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#### 1. What is the AbilityOne® Program?

The AbilityOne Program is one of the largest sources of employment in the United States for people who are blind or have significant disabilities. More than 42,000 individuals, including more than 3,200 veterans, are employed by approximately 500 nonprofit agencies (NPAs) organizations nationwide.

The AbilityOne Program mission is to provide employment opportunities for people who are blind or have significant disabilities in the manufacture and delivery of products and services to the Federal Government.

The AbilityOne Program vision is to enable all people who are blind or have significant disabilities to achieve their maximum employment potential.

The AbilityOne Program is administered by the U.S. AbilityOne Commission, an independent Federal agency, with assistance from Central Nonprofit Agencies (CNAs) National Industries for the Blind (NIB) and SourceAmerica®.

AbilityOne provided nearly \$4 billion in quality products and services to the Federal Government at a fair market price in Fiscal Year 2020. The Program operates at more than 1,000 locations, representing 40 government agencies, including more than 150 Base Supply Centers at military and government installations.

#### 2. What is the role of compliance within the AbilityOne Program?

Full compliance with the AbilityOne Program requirements is expected of every participating NPA. This means that participating NPAs must achieve full compliance with all statutory and regulatory requirements set forth in 41 U.S.C. §§ 8501-8506, also known as the <u>Javits-Wagner-O'Day Act</u>. Program participants will conduct all business ethically and lawfully. AbilityOne-participating NPAs are qualified to compete for government contracts and provide products and services that are Federally approved and registered.

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#### 3. What is the U.S. AbilityOne Commission?

The AbilityOne Program is administered by the U.S. AbilityOne Commission (Commission), the operating name of the Committee for Purchase From People Who Are Blind or Severely Disabled. The Commission is an independent Federal agency composed of 15 Presidential appointees: 11 represent Federal agencies, and four serve as private citizens who are knowledgeable about employment barriers facing people who are blind or have significant disabilities. The Commission designates CNAs to facilitate the employment of people who are blind or have significant disabilities.

#### 4. What is the mission of the Commission's Oversight and Compliance Directorate?

The mission of the Commission's Oversight and Compliance Directorate is to monitor and promote compliance with applicable laws, regulations, and policies and enhance overall program integrity, working with CNAs and NPAs participating in the AbilityOne Program.

# 5. What are the responsibilities of the Commission's Oversight and Compliance Directorate?

The Directorate's responsibilities include issuing and monitoring policy and procedures guidance, technical assistance, and training to AbilityOne Program participants; conducting compliance reviews; reviewing and addressing mandatory disclosures and complaints; performing comprehensive reviews of Annual Certifications; reviewing proposed additions of products and services to the Procurement List for NPA qualification and capability; and, as needed, providing support to the Office of Inspector General and/or the Department of Justice for investigations. See 41 C.F.R. 51-2.2 (h)(i), which can be found online through <a href="https://www.abilityone.gov/laws">https://www.abilityone.gov/laws</a>, regulations and policy/code.html.

#### 6. Where can I find Commission compliance policies and procedures?

Compliance policies and procedures can be found online at https://www.abilityone.gov/laws, regulations and policy/commission policy 51 400.html.

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#### 7. Why was the Commission's Compliance Manual rescinded?

The Commission's Compliance Manual was rescinded in 2020 because it was an informal document. It has been replaced with (1) a series of new or updated Compliance policies and procedures on the Commission website at <a href="https://www.abilityone.gov/laws, regulations\_and\_policy/commission\_policy\_51\_400.html">https://www.abilityone.gov/laws, regulations\_and\_policy/commission\_policy\_51\_400.html</a>, and (2) these Frequently Asked Questions.

# 8. For on-site Commission compliance reviews of NPAs, what are the Commission's responsibilities and how do the CNAs support the Commission?

For information regarding the Commission's compliance reviews, please refer to Policy 51.404 "On-Site Compliance Reviews" at <a href="https://www.abilityone.gov/laws">https://www.abilityone.gov/laws</a>, regulations and policy/commission policy 51 400.html.

