



## U.S. ABILITYONE COMMISSION

April 15, 2019

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SENT VIA E-MAIL

### MEMORANDUM FOR CHIEF ACQUISITION OFFICERS AND SENIOR PROCUREMENT EXECUTIVES

**FROM:** E. Ballard, Executive Director

**SUBJECT:** New AbilityOne Program Fee Ceilings for National Industries for the Blind and SourceAmerica

The U.S. AbilityOne Commission will adjust the AbilityOne Program Fee Ceilings, effective April 15, 2019 to March 31, 2020. The Program Fee Ceiling for National Industries for the Blind (NIB) will be adjusted to 3.73 percent. The Program Fee Ceiling for SourceAmerica will be adjusted to 3.75 percent. (The Program's third CNA, the American Foundation for the Blind, is currently in a research phase and is not collecting a Program Fee.)

The new Program Fee Ceilings will apply to Procurement List additions, annual price changes for products, base year renewals for services, and bilateral contract modifications that result in a price change submission to the Commission.

Since all AbilityOne contracts are performed today at fair market prices approved by the Commission, there will be no price increases or discounts to Federal customers on existing contracts as a result of this change in the Program Fee Ceilings.

This action has been taken in accordance with the relevant regulations (41 C.F.R. § 51-2.2(f); 41 C.F.R. § 51-3.5; and 41 C.F.R. § 51-4.3(b)).

The attached questions and answers provide further information. Please contact Amy Jensen, Director of Business Operations, at (703) 603-2132 if you need additional information, or email [info@abilityone.gov](mailto:info@abilityone.gov).

Attachment  
Frequently Asked Questions



COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED  
An Independent Federal Agency



**AbilityOne Program  
2019-2020 Program Fee Ceilings  
for National Industries for the Blind and SourceAmerica  
Frequently Asked Questions**

**1. What is the Program Fee?**

The Program Fee is a percentage of the sales revenue of each contract on the AbilityOne Program Procurement List.

**2. What is the purpose of the Program Fee?**

The purpose of the Program Fee is to provide funding for the operations of two Central Nonprofit Agencies (CNAs) – National Industries for the Blind and SourceAmerica (serving people with severe disabilities) – designated by the U.S. AbilityOne Commission in accordance with the provisions of the Javits-Wagner-O’Day (JWOD) Act. (A third CNA, American Foundation for the Blind, is currently in a research phase and is not collecting a Program Fee.)

**3. What is the Program Fee Ceiling?**

The Program Fee Ceiling is a specified percentage that the Program Fee may not exceed. The Commission sets the Program Fee Ceiling annually for each CNA.

**4. Who pays the Program Fee?**

The Program Fee is paid by AbilityOne-participating Nonprofit Agencies to their Central Nonprofit Agency, either National Industries for the Blind or SourceAmerica, to fund CNA activities that facilitate the operations of the AbilityOne Program. (A third CNA, American Foundation for the Blind, is currently in a research phase and is not collecting a Program Fee.)

**5. How is the Program Fee Ceiling determined?**

The Commission determines the Program Fee Ceiling based on factors that include an assessment of the funding requirements of the CNA.

**6. When are the new Program Fee Ceilings effective?**

The 2019–2020 Program Fee Ceilings are effective April 15, 2019–March 31, 2020. Program Fee Ceiling information will be posted to the Commission’s website, at [https://abilityone.gov/laws\\_regulations\\_and\\_policy/genpolicy\\_CNA.html](https://abilityone.gov/laws_regulations_and_policy/genpolicy_CNA.html).

**7. What impact will the new Program Fee Ceilings have on existing contracts?**

Since all AbilityOne contracts are performed today at fair market prices approved by the Commission, there will be no price increases or discounts to Federal customers on existing contracts as a result of these changes in the Program Fee Ceilings.

**8. What impact will the new Program Fee Ceilings have on future contracts?**

The new Program Fee Ceilings will apply between April 15, 2019, and March 31, 2020, to Procurement List additions, annual price changes for products, base year renewals for services, and bilateral contract modifications that result in a price change submission to the Commission.

**9. Contacts for more information?**

Federal customers may contact the Commission staff at [info@abilityone.gov](mailto:info@abilityone.gov), or call Amy Jensen, Director of Business Operations, at (703) 603-2132. Nonprofit agencies may contact their Central Nonprofit Agency.