

Subpart 8.7 - Acquisition from Nonprofit Agencies Employing People Who Are Blind or Severely Disabled

Parent topic: [Part 8 - Required Sources of Supplies and Services](#)

8.700 Scope of subpart.

This subpart prescribes the policies and procedures for implementing-

(a) [41 U.S.C. chapter 85](#), Committee for Purchase from People Who Are Blind or Severely Disabled; and

(b) The rules of the Committee for Purchase from People Who Are Blind or Severely Disabled (41 CFR Chapter 51), which implements the AbilityOne program.

8.701 Definitions.

As used in this subpart-

Allocation means an action taken by a *central nonprofit agency* to designate the AbilityOne participating nonprofit agencies that will furnish definite quantities of *supplies* or perform specific services upon receipt of orders from *ordering offices*.

Central nonprofit agency means National Industries for the Blind (NIB), which has been designated to represent people who are blind; or NISH, which has been designated to represent AbilityOne participating nonprofit agencies serving people with severe disabilities other than blindness.

"Committee" means the Committee for Purchase From People Who Are Blind or Severely Disabled.

Government or "entity of the *Government*" means any entity of the legislative or judicial branch, any *executive agency*, military department, *Government* corporation, or independent establishment, the U.S. Postal Service, or any nonappropriated-fund instrumentality of the Armed Forces.

Ordering office means any activity in an entity of the *Government* that places orders for the purchase of *supplies* or services under the AbilityOne Program.

Procurement List means a list of *supplies* (including military resale commodities) and services that the Committee has determined are suitable for purchase by the *Government* under [41 U.S.C. chapter 85](#).

Nonprofit agency serving people who are blind or "nonprofit agency serving people with other severe disabilities" (referred to jointly as AbilityOne participating nonprofit agencies) means a qualified nonprofit agency employing people who are blind or have other severe disabilities

approved by the Committee to furnish a commodity or a service to the *Government* under 41 U.S.C. chapter 85.

8.702 General.

The Committee is an independent *Government* activity with members appointed by the President of the *United States*. It is responsible for-

- (a) Determining those *supplies* and services to be purchased by all entities of the *Government* from AbilityOne participating nonprofit agencies;
- (b) Establishing prices for the *supplies* and services; and
- (c) Establishing rules and regulations to implement 41 U.S.C. chapter 85.

8.703 Procurement List.

The Committee maintains a *Procurement List* of all *supplies* and services required to be purchased from AbilityOne participating nonprofit agencies. The *Procurement List* may be accessed at: <http://www.abilityone.gov> . Questions concerning whether a supply item or service is on the *Procurement List* may be submitted at Internet e-mail address info@abilityone.gov or referred to the Committee offices at the following address and telephone number:

Committee for Purchase From People Who Are Blind or Severely Disabled, 1401 S. Clark Street, Suite 10800, Arlington, VA 22202-3259, (703) 603-7740.

Many items on the *Procurement List* are identified in the General Services Administration (GSA) Supply Catalog and GSA's Customer Service Center Catalogs with a black square and the words "NIB/NISH Mandatory Source," and in similar catalogs issued by the Defense Logistics Agency (DLA) and the Department of Veterans Affairs (VA). GSA, DLA, and VA are central supply agencies from which other *Federal agencies* are required to purchase certain supply items on the *Procurement List*.

8.704 Purchase priorities.

(a) 41 U.S.C. chapter 85 requires the *Government* to purchase *supplies* or services on the *Procurement List*, at prices established by the Committee, from AbilityOne participating nonprofit agencies if they are available within the period required. When identical *supplies* or services are on the *Procurement List* and the Schedule of *Products* issued by Federal Prison Industries, Inc., *ordering offices* shall purchase *supplies* and services in the following priorities:

(1) *Supplies*:

- (i) Federal Prison Industries, Inc. (41 U.S.C. 8504).
- (ii) AbilityOne participating nonprofit agencies.

(iii) Commercial sources.

(2) Services:

(i) AbilityOne participating nonprofit agencies.