Further to Policy 51.404, each NPA is encouraged to contact its CNA for technical assistance, such as preparation for questions that may be asked during a Commission compliance review. CNAs also conduct reviews of NPAs (NIB conducts Technical Assistance Visits, SourceAmerica conducts Regulatory Review Assistance Visits).

CNA technical assistance to NPAs is provided in accordance with the Cooperative Agreements that govern the relationship between the Commission and CNAs.

#### 9. Where can I find information about the Individual Eligibility Evaluation (IEE) form?

Current Individual Eligibility Evaluation (IEE) information and forms can be found online at https://www.abilityone.gov/laws, regulations and policy/individual eligibility evaluation.html.

The Commission is developing additional information regarding the IEE form. When complete, this information will be included in Policy 51.405, which will be found online at <a href="https://www.abilityone.gov/laws">https://www.abilityone.gov/laws</a>, regulations and policy/commission policy 51 400.html.

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# 10. Is medical documentation from a Nurse Practitioner or Physician Assistant acceptable proof of a medical diagnosis?

Medical documentation from a Nurse Practitioner or Physician Assistant may be acceptable when those professionals have the qualifications to diagnose the type(s) of medical conditions experienced by the employment candidate.

NPAs should always refer to State guidance regarding who can make a medical diagnosis in the State that the NPA is operating its contracts. The NPA is responsible for ensuring the authenticity of the medical documentation received from potential AbilityOne Program participants.

# 11. How do I know whether the Social Security Administration (SSA) documentation is authentic when it does not have a signature?

Information about the authenticity of documents from the Social Security Administration, and policy on signatures, can be found at <a href="https://secure.ssa.gov/poms.nsf/lnx/0900601003">https://secure.ssa.gov/poms.nsf/lnx/0900601003</a>.

# 12. Is a Certificate of Eligibility emailed from a State agency considered to be an acceptable medical diagnosis?

Yes, when the NPA has verified the authenticity, a Certificate of Eligibility emailed from a State agency is considered to be an acceptable medical diagnosis. The NPA should ensure that the sender address matches the State agency office. The document itself must be legible. The certificate must show a diagnosis of at least one significant disability that impacts at least one of six functional limitations described in 41 CFR 51-1.3 and the Commission's "Instructions for Individual Eligibility Evaluation (IEE) Form" at

https://www.abilityone.gov/laws, regulations and policy/individual eligibility evaluation.html.

The Commission's regulations further define blind and severely disabled at 41 CFR 51-1.3, which can be found online through

https://www.abilityone.gov/laws, regulations and policy/code.html.

A Certificate of Eligibility is not considered acceptable if the certificate does not clearly state a diagnosis of a significant disability, or it cannot be verified as coming from a State agency, and/or it is illegible.

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#### 13. Where can I find a local participating NPA in the AbilityOne Program?

NPAs participating in the AbilityOne Program can be found online through <a href="https://www.abilityone.gov/abilityone">https://www.abilityone.gov/abilityone</a> network/nonprofit.html.

#### 14. How do I contact the Commission compliance staff for more information?

The Commission compliance staff can be reached at (703) 603-2100 or complianceinfo@abilityone.gov.

#### 15. What is Direct Labor?

Direct labor is all work required for preparation, processing, and packaging of a product or work directly related to the performance of a service, but <u>not</u> supervision, administration, inspection, or shipping:

- (a) Preparation Tasks involved in reforming raw materials into components of the product or the product itself, including operation of machinery which performs these activities.
- (b) Processing Tasks involved in forming or finishing components or products, or in assembling components, or in assembling components into products.
- (c) Packaging Tasks involved in preparing the finished product for shipment by placing it in one or more containers or wrappings to make it suitable for shipment.
- (d) Service direct labor is the performance of tasks directly required by or specified in the contract Statement of Work (SOW) or Performance Work Statement (PWS).

Any labor that adds value to a product is considered direct labor. Each step of the manufacturing process, such as materials handling, sizing, and sorting, adds value to the product. Therefore, functions throughout the manufacturing process, including the inspection of the product, are classified as direct labor.

