



COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

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Operations Memorandum No. 20

Subject: Temporary Administrative and General Support Services under the Basic Ordering Agreement

Effective Date: September 1, 2005

This memorandum supersedes Operations Memorandum No. 20 dated June 1, 2005.

1. PURPOSE

This memorandum provides the procedures to be followed by Federal customers, central nonprofit agencies, and nonprofit agencies when using the Basic Ordering Agreement (BOA) to order or provide Temporary Administrative and General Support Services (referred to below as "temporary administrative services") that are on the Committee's Procurement List. This memorandum includes guidance for:

- Parameters for use of the temporary administrative services BOA;
- Pricing of such services;
- Payment of wages and benefits;
- Verification of participating nonprofit agencies;
- Payment of commissions and fees to the General Services Administration (GSA) and the appropriate central nonprofit agency (CNA);
- Requirements for placement of people who are blind or severely disabled; and
- Reporting requirements.

2. PARAMETERS FOR USE

- a. The Procurement List includes an unspecified 50 percent of the Federal government's national requirements for the temporary administrative services BOA. Therefore, it is not mandatory for any specific Federal customer to use this BOA. A Federal customer decides whether or not it falls within the 50 percent on the Procurement List.
- b. Orders placed under the BOA must not exceed the time limits dictated by the Office of Personnel Management's regulations at 5 CFR 300.504 for temporary work (i.e., 120 days, extendable for an additional 120 days, within a two-year period).
- c. The BOA is intended solely for use to fulfill a temporary need for staffing to supplement Federal government personnel. As such, the BOA must not be utilized for any requirement where (1) a service contract is already in place; and (2) where

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the Federal agency intends, at the time that the order is placed, to enter into a subsequent contract exceeding the time limits cited above in paragraph b. Under no circumstances may the BOA be used as a bridge to enable the nonprofit agency to begin performing work that is under development or consideration for addition to the Procurement List.

d. Requests for Addition to the Procurement List of services that were performed previously under the BOA will not be processed unless the Federal customer provides acceptable documentation and verification that the nature of the requirement changed from temporary to permanent during the BOA performance period. In such cases, the required documentation, as well as contact information for the Federal customer, must accompany the Request for Addition to the Procurement List, which is provided by the appropriate CNA to the Committee. If a nonprofit agency is performing the work when an addition to the Procurement List is requested, there must be documentation that the contract covering the period of time between the current performance and Procurement List addition request was not awarded under any JWOD authority, including the BOA.

e. The scope of work to be performed under this BOA must be limited to direct labor hours in the provision of administrative and general support services. The nonprofit agency performing the work can expect the Federal customer to furnish necessary materials and/or equipment. No other direct costs may be added to the price of the work performed under the BOA.

f. Federal customers, CNAs, and nonprofit agencies using the BOA to order or provide temporary administrative services must comply with all applicable requirements of the Federal Acquisition Regulation (FAR), including 48 CFR 16.703.

3. PRICING OF TEMPORARY ADMINISTRATIVE SERVICES

JWOD fair market prices for temporary administrative services will be determined in one of two ways:

- (1) Formula. If both the Federal customer and the nonprofit agency agree, use a formula consisting of the current Wage Determination (WD) hourly wage and Health and Welfare rate multiplied by a factor of 1.39 (inclusive of the 0.75 percent GSA Industrial Funding Fee and the CNA Fee) to arrive at a fully loaded hourly rate; or,
- (2) Negotiation. If the Federal customer prefers, use negotiation to arrive at a mutually agreeable price. It is recommended that the WD be used as the starting point for the negotiation.

In the event that the Federal customer and the nonprofit agency cannot reach a mutually agreed upon price using either formula or negotiation, the Federal customer may determine its requirement for temporary services does not fall within the unspecified 50 percent of the Federal government's national requirements for the temporary administrative services BOA on the Procurement List, and may seek other

sources in compliance with its agency's acquisition policies and procedures.

4. PAYMENT OF WAGES AND BENEFITS

All employees placed in temporary administrative service positions are considered to be fully trained and job-ready, and therefore must receive the entire appropriate Service Contract Act wage and fringe benefits. No commensurate wages may be paid on the basis of worker productivity for these positions. Nonprofit agencies must correctly account for each employee's time in service at the nonprofit agency in providing vacation benefits under the Service Contract Act (41 U.S.C. 351 et seq., as updated).

5. VERIFICATION OF NONPROFIT AGENCIES

Nonprofit agencies may not participate in this initiative unless and until they have completed the usual agency verification process required by the Committee regulations at 41 CFR 51-4.2. The appropriate CNA must complete its inspection and certification of a nonprofit agency, and all required paperwork must be submitted to the Committee's General Counsel for review. A nonprofit agency cannot accept a purchase order and contract for provision of the services until it has been formally authorized by the Committee. No provisional authorizations will be allowed. A nonprofit agency may market itself as a provider of the temporary administrative services only after that agency has been verified by the Committee.

6. PAYMENT OF COMMISSIONS AND FEES TO GSA

The commission owed to GSA under the terms of the BOA must be paid by participating nonprofit agencies according to the schedule published in the GSA Basic Ordering Agreement. The commission is a part of the Fair Market Price.

An additional order-taking fee, applicable when GSA handles the placing of orders for other Government agencies requiring temporary services, is not a part of the Fair Market Price. GSA will determine what that fee, calculated as a percentage of the order's total value, is. That additional fee is to be paid in full solely by the Federal customer requesting GSA's assistance in order-taking. The fee must be a straight pass-through from the Federal customer ordering the temporary services to GSA and will be remitted to GSA by the participating nonprofit agency on a quarterly basis (at the same time the GSA commission is paid).

All fees and commissions owed to GSA and the CNAs that are generated by the sale of services to Federal agencies must be paid promptly by participating nonprofit agencies according to GSA and CNA schedules for such payments. Such payments cannot be withheld for any reason.

7. RATIO OF PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

The goal of this initiative is to fill all temporary administrative service positions with people who are blind or severely disabled. When this cannot be done, the Committee requirement is that at least 75 percent of the positions in each order for temporary administrative services received from a Federal agency be filled with people who are blind or severely disabled. The Committee will consider requests for exceptions from this requirement on a case-by-case basis as they occur and may grant variances depending on the justification provided by the appropriate CNA and the nonprofit agency involved. Under no circumstance would a variance be granted that would result in less than 60 percent of the employment positions on any order being filled with people who are blind or severely disabled. Under no circumstance may a nonprofit agency accept an order under the BOA and perform the work with less than the Committee-approved minimum for direct labor by people with disabilities, as stated above.

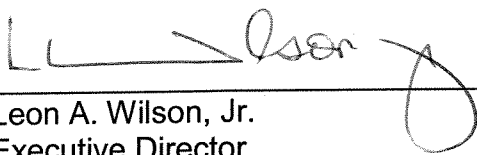
8. DATA COLLECTION AND REPORTING REQUIREMENTS

Each nonprofit agency providing temporary administrative services under a BOA must collect and transmit data through the appropriate CNA to allow the Committee to evaluate the effectiveness of the BOA. The data must include:

- the number of jobs provided,
- the volume of sales dollars generated,
- the term of temporary positions (in days), and
- direct labor hour ratio information per BOA project or placement.

The format of the data and any additional data elements may be proposed by the CNAs to the Committee staff for approval.

This information must be provided to the Committee on a quarterly basis by the CNAs. Participating nonprofit agencies must also provide sales data to GSA, as requested.



Leon A. Wilson, Jr.
Executive Director

08/31/05

Date