(ii) Federal Prison Industries, Inc., or commercial sources.

(b) No other provision of the FAR *shall* be construed as permitting an exception to the mandatory purchase of items on the *Procurement List*.

(c) The *Procurement List* identifies those *supplies* for which the *ordering office* must obtain a formal waiver (8.604) from Federal Prison Industries, Inc., before making any purchases from AbilityOne participating nonprofit agencies.

8.705 Procedures.

8.705-1 General.

(a) *Ordering offices* shall obtain *supplies* and services on the *Procurement List* from the *central nonprofit agency* or its designated AbilityOne participating nonprofit agencies, except that *supplies* identified on the *Procurement List* as available from DLA, GSA, or VA supply distribution facilities shall be obtained through DLA, GSA, or VA procedures. If a distribution facility cannot provide the *supplies*, it shall inform the *ordering office*, which shall then order from the AbilityOne participating nonprofit agency designated by the Committee.

(b) Supply distribution facilities in DLA and GSA shall obtain *supplies* on the *Procurement List* from the *central nonprofit agency* identified or its designated AbilityOne participating nonprofit agency.

8.705-2 Direct-order process.

Central nonprofit agencies may authorize *ordering offices* to transmit orders for specific *supplies* or services directly to an AbilityOne participating nonprofit agency. The written authorization remains valid until it is revoked by the *central nonprofit agency* or the Committee. The *central nonprofit agency* shall specify the normal delivery or performance lead time required by the nonprofit agency. The *ordering office* shall reflect this lead time in its orders.

8.705-3 Allocation process.

(a) When the direct order process has not been authorized, the *ordering office* shall submit a written request for *allocation* (requesting the designation of the AbilityOne participating nonprofit agency to produce the *supplies* or perform the service) to the *central nonprofit agency* designated in the *Procurement List*. *Ordering offices* shall request *allocations* in sufficient time for a reply, for orders to be placed, and for the nonprofit agency to produce the *supplies* or provide the service within the required delivery or performance schedule.

(b) The *ordering office's* request to the *central nonprofit agency* for *allocation* shall include the

following information:

(1) For *supplies*-Item name, stock number, latest specification, quantity, unit price, date delivery is required, and destination to which delivery is to be made.

(2) For *services*-Type and location of service required, latest specification, work to be performed, estimated volume, and required date or dates for completion.

(3) Other requirements; *e.g.*, packing, marking, as necessary.

(c) When an *allocation* is received, the *ordering office shall* promptly issue an order to the specified AbilityOne participating nonprofit agency or to the *central nonprofit agency*, as instructed by the *allocation*. If the issuance of an order is to be delayed for more than 15 days beyond receipt of the *allocation*, or canceled, the *ordering office shall* advise the *central nonprofit agency* immediately.

(d) *Ordering offices may* issue orders without limitation as to dollar amount and *shall* record them upon issuance as obligations. Each order *shall* include, as a minimum, the information contained in the request for *allocation*. *Ordering offices shall* also include additional instructions necessary for performance under the order; *e.g.*, on the handling of *Government*-furnished property, reports required, and notification of *shipment*.

8.705-4 Compliance with orders.

(a) The *central nonprofit agency shall* inform the *ordering office* of changes in lead time experienced by its AbilityOne participating nonprofit agencies to minimize requests for extensions once the *ordering office* places an order.

(b) The *ordering office shall* grant a request by a *central nonprofit agency* or AbilityOne participating nonprofit agency for revision in the delivery or completion schedule, if feasible. If extension of the delivery or completion date is not feasible, the *ordering office shall* notify the appropriate *central nonprofit agency* and request that it reallocate the order, or grant a purchase exception authorizing *acquisition* from commercial sources.

(c) When an AbilityOne participating nonprofit agency fails to perform under the terms of an order, the *ordering office shall* make every effort to resolve the noncompliance with the nonprofit agency involved and to negotiate an adjustment before taking action to cancel the order. If the problem cannot be resolved with the nonprofit agency, the *ordering office shall* refer the matter for resolution first to the *central nonprofit agency* and then, if necessary, to the Committee.

