



## U.S. ABILITYONE COMMISSION

**Policy Number 51.210**  
**Effective Date: January 1, 2022**

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### ABILITYONE PROGRAM FEE ESTABLISHMENT AND OVERSIGHT

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#### 1. PURPOSE

This document prescribes the U.S. AbilityOne Commission (Commission) policy for establishment and oversight of AbilityOne Program Fees. Program Fees are paid by Commission-authorized nonprofit agencies (NPAs) with AbilityOne Program sales to Commission-designated Central Nonprofit Agencies (CNAs) in accordance with the collection authority established at 41 C.F.R. 51-3.5. The purpose of Program Fees is to contribute to the overall financing of the non-appropriated portion of the AbilityOne Program. Prior to 2016, these fees were referred to as Central Nonprofit Agency (CNA) Fees.

#### 2. APPLICABILITY

This policy applies to the Commission, its designated CNAs, and authorized NPAs participating in the AbilityOne Program. Federal entities subject to the Javits-Wagner-O'Day (JWOD) Act and Federal contractors awarding directed subcontracts to meet the mandatory source requirement in their prime contracts should be aware of the Program Fees, and may reference Commission Policy 51.601 for the application of Program Fees to the prices proposed for products and services on the AbilityOne Procurement List.

#### 3. AUTHORITY

- (a) 41 U.S.C. §§ 8501-8506, Javits-Wagner-O'Day (JWOD) Act
- (b) 41 C.F.R. Ch. 51, Committee for Purchase From People Who Are Blind or Severely Disabled

#### 4. DEFINITIONS AND ACRONYMS

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

| Term        | Definition   |
|-------------|--|
| Program Fee | A fee that Commission-designated CNAs are authorized by Commission regulation and their Cooperative Agreements to collect from authorized NPAs to facilitate the latter's participation in the AbilityOne Program. The Program Fee contributes to the overall financing of the non-appropriated portion of the AbilityOne Program. The Program Fee is neither profit nor net proceeds. |

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The Committee for Purchase From People Who Are Blind or Severely Disabled operates as the U.S. AbilityOne Commission



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| <b>Term</b>         | <b>Definition</b>  |
|---------------------|--|
| Program Fee Ceiling | By regulation, the Commission establishes a limit (i.e., a ceiling, expressed as a percentage rate) to the fees a designated CNA may collect to facilitate its associated NPAs' participation in the AbilityOne Program. The CNAs may charge less than, but no more than, the Program Fee Ceiling set by the Commission. |

**5. RESPONSIBILITIES**

- (a) The Commission provides authorization and guidance regarding Program Fees to the Commission-designated CNAs via 41 C.F.R. 51-3.5 and the Cooperative Agreements.
- (b) The Commission approves the Program Fee Ceiling for each CNA in accordance with 41 C.F.R. 51-2.2(f), and notifies the CNAs, participating NPAs and Federal customers of the applicable rates at least 30 days before the effective date.
- (c) The CNAs collect Program Fees from their associated NPAs, at rates not to exceed the ceiling established by the Commission, after the NPAs have been paid by the Government for products or services on the Procurement List.
- (d) The CNAs report their collection of fees and fee-related expenditures as required by the terms and conditions of the Cooperative Agreements with the Commission, applicable law, and 2 C.F.R. 200.80.
- (e) The NPAs remit Program Fees to their respective CNA(s) upon receipt of payment by the Government to maintain qualification to participate in the AbilityOne Program.

**6. POLICY**

- (a) The Commission establishes and oversees the Program Fee Ceiling and notifies CNAs, participating NPAs and Federal customers of the applicable rates.
- (b) As the Commission has sole authority to establish Fair Market Prices for products and services on the Procurement List, the Commission will establish the methodology for calculating Program Fees in the price of AbilityOne contracts.
- (c) The Program Fee is unique to the AbilityOne Program and to Federal purchases pursuant to the JWOD Act, and is neither profit nor net proceeds. The Program Fee is an allowable, direct cost for the NPA delivering a product or service under the AbilityOne Program.
- (d) The Commission authorizes CNAs to collect Program Fees from their associated NPAs exclusively for performance of duties as a Commission-designated CNA. The Commission's removal or discontinuation of this designation severs any rights or responsibilities of the CNAs to collect future Program Fees beyond what is owed to a CNA at the time of removal or discontinuation.
- (e) The Commission's regulation at 41 C.F.R. 51-4.3(b)(9) requires NPAs to remit Program Fees to their CNA(s) after receiving payment from the Government as a requirement for

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maintaining qualifications in the AbilityOne Program. The Commission may remove an NPA’s eligibility to participate in the AbilityOne Program for failure to comply with this regulation.

**7. EXCEPTIONS TO POLICY**

None.

**8. PROCEDURES**

None.

**9. SUPERSESSION**

Administrative Memorandum Number 11, dated October 1, 2006, is replaced in its entirety by a combination of this Policy and Commission Policies 51.302 and 51.601.



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