Direct labor also includes services that add value to a service or operation. In those cases, it is important to analyze for whom the service is being provided. Two jobs may be functionally similar, but may differ in their categorization as direct labor due to the impact the job has on a product or service.

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This definition, and more information, can be found in Policy 51.401, "Direct Labor Hour Ratio Requirements," at

https://www.abilityone.gov/laws,\_regulations\_and\_policy/documents/Commission%20Policy%2051.401%20Effective%2015Aug2020.pdf

#### 16. What is Indirect Labor?

Indirect labor is "Work that supports the manufacturing process or delivery of services, but does not directly produce the products or services sold to a customer. Indirect labor includes supervision, administration, inspection, material handling, and shipping. Indirect labor also includes cleaning and maintenance of space or equipment belonging to the contractor and used by the contractor during the production of products or performance of services."

This definition, and more information, can be found in Policy 51.401, "Direct Labor Hour Ratio Requirements," at

https://www.abilityone.gov/laws,\_regulations\_and\_policy/documents/Commission%20Policy%2051.401%20Effective%2015Aug2020.pdf

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#### 17. What are examples of Direct Labor and Indirect Labor?

The following table provides some examples of NPA labor positions with a brief list of tasks performed and whether the job is a direct labor or indirect labor position.

Job Title	Tasks	Location	Direct Labor	Indirect Labor	Reason
Call Center Operator	Receives calls and gives information, or directs callers to appropriate sources	Tier 1 Help Desk (Call Center) Service for DLA	X		Requirement of the SOW
Cashier	Operates cash register, reconciles money	Mess hall on Air Force Base	X		Required in SOW
Forklift Operator	Loads and unloads trucks, signs shipping tickets and bills, maintains forklift, reports operational problems to Manager	NPA loading dock		X	Material handling and administration maintenance
Forklift Operator	Loads and unloads trucks and moves materials	Warehouse contract with the Defense Logistics Agency (DLA)	Х		Part of the SOW; the contract for running the warehouse requires

	around in warehouse				performance of these tasks
Groundskeeper	Operates mowing and trimming equipment, picks up litter	Grounds maintenance contract on Army Base	Х		Work is done as part of a contract requirement
Guard	Provides guard services/ physical security	Various locations	X	X	Direct labor: if PWS/SOW requires guard services/physical security  Indirect labor: if guard service is incidental to the SOW
Janitor	Cleans dock/ warehouse, sweeps aisle of production area, cleans bathrooms, empties office trash	NPA production and office areas		X	While required to keep building clean, no value is added to any product or service that the NPA sells
Janitor	Mops bathroom floors, vacuums carpeted areas in offices, empties wastebaskets, dusts	State office building	X		Work is done as part of a contract requirement

Lead Call Center Operator				X	Reflect percentage of time doing supervisory/lead responsibilities
Mail Clerk	Prepares letters and packages for mailing, sorts, distributes incoming mail	Mailroom contract in a Federal building	X		Work is directly related to the performance of mail service
Mess Attendant	Serves meals, maintains, walkways/ent rances, cleans tables	NPA cafeteria		X	Internal operation not associated with any product or service contract
Mess Attendant	Serves meals, maintains walkways/ entrances, cleans tables	Mess hall on Marine Corps Base	X		Work is done as part of a contract requirement
Packer	Places 12 finished items in carton, places four cartons in box, places 96 boxes on pallet, wraps pallet for shipment	NPA production floor	X	X	Direct labor: packing tasks  Indirect labor: moving the pallet to storage or onto a truck
Sales Clerk	Assists customers, sells	NPA thrift shop		X	While needed to sell the product, no value is added

	merchandise, straightens merchandise				to the product being sold
Sorter	Sorts incoming goods for repair department, sorts trash into barrels, selects quality items for resale	NPA thrift shop	X		This work adds value to the sale of merchandise
Supplier	Distributes pages to workers, picks up completed booklets, transports booklets to packaging area	NPA production area		X	No value added to actual production because it is a material handling function
Trimmer	Jogs sheets to square, trims edges to square, places tray on conveyor	NPA production floor	X		Work is processing of an item for product completion
Truck Driver	Picks up laundry from customer location(s) and delivers it to the laundry facility	Laundry contract, commercial or Federal	X		Work is a requirement of the SOW

