



**DEPARTMENT OF VETERANS AFFAIRS  
DEPUTY ASSISTANT SECRETARY FOR ACQUISITION AND LOGISTICS  
WASHINGTON DC 20420**

**IL 001AL-10-06  
April 28, 2010**

OFFICE OF ACQUISITION AND LOGISTICS INFORMATION LETTER

**TO:** Under Secretaries for Health, Benefits, and Memorial Affairs; Assistant Secretary for Management; Director, Office of Construction and Facilities Management; Veterans Integrated Service Network Directors; Directors, VA Medical Center Activities, Outpatient Clinics, Medical and Regional Office Centers, and Regional Offices; Directors, Denver Acquisition and Logistics Center, VA Austin Information Technology Center, Records Management Center, VBA Benefits Delivery Centers, and VA Health Administration Center; Executive Director and Chief Operating Officer, VA National Acquisition Center; Chief Information Officer; VA Health Revenue Center; VA Health Eligibility Center; and, Office of General Counsel

**ATTN:** Heads of Contracting Activities, VA Contracting Officers, Purchase Card Holders, and all Other VA Employees Involved with Acquiring Equipment, Supplies, and Services (Including Construction)

**SUBJ:** New Guidelines for Placing Items and Services on the AbilityOne Procurement List

**I. PURPOSE**

To set forth new procedures for gaining approval to request new requirements be placed on the AbilityOne Procurement List. Effective immediately, all Department of Veterans Affairs (VA) contracting officers (CO) must follow the procedures set forth in section III of this document.

**II. BACKGROUND**

The Javits-Wagner-O'Day Act (41 United States Code (U.S.C.) 46-48c) requires government agencies to purchase supplies or services from items contained on a procurement list maintained by the Committee for Purchase From People Who Are Blind or Severely Disabled. This program is branded as the AbilityOne Program. The National Industries for the Severely Handicapped and the National Industries for the Blind assist in administering the AbilityOne Program.

- A. Federal Acquisition Regulation (FAR) 8.703 lists supplies and services on the Procurement List maintained by the Committee for Purchase From People Who Are Blind or Severely Disabled as a priority source.
- B. On December 22, 2006, Public Law (P.L.) 109-461, the Veterans Benefits, Health Care, and Information Technology Act of 2006, was signed. Sections 502 and 503 of the legislation authorize a unique "Veterans First" approach specific to VA contracting. Implemented as the "Veterans First Contracting Program," effective June 20, 2007, this approach changes the small business hierarchy within VA, placing service-disabled Veteran-owned small businesses (SDVOSB) and Veteran-owned small businesses (VOSB) first and second, respectively, in satisfying VA's acquisition requirements. The final rule to implement the changes to the VA Acquisition Regulations (VAAR) was effective January 7, 2010.
- C. The Veterans First Contracting Program final rule does not affect AbilityOne's order of priority in relation to the Veterans First Contracting Program. Therefore, all items currently on the AbilityOne Procurement List as of January 7, 2010, will continue to take priority over the contracting preferences mandated by P.L. 109-461. However, all new requirements will be subject to the contracting preferences mandated by P.L. 109-461 prior to being considered for placement with the AbilityOne Program. This policy provides an equitable solution by ensuring VA's continued commitment to AbilityOne, while also recognizing the changes to VA's small business hierarchy.
- D. A current list of the products and services VA placed on the AbilityOne Procurement List is located on the VA Acquisition Resource Center Web site at: [http://www.va.gov/procurement/procurement\\_list.asp](#). In addition, the complete AbilityOne Procurement List is located at: [http://www.va.gov/procurement/procurement\\_list.asp](#). COs must continue to view the complete list to identify those items which were placed on the list by other agencies for government-wide use.

### III. ACTION

To ensure appropriate business opportunities are properly afforded to SDVOSBs and VOSBs, all COs must adhere to the authorities and requirements of P.L. 109-461 (38 U.S.C. 8127-8128) prior to placing new requirements on the AbilityOne Procurement List.

- A. No new requirements may be placed on the AbilityOne Procurement List without the written approval of the VA Chief Acquisition Officer (CAO).

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- B. COs must perform market research in accordance with FAR Part 10 and VAAR Part 810, Market research. Effective January 7, 2010, the contract file must include market research results and supporting documents indicating no SDVOSB or VOSB is available to satisfy the specific requirement at fair market pricing.
- C. The CO must prepare a Determination and Findings (D&F) which documents the requirement, the results of the market research performed, and the findings. This D&F must indicate no SDVOSB or VOSB is available to fulfill the requirement at fair market pricing.
- D. The contract file must be reviewed by the head of the respective contracting activity, or appropriate designee, and forwarded to the VA Office of Small Business Utilization (OSDBU) for review and concurrence.
- E. Upon gaining OSDBU concurrence that no SDVOSB or VOSB is available to satisfy the requirement at fair market pricing, the contract file must be forwarded to the Senior Procurement Executive (SPE) for review.
- F. The SPE will review the file and prepare a recommendation regarding placement of the requirement or item on the AbilityOne Procurement List for the CAO's approval or disapproval.
- G. If the CAO approves a new item for placement on the AbilityOne Procurement List, the CO may contact AbilityOne. However, no discussion with AbilityOne or its non-profit agencies should take place prior to receiving the written approval from the CAO.
- H. There are no provisions in the AbilityOne Program that provide for a one time purchase through the program. A procurement with an AbilityOne non-profit agency, for a one time purchase, would be subject to all applicable competition requirements and the Committee's procedures would not apply.

#### **IV. POINT OF CONTACT**

Please direct questions regarding this IL to the Acquisition Policy Division (001AL-P1) at (202) 461-6868.

/S/

Maurice C. Stewart  
Associate Deputy Assistant Secretary for  
Acquisition and Logistics Programs and Policy