

## Additional Viewer Submitted Questions and Answers

### Service Contracts

1. Are AbilityOne service contracts the same as NISH (National Institute for the Severely Handicapped) contracts?

*Yes, AbilityOne contracts have previously been referred to as “NISH, NIB” or JWOD (Javits-Wagner-O’Day) contracts. The Javits-Wagner-O’Day Program was rebranded in 2006 as the AbilityOne Program and represents mandatory source requirements as listed in FAR Part 8.7. AbilityOne service contracts are requirements that have been added to the AbilityOne Procurement List (PL). SourceAmerica (formerly NISH) and National Industries for the Blind (NIB) are two Central Nonprofit Agencies (CNAs) responsible for working with the Federal government that has a requirement, the Nonprofit Agencies that perform the work, and the U.S. AbilityOne Commission to add services to the PL.*

2. Once a requirement is awarded using AbilityOne, does it remain in the program when the contract expires?

*Yes, requirements are added to the PL, not contracts. Once a requirement is part of the AbilityOne Program, it’s a mandatory source as long as the requirement exists, unless the U.S. AbilityOne Commission determines the product or service is no longer suitable for provision by people who are blind or have other significant disabilities. Chapter 51 of Title 41 of the CFR provides the regulations specific to the Federal agency that oversees the AbilityOne Program, operating as the U.S. AbilityOne Commission. 41 CFR 51-5.2 states that nonprofit agencies designated by the Commission are mandatory sources of supply for all entities of the Government for commodities and services included on the Procurement List. At contract expiration, the contract is re-negotiated with the CNA and the authorized nonprofit agency contractor.*

3. Please elaborate on your "forever" comment. Are you saying, for example, that we would never have to re-source, re-compete, etc. an Ability One Services contract? It sounds like you are saying that if we have funding, that's it? No more 5 year limits on contracts, etc.?

*The AbilityOne program is a required source of commodities, supplies and services as addressed in FAR Part 8 “Required Sources of Supplies and Services”.*

*FAR 8.704 addressed the specific requirements for use of the AbilityOne program and its priority for purchasing as follows:*

*Under the law and guidance of FAR, authorized products and services are required to be purchased through AbilityOne. However, contracts exist for the required term of service as designated by the Federal Government customer. At the conclusion of the contract, the*

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*Contracting Officer works with the AbilityOne Program to issue a new contract, under AbilityOne authority, with the established AbilityOne service provider.*

4. Are there any mandatory clauses used for AbilityOne, or is there a set of FAR Clauses needed in an AbilityOne contract?

*At the present time there are no mandatory clauses for AbilityOne contracts when the AbilityOne Nonprofit Agency is the prime contractor; however, FAR 8.005 Contract Clause, requires that contracting agencies:*

*Insert the clause at 52.208-9, Contractor Use of Mandatory Sources of Supply and Services, in solicitations and contracts that require a contractor to provide supplies or services for Government use that are on the Procurement List maintained by the Committee for Purchase From People Who Are Blind or Severely Disabled. The contracting officer shall identify in the contract schedule the supplies or services that shall be purchased from a mandatory source and the specific source.*

### **Pricing**

5. Why are the prices on AbilityOne items so much more than competitor's prices?

*Pricing for AbilityOne products and services follow the requirements of FAR 8.707, and are established by the U.S. AbilityOne Commission as a fair market price.*

*Fair Market prices established by the Commission are 99.5% the result of the negotiated price between the Contracting Officer and AbilityOne nonprofit agency/Central Nonprofit Agency. AbilityOne policies require Contracting Officers to review proposals using analysis techniques in FAR 15-404 and negotiate a price that is fair and reasonable. The AbilityOne Commission does not review or approve proposals before they are submitted to the Contracting Officers but are reviewed and approved by the Commission prior to the contract being awarded.*

6. What is the proper way to handle quality issues that affect customer satisfaction and duplicates cost to the Government (i.e. large trash bags breaking open, paper towels falling apart when wet)?

*41 CFR 51-6.10(a) requires AbilityOne products to be manufactured in strict compliance with Government specifications or at a quality equal to or higher than similar products available on the commercial market. FAR 8.711 Quality Complaints describes the procedures to follow when the quality of supplies or services provided under the AbilityOne Program is unsatisfactory.*

7. An AbilityOne source has been identified. What is the first step to take if the quote I receive for a product is 2-5 times the price I can demonstrate having paid for the same product in the past? How long does it take to handle such an inquiry?

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*The Commission establishes the Fair Market Price (FMP). The FMP is established at FOB Origin unless the Contracting Activity has negotiated a destination price. Since AbilityOne products are available in several distribution/fulfillment channels, markups are added to the FMP to cover the retailers' costs. The Commission does not establish the markups. The markups are managed by the cognizant federal agency, GSA, DLA, etc. The federal buyer must perform market research to ensure the optimum price is secured.*

*If there are issues with prices and/or purchases of AbilityOne products then the Commission should be contacted at [Info@AbilityOne.gov](mailto:Info@AbilityOne.gov). These inquiries are typically handled within 2 business days.*

8. We had commercially competed a product for years and are now being told we must use an AbilityOne provider. Prices from the designated provider are 10 times more which is not in the best interest of the Government. How do we go about re-negotiating the pricing which is more reasonable? Our customers will not pay a million dollars for something they had been paying \$100,000 for.