Truck Driver	Picks up full paper bins and delivers them to NPA for shredding	Internal Revenue Service document destruction contract	X		Work is a requirement of the SOW
Van Driver	Drives equipment and crew between contract locations	NPA mobile crew		X	Duty is not required on any of the individual contracts (even on a single contract, e.g., a base wide janitorial contract)
Van Driver	Delivers mail from central location(s) to remote location(s)	Mailroom contract with Federal Agency	X		Work is a requirement of the SOW

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Additional examples of direct labor and indirect labor can be found in the following list of job classifications used in Goodwill retail stores. The Commission and Goodwill International developed the list.

Retail Position	Tasks	Direct Labor	Indirect Labor	Reason
Assistant Manager	Supervises retail store in absence of Manager and/or assists Manager in supervision		X	If a percentage of time is spent backing up direct labor or performing store operations, scrutinize PWS to determine if direct labor
Baler	Prepares salvaged textiles for shipment	X		Adds value by packaging (baling) salvaged textiles for shipment
Cashier	Sells merchandise, assists customers, straightens stock		X	
Cleaning	Cleans hard lines merchandise in preparation for stocking	X		Adds value by cleaning hard lines to make more presentable to customers
Clerk/ Poster	Takes photos of items selected for posting on shopgoodwill.com and creates a written description of the item	X		Adds value by providing a photo and description to attract prospective buyers
Donation Attendant	Accepts donations, prepares for shipment		X	
Driver	Loads/unloads trucks, moves product		X	
Driver Helper	Assists Driver with Driver tasks		X	

Grading	Sorts and grades saleable product(s) from non-saleable product(s)	X		Adds value by separating saleable items into good, better and best grades
Hanging	Puts soft line goods (garments) on hangers in preparation for display on sales floor	X		Adds value by preparing soft lines for presentation to the customer (e.g., a form of packaging and includes preparing hangers)
Manager	Supervises retail store		X	
Material Handler	Moves identified product from point A to point B		X	
Pricing	Places individual price or pin tags on items in preparation for display on sales floor	X		Adds value by identifying the selling price and rotation date of the specific item
Repairing	Repairs product(s) for sale	X		Adds value by returning non-working item(s) to working condition
Sizing	Identifies sizes of garments in preparation for display on sales floor	X		Adds value by further differentiating the garments into sizes
Sorting	Sorts saleable product from non-saleable product	X		Adds value by separating saleable from non-saleable items
Stocking	Places identified saleable items on sales floor in predetermined pattern, removes items from sales floor per instructions from Management		X	Material handler

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Testing	Determines if product is useable	X		Adds value by separating working from non-working items
Warehouse	Moves identified product from point A to point B		X	

# 18. How does a qualified nonprofit agency demonstrate that a direct labor employee meets the definition of blind in the AbilityOne Program? (updated July 20, 2022)

The nonprofit agency must verify the records demonstrate that the direct labor employee (hereinafter "employee") meets the definition of blind in the AbilityOne Program as prescribed by 41 C.F.R. 51-4.3 and Commission policy 51.407.

- 1. Blind is defined in the Javits-Wagner-O'Day Act, at 41 U.S.C. 8501(1), as an individual:
  - a. whose central visual acuity does not exceed 20/200 in the better eye with correcting lenses; or
  - b. whose visual acuity, if better than 20/200, is accompanied by a limit to the field of vision in the better eye to such a degree that its widest diameter subtends an angle of no greater than 20 degrees (also known as visual field test).
- 2. Note: If visual acuity and/or field of vision measurement is impossible, a licensed professional's brief explanation as to why.
  - a. Common examples of explanations:
    - i. No light perception (NLP).
    - ii. Light perception (LP).
    - iii. Hand motion (HM), also synonymous with finger counting (FC), where an individual can see motion of examiner's hand.
    - iv. Presence of prosthesis (PROS).
  - b. The record demonstrating blindness must be legible, written (handwritten or typed), and a physical or digital record (can be stored and viewed electronically) on letterhead or otherwise identifying the licensed professional and practice that created the record. It must also include the following:
    - i. The above-described visual acuity, field of vision, or licensed professional explanation; and
    - ii. Legible, full name of the licensed professional; and
    - iii. Name and address of the licensed professional's practice; and
    - iv. Contact information for licensed professional or practice; and

