



U.S. ABILITYONE COMMISSION

Policy 51.409
Effective Date: 8/15/2020

TITLE: MAINTAINING QUALIFICATION OF NONPROFIT AGENCIES

1. PURPOSE.

This document prescribes the U.S. AbilityOne Commission (Commission) policy governing how nonprofit agencies (NPAs) maintain qualification to participate in the AbilityOne Program.

2. APPLICABILITY.

This policy applies to the Commission, designated Central Nonprofit Agencies (CNAs), and NPAs qualified to participate in the AbilityOne Program.

3. AUTHORITY.

- (a) 41 U.S.C. §§ 8501- 8506, Javits-Wagner-O'Day (JWOD) Act.
- (b) 41 C.F.R. Chapter 51, Committee for Purchase From People Who Are Blind or Severely Disabled.
- (c) Policy 51.402, Initial Qualification of Nonprofit Agencies

4. DEFINITIONS AND ACRONYMS.

Definitions, abbreviations, and acronyms frequently used throughout this policy system are provided in Policy 51.102, Definitions. Terms unique to a specific subject matter will be defined in the associated policy and/or procedure.

5. RESPONSIBILITIES.

- (a) The Commission determines whether an NPA is maintaining qualification in accordance with the regulation at 41 C.F.R. 51-4.3 to continue participation in the AbilityOne Program.
- (b) The CNAs, in accordance with their Cooperative Agreements, provide regulatory assistance to the NPAs they represent, to facilitate and support the NPAs maintaining qualification.
- (c) NPAs participating in the AbilityOne Program must maintain qualification by complying with all of the requirements of 51 C.F.R. 41-4.3 and this policy, including but not limited to submitting the required documentation in a timely manner through the appropriate CNA(s).

6. POLICY.

- (a) After being granted initial qualification to participate in the AbilityOne Program, in accordance with 41 C.F.R. 51-4.2 and Policy 51.402, an NPA must maintain qualification by meeting the following:
 - i. Comply with the requirements to meet the definition of a nonprofit agency for the blind or a nonprofit agency for people with significant disabilities, as



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defined in 51 C.F.R. 1.3, including the direct labor hour ratio required therein.

- ii. Ensure that all changes to its legal documentation since notice of its initial qualification are submitted to the Commission through the designated CNA(s) that represent(s) the NPA, and receive the Commission’s subsequent approval.
- iii. Submit the Annual Representations and Certifications, signed by the appropriate NPA leaders, to the CNA(s) who represent it by November 1 of each year, covering the fiscal year ending the preceding September 30.
- iv. Comply with all requirements of 41 C.F.R. 51-4.3, as implemented through the Commission’s NPA compliance-related policies (51.400 – 51.410), which include but are not limited to:
 - a. Proper tracking and submission of all direct labor hours, as elaborated in Policy 51.401.
 - b. Satisfactory completion of corrective action assigned by the Commission or a CNA to address inadequate documentation or other deficiencies in complying with the Commission’s requirements, as elaborated in Policy 51.403.
 - c. Full cooperation with the Commission’s inspection requirements and CNA regulatory reviews, as elaborated in Policy 51.404.
 - d. Maintaining adequate documentation of blindness or significant disability for direct labor employees as elaborated in Policies 51.407 and 51.408.
- v. Comply with all applicable labor laws and regulations administered by the U.S. Department of Labor.
 - a. Compliance includes the proper payment of wages, meeting all Occupational Safety and Health (OSHA) requirements, and fulfilling applicable requirements of the Department of Labor, Office of Federal Contracts Compliance Programs (OFCCP).
 - b. The NPA shall make timely payment of salary and benefits on all of its AbilityOne contracts, which means it must have a sufficient cash flow, level of reserves, and/or line of credit.
- vi. Strictly adhere to Government orders for products or services on the Procurement List, including meeting quality standards and delivery dates. This means an NPA’s Past Performance ratings should be “Satisfactory” or better when deviations to FAR 42.1502(h) allow the NPA’s performance to be evaluated by Federal customers.
- vii. Maintain an ongoing placement program operated by or for the NPA to include liaison with appropriate community services. Individuals determined capable and desirous of competitive employment shall be assisted in obtaining such employment.
 - a. For placement programs operated by the NPA, the NPA must have policies and procedures, and must report the results via quarterly reports to the CNAs and in the Annual Representations and Certifications.
 - b. For placement programs contracted out by the NPA, the NPA must have documentation showing a valid agreement with its placement services provider,

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and must report the results via quarterly reports to the CNAs and in the Annual Representations and Certifications.

- (b) NPAs that fail to maintain qualification or become inactive (no orders for products or services on the Procurement List for more than two years) will be placed in “deauthorized” status in the Commission’s records.
 - i. In accordance with Policy 51.403, as a result of violations, the Commission may deauthorize an NPA that was previously providing direct labor on one or more products or services on the Procurement List.
 - ii. The CNAs shall identify NPAs that reported zero direct labor hours on AbilityOne contracts during the previous Federal fiscal year.
 - a. The CNA will make a recommendation to the Commission regarding the NPA’s deauthorization, based on the status of the NPA’s allocations and whether the NPA wishes to remain in the Program.
 - b. Based on the CNA’s recommendation and direct communication with the NPA, the Commission will determine whether to change an NPA’s status to “deauthorized” in the Commission’s records and notify the CNA(s) of this change.
 - iii. A CNA may resubmit updated documentation to qualify a “deauthorized” NPA only when requesting action on a proposed addition or allocation of a product or service for which the NPA would provide direct labor.

7. EXCEPTION TO POLICY.


None.

8. PROCEDURES.

None.

9. SUPERSESSION.

None.

APPROVED: _____  _____ **Date:** 8/10/2020
E. Ballard
Executive Director