(d) When, after complying with 8.705-4(c), the *ordering office* determines that it *must* cancel an order, it *shall* notify the *central nonprofit agency* and, if practical, request a reallocation of the order. When the *central nonprofit agency* cannot reallocate the order, it *shall* grant a purchase exception permitting use of commercial sources, subject to approval by the Committee when the value of the purchase exception is \$25,000 or more.

8.706 Purchase exceptions.

(a) *Ordering offices may* acquire *supplies* or *services* on the *Procurement List* from commercial sources only if the *acquisition* is specifically authorized in a purchase exception granted by the

designated *central nonprofit agency*.

(b) The *central nonprofit agency* shall promptly grant purchase exceptions when-

(1) The AbilityOne participating nonprofit agencies cannot provide the *supplies* or services within the time required, and commercial sources can provide them significantly sooner in the quantities required; or

(2) The quantity required cannot be produced or provided economically by the AbilityOne participating nonprofit agencies.

(c) The *central nonprofit agency* granting the exception shall specify the quantity and delivery or performance period covered by the exception.

(d) When a purchase exception is granted, the *contracting officer* shall-

(1) Initiate purchase action within 15 days following the date of the exception or any extension granted by the *central nonprofit agency*; and

(2) Provide a copy of the *solicitation* to the *central nonprofit agency* when it is issued.

(e) The Committee *may* also grant a purchase exception, under any circumstances it considers appropriate.

8.707 Prices.

(a) The prices of items on the *Procurement List* are fair market prices established by the Committee. All prices for *supplies* ordered under this subpart are f.o.b. origin.

(b) Prices for *supplies* are normally adjusted semiannually. Prices for services are normally adjusted annually.

(c) The Committee *may* request the agency responsible for acquiring the *supplies* or service to assist it in establishing or revising the fair market price. The Committee has the authority to establish prices without prior coordination with the responsible *contracting office*.

(d) Price changes shall normally apply to all orders received by the AbilityOne participating nonprofit agency on or after the effective date of the change. In special cases, after considering the views of the *ordering office*, the Committee *may* make price changes applicable to orders received by the AbilityOne participating nonprofit agency prior to the effective date of the change.

(e) If an *ordering office* desires packing, packaging, or marking of *supplies* other than the standard pack as provided on the *Procurement List*, any difference in costs shall be included as a separate item on the nonprofit agency's *invoice*. The *ordering office* shall reimburse the nonprofit agency for these costs.

(f) *Ordering offices* may make recommendations to the Committee at any time for price revisions for *supplies* and services on the *Procurement List*.

8.708 Shipping.

(a) Delivery is accomplished when a *shipment* is placed aboard the vehicle of the initial carrier. The time of delivery is the date *shipment* is released to and accepted by the initial carrier.

(b) *Shipment* is normally under *Government* bills of lading. However, for small orders, *ordering offices* may specify other *shipment* methods.

(c) When *shipments* are under *Government* bills of lading, the bills of lading *may* accompany orders or be otherwise furnished promptly. Failure of an *ordering office* to furnish bills of lading or to designate a method of transportation *may* result in an excusable delay in delivery.

(d) AbilityOne participating nonprofit agencies *shall* include transportation costs for small *shipments* paid by the nonprofit agencies as an item on the *invoice*. The *ordering office* *shall* reimburse the nonprofit agencies for these costs.

8.709 Payments.

The *ordering office* *shall* make payments for *supplies* or services on the *Procurement List* within 30 days after *shipment* or after receipt of a *proper invoice* or voucher.

8.710 Quality of merchandise.

Supplies and services provided by AbilityOne participating nonprofit agencies *shall* comply with the applicable *Government* specifications and standards cited in the order. When no specifications or standards exist-

(a) *Supplies* *shall* be of the highest quality and equal to similar items available on the commercial market; and

(b) Services *shall* conform to good commercial practices.