- v. Signature (electronic or ink) and date.
- vi. Also acceptable licensed professional stamp providing the above information.
- c. If the record demonstrating blindness does not include the items listed in 2.b.i-vi. above, additional records may be included. For instance, if the record does not contain the licensed professional's address, contact information, or practice, then an additional record may provide the missing information (e.g., NPAs may provide a copy of the official licensed professional's and/or practice's website page containing the address or contact information, or a subsequent record provided by the licensed professional and/or licensed professional's practice).
- d. The licensed professional must be unaffiliated with the nonprofit agency. For purposes of the AbilityOne Program, a licensed professional is deemed affiliated if the professional has an employer-employee relationship with the nonprofit agency or any other fee for service arrangement with the nonprofit agency for the production, documentation, or certification of records of disability.
- 3. An employee can alternatively meet the definition of blind if a government (local, State and/or Federal) agency determines the employee is blind (also referred to as certification of blindness or legal blindness determination).
  - a. A certification of blindness also must meet the letterhead requirements in paragraph 2.b. above except for the signature (i.e., the record may or may not be signed). The record must be in its final form and must not be a draft or pending approval.
  - b. Government agency certification of disability must explain or reference that the employee meets the criteria for a blindness determination consistent with the agency's program (e.g., Social Security and Supplemental Security Income program letter, State Vocational Rehabilitation Services disability or referral for employment services letter, and/or Department of Veterans Affairs' Disability Breakdown Letter or other VA record that identifies the service-connected disability).
- 4. Note: The Commission is considering a requirement that written medical evidence must have been issued within seven (7) years of the current year Individual Eligibility Evaluation (IEE) date. Seven years is the longest time period used by another Federal agency, the Social Security Administration, in its reevaluation of a beneficiary's continued eligibility for <a href="Supplemental Security Income">Supplemental Security Income</a> (SSI) and <a href="Social Security Disability Insurance">Social Security Disability Insurance</a> (SSDI). If this new requirement is implemented, NPAs would have a 12-month grace period to come into compliance with the policy.

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# 19. How does a qualified nonprofit agency demonstrate that a direct labor employee meets the definition of significant disability in the AbilityOne Program? (updated July 20, 2022)

The nonprofit agency must verify the records demonstrate that the direct labor employee meets the definition of significant disability in the AbilityOne Program as prescribed by 41 C.F.R. 51-4.3 and Commission policy 51.408.

- 1. Significantly disabled is defined at <u>41 U.S.C. 8501(8)</u> and further explained at <u>41 C.F.R.</u> <u>51-1.3</u> as a person other than a blind person who
  - a. has a severe physical or mental impairment (a residual, limiting condition resulting from an injury, disease, or congenital defect)
  - b. which so limits the person's functional capabilities (mobility, communication, self-care, self-direction, work tolerance or work skills) that the individual is unable to engage in normal competitive employment over an extended period of time.
- 2. The record demonstrating that a person is "significantly disabled" must be legible, written (handwritten or typed), and a physical or digital record (can be stored and viewed electronically) on letterhead or otherwise identifying the licensed professional and practice that created the record. It must also include the following:
  - a. Determined diagnosis; and
  - b. Nature (characteristics such as: physical, cognitive, mental, sensory, developmental, emotional, or combination) of diagnosis; and
  - c. Extent (permanent, temporary, partial, or total) of diagnosis; and
  - d. Legible, full name of the licensed professional; and
  - e. Name and address of the licensed professional's practice; and
  - f. Contact information for licensed professional or practice; and
  - g. Signature (electronic or ink) and date.
  - h. Note: a licensed professional stamp providing some or all of the above information is also accepted.
- 3. If the record demonstrating significant disability does not include the items listed in 2.a-g above, additional records may be included. For instance, if the record does not contain the licensed professional's address, contact information, or practice, then an additional record can provide the missing information (e.g., NPAs may provide a copy of the official licensed professional's and/or practice's website page containing the address or contact information, or a subsequent record provided by the licensed professional and/or licensed professional's practice).

