the Oversight and Compliance Division has experienced a reduction in staff and has not had the opportunity to rehire core functions of the division such as a permanent Director of Compliance. An effective compliance program is necessary for ensuring that goals and objectives are met as the Program moves forward. Without a robust compliance program with knowledgeable leadership, the Commission is at risk of not providing consistent oversight over the CNAs and NPAs. The Program is also at risk of not identifying significant issues that could hinder modernization.

Enhance ERM Framework

The Office of Management and Budget Circular (OMB) A-123⁵, Managements Responsibility for Enterprise Risk Management (ERM) and Internal Control require agencies to include enterprise risk management activities with their strategic planning. It can also be used as a tool to help

⁵ [OMB Circular No. A-123, Management's Responsibility for Enterprise Risk Management and Internal Control](#)

anticipate and manage risks, like programmatic performance and information technology, that may impact the agency's objectives. In addition, OMB A-123 states that integrating and coordinating risk management into existing business activities is an integral part of managing an Agency.

The OIG reviewed the Commission's ERM program to determine if the process is effective and used to make risk-based decisions. The OIG found the Commission has designed and implemented a formal ERM program, but it is not fully effective because it is missing program elements and the internal controls need improvement. This means that it could impact the Commission's ability to make informed risk-based decisions. Also, while training is not a requirement for the program, it can help educate the Commission's ERM management on how to best identify objectives, assess related risks, and develop risk mitigation plans. Due to the changing landscape of organizational and information technology risks, and continuous enhancement, ERM training opportunities for the Program could reduce risk-based vulnerabilities.

Related OIG Reports

[Audit Report - Open Recommendations](#)

[Evaluation of the AbilityOne Commission's Strategic Plan Could Benefit from Enhancements](#)

[Audit of U.S. AbilityOne Commission Enterprise Risk Management](#)

Human Capital:

Prioritize Hiring for Key Vacancies

Not hiring crucial staff directly impacts agency operations, often leading to heavy workloads and burnout, further exacerbating attrition and the need to fill vacancies. High turnover compromises an agency's ability to retain qualified personnel.

Related to their information technology challenge, the Commission does not have a permanent Chief Information Officer (CIO) in place to help manage technology updates, requests, and troubleshooting for their compliance software. In this environment of increased cyberthreats, an experienced CIO is key to protecting the AbilityOne program and the Commission from and effectively responding to security breaches. Related to the challenge of Program Modernization, the Commission does not have a permanent Director of Compliance in place to build a robust compliance program and manage the various compliance requirements of the Program. As a result of both vacancies, the Commission is at a disadvantage to provide oversight of the Program and protect the Commission's information.

Like many federal agencies, the Commission faces multiple challenges as it strives to move the Program forward. Some of these challenges are existing and some new, but all continued to impact the Commission over the past fiscal year.



Related Reports:

[Top Management and Performance Challenges Facing Multiple Federal Agencies](#)

Abbreviations

The Program	AbilityOne Program
Commission	U.S. AbilityOne Commission
ARC	Annual Representations and Certificates
CNAs	Central Nonprofit Agencies
NPA's	Nonprofit Agencies
PLIMS	Procurement List Information Management System
ERM	Enterprise Risk Management
CIO	Chief Information Officer

Appendix: Management Response



U.S. ABILITYONE COMMISSION
355 E Street, SW, Suite 325
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December 16, 2025

MEMORANDUM

FOR: Carla Smith, Acting Inspector General

FROM: Kimberly M. Zeich, Executive Director

SUBJECT: Draft Top Management and Performance Challenges Report

**KIMBERLY
ZEICH**

Digitally signed by KIMBERLY
ZEICH
Date: 2025.12.16 16:54:31
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Thank you for providing a draft copy of the Office of Inspector General (OIG) report on the Top Management and Performance Challenges (TMPC) facing the U.S. AbilityOne Commission (Commission) for FY 2026.

The Commission leverages this report each year as part of our continuous improvement and to mitigate risks to the AbilityOne Program. In FY 2025, the Commission successfully mitigated multiple challenges that were previously identified by the OIG, such as executing second-generation Cooperative Agreements with the Commission's designated central nonprofit agencies (CNAs) and implementing the Commission's FY 2022-2026 Strategic Plan. Additionally, the Commission successfully mitigated a previous challenge associated with financial reporting, closing 11 financial audit recommendations in FY 2025.

We have reviewed the challenges identified by the OIG for FY 2026 and find them consistent with the management challenges prioritized by the Commission, which are also well aligned with the Administration's priorities. These include enhancing information technology, continuing to modernize the AbilityOne Program, and strengthening our human capital. In particular, we recognize that the Commission had an increased level of voluntary attrition in FY 2025 and we look forward to implementing our Merit Hiring Plan in FY 2026.

Thank you again for the opportunity to provide comments on your draft report.



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