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9. Are there any minimum or maximum dollar thresholds for services?

*There are not typically minimum or maximum dollar thresholds for services.*

10. If there is a published list of products and we consider the pricing high (compared to similar procurements on the open market), how do we appeal the pricing to have the pricing reviewed for "fair and reasonable"?

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**Procurement List**

11. Please provide the AbilityOne Procurement List address.

*The AbilityOne Procurement list can be found at the following link:*

*[http://abilityone.gov/procurement\\_list/index.html](http://abilityone.gov/procurement_list/index.html)*

12. For products currently on the Procurement List, how quickly can issues such as excessive pricing from AbilityOne compared to industry pricing previously paid be reviewed and addressed?

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*Prices for AbilityOne products and services are usually changed in conjunction with the contract period. The preferred method for establishing base prices is by negotiation between the producing nonprofit agency and the contracting activity with the assistance of NIB or SourceAmerica. The method of determining future prices will be a part of those negotiations.*

*To address a specific concern regarding an AbilityOne service or product contract:*

*NIB Services: (703) 310-0371, Products: (703) 310-0375*

*SourceAmerica: (888) 411-8424*

*U.S. AbilityOne Commission: Email: [info@abilityone.gov](mailto:info@abilityone.gov)*

13. If a specific product is on the Procurement List for a particular agency do all other agencies now have to set it aside for that particular vendor?

*Each requirement is specific to the product or service on the PL, the contracting activity, the specific product NSN, and/or the location of service. In the event that an agency wants to buy the exact product NSN, then it is the mandatory source from that vendor.*

14. Can the Government contract with any authorized AbilityOne vendor for a product under the current Procurement List, or is it a requirement for the Government to go only through the AbilityOne designated provider for the procurement of that product?

*Most products on the Procurement List have only one primary, authorized non-profit agencies manufacturer. In some cases, multiple non-profit agencies are authorized to supply the same product though. In these cases, the designated CNAs have the authority to allocate specific requirements between the authorized non-profit agencies. Therefore, the Government will need to contract with authorized non-profit agencies in accordance with the allocation rules provided by the CNA. This is usually not an issue for niche or agency-specific products because the Government utilizes the Allocation process (FAR 8.705-3) or has received CNA authorization for a direct-order process (FAR 8.705-2). Because of the nature of products carrying a total government requirement, they are available through multiple channels. However, CNAs do maintain allocation guidelines for these products so that the government Contracting Activity and authorized distributors are aware of how a requirement should be procured if there are multiple CRP producers.*

15. Can the prime subcontract some of the work to AbilityOne contractor(s)?

*Yes prime contractors can certainly subcontract work to an AbilityOne Nonprofit contractor. Federal agencies can also include clauses within with solicitations that encourage this partnership.*

16. I have an AbilityOne contract with a base year and 4, 1-year option periods. What is the procedure/process for re-competing after the last option period expires?

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*As a mandatory source, there is no need for re-competing the requirement at the conclusion of the last option year. The Government should begin discussions with their Central Nonprofit Agency point of contract in the final option year to help establish a new 5 year contract with the authorized AbilityOne provider.*

17. Do the different AbilityOne contractors compete against each other for contracts?

*SourceAmerica and NIB are responsible for evaluating nonprofit agency capabilities and recommending a nonprofit for each potential AbilityOne Procurement List addition. SourceAmerica has a formalized NPA Recommendation Process they follow for potential AbilityOne product and service requirements. NIB also follows an approved Board policy for determination of the not-for profit agency to perform on each product or service.*

**Miscellaneous**

18. Are disabled employees also working in the management ranks of the various companies represented on this webcast?

*The Commission's regulations require AbilityOne participating nonprofit agencies comply with Department of Labor (DOL) standards for compensation, employment, and occupational health and safety standards, "including procedures to encourage filling of vacancies within the nonprofit agency by promotion of qualified employees who are blind or have other significant disabilities." Employment and promotion of individuals who are blind and significantly disabled is also promoted within SourceAmerica and NIB.*

19. To what extent does AbilityOne try to meet a requesting agencies socio-economic goals when it comes to their providers?

*AbilityOne nonprofit agencies frequently subcontract and partner with small businesses. The Program also has initiatives underway to increase collaborative opportunities with small business. A recent survey of 83 of our 600 nonprofit agencies — representing 48% of the Program's largest agencies — found that among that group, 25% of subcontract dollars or \$279M was awarded to small businesses. Additionally, approximately 500 small businesses are part of the AbilityOne Program's commercial distribution network.*

20. Please describe the records management and document description services.

*There is a wide range of services that are performed under records and document management requirements, all are customized to meet your exact requirement. A listing of the most common services include:*

- *Life cycle records management*
- *Document imaging/back file conversion/indexing*
- *Document Conversion*
- *HIPAA compliant electronic health records/secure private records*

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- *Large format imaging*
- *National/multi-regional consolidated services*
- *Document Destruction*
- *Digital mail/on line postal mail*
- *Billing/processing services*
- *Microfilming*
- *Transcription*
- *Word processing*
- *CD/DVD replication*
- *Print shop operations*
- *Computer Records Destruction*
- *Metadata Coding/Indexing*