- 4. The licensed professional must be unaffiliated with the nonprofit agency. For purposes of the AbilityOne Program, a licensed professional is deemed affiliated if the professional has an employer-employee relationship with the nonprofit agency or any other fee for service arrangement with the nonprofit agency for the production, documentation, or certification of records of disability.
- 5. An employee can alternatively meet the definition of significantly disabled if a government (local, State and/or Federal) agency determines the employee is disabled (also referred to as certification of disability or disability determination).
  - a. A certification of disability also must meet the letterhead requirements above in paragraph 2, except signature (record may or may not be signed). The record must be in its final form and must not be a draft or pending approval.
  - b. The government agency certification of disability must explain or reference that the employee meets the criteria for disability determination consistent with the agency's program (e.g., Social Security and Supplemental Security Income program letter, State Vocational Rehabilitation Services disability or referral for employment services letter, and/or Department of Veterans Affairs Disability Breakdown Letter or other VA record that identifies the service-connected disability).
- 6. Note: The Commission is considering a requirement that written medical evidence must have been issued within seven (7) years of the current year Individual Eligibility Evaluation (IEE) date. Seven years is the longest time period used by another Federal agency, the Social Security Administration, in its reevaluation of a beneficiary's continued eligibility for <a href="Supplemental Security Income">Supplemental Security Income</a> (SSI) and <a href="Social Security Disability Insurance">Social Security Disability Insurance</a> (SSDI). If this new requirement is implemented, NPAs would have a 12-month grace period to come into compliance with the policy.

- 20. What VA documentation can a veteran provide that meets the U.S. AbilityOne Commission policies 51.407 or 51.408 requirements for medical documentation? How can veterans obtain this documentation? (added July 20, 2022)
  - 1. VA documentation that a veteran can provide that meets the requirement for medical documentation is the Department of Veterans Affairs (VA) <u>Disability Breakdown Letter</u> that lists the individual's service-connected:
    - a. Percentage (%)
    - b. Disability
    - c. Diagnosis Code
    - d. Combined Rating
  - 2. Veterans can obtain a VA Disability Breakdown Letter by calling the VA Benefits Assistance Service hotline at (800) 827-1000. When prompted, either say "Request Letter" or select option 9, then say "Yes". The automated system will initially prompt the veteran to enter his/her social security number, date of birth (MM/DD/YYYY format) and branch of service (select 1-Army; 2-Marine Corps; 3-Navy; 4-Air Force; or 5-Coast Guard). A VA representative will answer the call, confirm the veteran's identity, and determine the preferred method for receiving the letter: mail, email, or fax.
    - a. Please allow 7-10 days for mail delivery.
    - b. Emails should be received within 5-10 minutes after the call. Please be sure to check your spam or other non-primary mailboxes for a protected message from: NCCNOREPLY, StLouis, VBASTL / <u>StLouis.NCCNOREPLY@va.gov</u>, Subject: Requested Documents from VA Secure. Click the blue **Read the message** button within this email and you will then be prompted/asked to sign in with Google or with a one-time passcode. When you are signed in successfully, a new window will appear with the letter attached. *You must save the letter immediately because the message/letter will be deleted after 15 minutes*.
  - 3. Other accepted VA documentation that a veteran can provide that meets the AbilityOne Commission policies 51.407 and 51.408 requirement for medical documentation includes any VA record that certifies the veteran has a diagnosed medical condition. For example, the VA sends a service-connected disability compensation ratings decision letter to the veteran explaining the final decision on a veteran's disability compensation claim.