**Purchasing from People with Disabilities Program: The 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’s 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 if they meet this requirement before submitting 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 66 contracts totaling $455,953.92.
* Estimated wages paid to individuals with disabilities total $199,357.66.
* The estimated number of individuals with disabilities on contract is 212.
* Individuals with disabilities are paid above minimum wage.
* New Service Contracts
* There are 79 contracts totaling $3,899,850.55.
* Estimated wages paid to individuals with disabilities total $1,886,670.30.
* The estimated number of individuals with disabilities employed is 299.
* Individuals with disabilities are paid above minimum wage.
* Renewal Service Contracts
* There are 650 contracts totaling $57,987,419.73.
* Estimated wages paid to individuals with disabilities total $28,574,597.69.
* The estimated number of individuals with disabilities employed is 2,668.
* Individuals with disabilities are paid minimum wage or above.
* Transfer Contracts
* There are 50 contracts totaling $4,058,453.72.
* Estimated wages paid to individuals with disabilities total $2,245,751.80.
* The estimated number of individuals with disabilities employed is 156.
* Individuals with disabilities are paid above minimum wage
* Statewide Umbrella Secure Destruction Services Contract utilizing multiple CRPs
* This contract will replace the expiring Secure Destruction Contract Services by the Council on Competitive Government.
* There are six (6) CRPs approved to provide Secure Destruction Contract Services through this contract.
* Texas Comptroller of Public Accounts negotiated price increases for three (3) out of the six (6) CRPs
* CRPs are paying minimum wages or above for this contract

**Decision Point**

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