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**TITLE: ON-SITE COMPLIANCE REVIEWS**

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**1. PURPOSE.**

This document prescribes the policy governing on-site compliance reviews of Nonprofit Agencies (NPA) participating in the AbilityOne<sup>®</sup> Program.

**2. APPLICABILITY.**

The policy described herein applies to all nonprofit agencies (NPAs) participating in the AbilityOne Program, the Central Nonprofit Agencies (CNAs) and the U.S. AbilityOne Commission (Commission).

**3. AUTHORITY.**

- (a) 41 U.S.C. §§ 8501-8506, Javits-Wagner-O'Day (JWOD) Act
- (b) 41 CFR Chapter 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 Policy 51.102, Definitions. Terms unique to a specific subject matter are defined in the associated policy and/or procedure.

**5. RESPONSIBILITIES.**

(a) The Commission:

- i. Conducts on-site reviews of participating NPAs to ensure compliance with all applicable statutes, regulations, policies, and guidance.
- ii. Takes necessary steps to ensure corrective action for non-compliance.
- iii. Provides guidance, education, and training in understanding compliance requirements to CNAs and NPAs.

(b) CNAs support the Commission by:

- i. Monitoring and assisting their respective NPAs in meeting applicable statutes, regulations, policies, and guidance.
- ii. Conducting on-site regulatory reviews and assistance visits with their NPAs, which, at a minimum, align with the Commission's practice and areas of review. CNAs provide the Commission with reports of the results of those visits.
- iii. Participate in joint reviews of NPAs with the Commission as appropriate and requested.
- iv. Providing and/or assist the Commission in providing guidance, education, and training to its NPAs.

(c) NPAs:



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- i. Comply with all applicable statutes, regulations, policies and guidance.
- ii. Accommodate and actively participate in on-site visits by the Commission or its CNAs.
- iii. Take appropriate steps to address any areas of non-compliance or discrepancies noted within the time frame provided by the Commission or CNA following any on-site visits.
- iv. Participate in education and training opportunities as provided by the Commission or its CNAs.

**6. POLICY.**

- (a) The Commission's policy is to conduct regular on-site compliance visits of all AbilityOne participating NPAs. NPAs are selected and prioritized for compliance reviews based on:
  - i. Review cycle, including length of time since last visit.
  - ii. Scope of compliance deficiencies as identified by CNAs or other sources.
  - iii. NPAs reporting total agency direct labor ratios below 75 percent.
  - iv. NPAs that have received their first AbilityOne contract.
  - v. NPAs that exhibit patterns of rapid growth or concentrate in high risk business lines.
  - vi. NPAs that comprise the largest participating agencies.
  - vii. The best interest of the Government or the AbilityOne Program as determined by the staff or the Commission.
- (b) The Commission's review gathers information pertinent to ensuring compliance with statutes, regulations, policies, and guidance and to ensure NPAs promote the mission and integrity of the AbilityOne Program.

**7. EXCEPTION TO POLICY.**

None.

**8. PROCEDURES.**

- (a) Compliance Manual, dated June 29, 2007, is incorporated herein by reference.
- (b) 51.401-01, Compliance Procedures and any amendments or changes thereto are immediately incorporated on their date of publication.

**9. SUPERSESSION.**

- (a) Compliance Memorandum Number 7, On-Site Compliance Reviews, dated May 6, 1998 is hereby superseded.
- (b) Compliance Manual, dated June 29, 2007, paragraph 8(a) is immediately superseded on publication of U.S. AbilityOne Commission Procedure 51.404-01.



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**Date:** 3/22/13