8.711 Quality complaints.

(a) When the quality of *supplies* or services received is unsatisfactory, the using activity *shall* take the following actions:

(1) For *supplies* received from DLA supply centers, GSA supply distribution facilities, or Department of Veterans Affairs distribution division, notify the supplying agency.

(2) For *supplies* or services received from AbilityOne participating nonprofit agencies, address complaints to the individual nonprofit agency involved, with a copy to the appropriate *central nonprofit agency*.

(b) When quality problems cannot be resolved by the AbilityOne participating nonprofit agency and

the *ordering office*, the *ordering office shall* first contact the *central nonprofit agency* and then, if necessary, the Committee for resolution.

8.712 Specification changes.

(a) The *contracting activity shall* notify the AbilityOne participating nonprofit agency and appropriate *central nonprofit agency* of any change in specifications or descriptions. In the absence of such written notification, the AbilityOne participating nonprofit agency *shall* furnish the *supplies* or services under the specification or description cited in the order.

(b) The *contracting activity shall* provide 90-days advance notification to the Committee and the *central nonprofit agency* on actions that affect *supplies* on the *Procurement List* and *shall* permit them to comment before action is taken, particularly when it involves-

(1) Changes that require new national stock numbers or item designations;

(2) Deleting items from the supply system;

(3) Standardization; or

(4) Developing new items to replace items on the *Procurement List*.

(c) For services, the *contracting activity shall* notify the AbilityOne participating nonprofit agency and *central nonprofit agency* concerned at least 90 days prior to the date that any changes in the scope of work or other conditions will be required.

(d) When, in order to meet its *emergency* needs, a *contracting activity* is unable to give the 90-day notification required in paragraphs (b) and (c) of this section, the *contracting activity shall*, at the time it places the order or change notice, inform the AbilityOne participating nonprofit agency and the *central nonprofit agency in writing* of the reasons that it cannot meet the 90-day notification requirement.

8.713 Optional acquisition of supplies and services.

(a) *Ordering offices may* acquire *supplies* and services not included on the *Procurement List* from an AbilityOne participating nonprofit agency that is the low responsive, responsible *offeror* under a *solicitation* issued by other authorized *acquisition* methods.

(b) *Ordering offices should* forward *solicitations* to AbilityOne participating nonprofit agencies that *may* be qualified to provide the *supplies* or services required.

8.714 Communications with the central nonprofit agencies and the Committee.

(a) The addresses of the *central nonprofit agencies* are:

(1) National Industries for the Blind

1310 Braddock Place

Alexandria, VA 22314-1691

(703) 310-0500; and

(2) NISH

8401 Old Courthouse Road

Vienna, VA 22182

(571) 226-4660.

(b) Any matter requiring referral to the Committee *shall* be addressed to:

Executive Director of the Committee, 1401 S. Clark Street, Suite 10800, Arlington, VA 22202-3259.

8.715 Replacement commodities.

When a commodity on the *Procurement List* is replaced by another commodity which has not been previously acquired, and a qualified AbilityOne participating nonprofit agency can furnish the replacement commodity in accordance with the *Government's* quality standards and delivery schedules and at a fair market price, the replacement commodity is automatically on the *Procurement List* and *shall* be acquired from the AbilityOne participating nonprofit agency designated by the Committee. The commodity being replaced *shall* continue to be included on the *Procurement List* until there is no longer a requirement for that commodity.

8.716 Change-of-name and successor in interest procedures.

When the Committee recognizes a name change or a successor in interest for an AbilityOne participating nonprofit agency providing *supplies* or services on the *Procurement List*-

(a) The Committee will provide a notice of a change to the *Procurement List* to the cognizant *contracting officers*; and

(b) Upon receipt of a notice of a change to the *Procurement List* from the Committee, the *contracting officer must*-

(1) Prepare a Standard Form (SF) 30, Amendment of *Solicitation/Modification of Contract*, incorporating a summary of the notice and attaching a list of contracts affected; and

(2) Distribute the SF 30, including a copy to the Committee.