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[Page 53]

TITLE 41--PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

CHAPTER 51--COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY
DISABLED

PART 51-4_NONPROFIT AGENCIES--Table of Contents

Sec.

51-4.1 General.

51-4.2 Initial qualification.

51-4.3 Maintaining qualification.

51-4.4 Subcontracting.

51-4.5 Violations by nonprofit agencies.

Authority: 41 U.S.C. 46-48c.

Source: 56 FR 48980, Sept. 26, 1991, unless otherwise noted.

Sec. 51-4.1 General.

To participate in the JWOD Program, a nonprofit agency shall be represented by the central nonprofit agency assigned by the Committee on the basis of the nonprofit agency's articles of incorporation and bylaws.

[Code of Federal Regulations]
[Title 41, Volume 1]
[Revised as of July 1, 2006]
From the U.S. Government Printing Office via GPO Access
[CITE: 41CFR51-4.2]

[Page 53-54]

TITLE 41--PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

CHAPTER 51--COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY
DISABLED

PART 51-4_NONPROFIT AGENCIES--Table of Contents

Sec. 51-4.2 Initial qualification.

(a) To qualify for participation in the JWOD Program:

(1) A privately incorporated nonprofit agency shall submit to the Committee through its central nonprofit agency the following documents, transmitted by a letter signed by an officer of the corporation or chief executive:

(i) A legible copy (preferably a photocopy) of the articles of incorporation showing the date of filing and the signature of an appropriate State official.

(ii) A copy of the bylaws certified by an officer of the corporation.

(iii) If the articles of incorporation or bylaws do not include a statement to the effect that no part of the net income of the nonprofit agency may inure to the benefit of any shareholder or other individual, one of the following shall be submitted:

(A) A certified true copy of the State statute under which the nonprofit agency was incorporated which includes wording to the effect that no part of the net income of the nonprofit agency may inure to the benefit of any shareholder or other individual.

(B) A copy of a resolution approved by the governing body of the corporation, certified by an officer of the corporation, to the effect that no part of the net income of the nonprofit agency may inure to the benefit of any shareholder or other individual.

(2) A State-owned or State-operated nonprofit agency, or a nonprofit agency established or authorized by a State statute other than the State corporation laws and not privately incorporated, shall submit to the Committee through its central nonprofit agency the following documents, transmitted by a letter signed by an officer of the wholly-owned State corporation or an official of the agency that directs the operations of the nonprofit agency, as applicable:

(i) A certified true copy of the State statute establishing or authorizing the establishment of nonprofit agency(ies) for persons who are blind or have other severe disabilities.

(ii) In the case of a wholly-owned State corporation, a certified true copy of the corporation bylaws; and, in the case of a State or local government

[[Page 54]]

agency, a certified true copy of implementing regulations, operating procedures, notice of establishment of the nonprofit agency, or other similar documents.

(b) The Committee shall review the documents submitted and, if they are acceptable, notify the nonprofit agency by letter, with a copy to its central nonprofit agency, that the Committee has verified its nonprofit status under the JWOD Act.

(c) A nonprofit agency shall submit two completed copies of the appropriate Initial Certification (Committee Form 401 or 402) to its central nonprofit agency at the time designated by the Committee. This requirement does not apply if a nonprofit agency is already authorized to furnish a commodity or service under the JWOD Act.

[56 FR 48980, Sept. 26, 1991, as amended at 59 FR 59342, Nov. 16, 1994]

[Code of Federal Regulations]
[Title 41, Volume 1]
[Revised as of July 1, 2006]
From the U.S. Government Printing Office via GPO Access
[CITE: 41CFR51-4.3]

[Page 54-55]

TITLE 41--PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

CHAPTER 51--COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY
DISABLED

PART 51-4_NONPROFIT AGENCIES--Table of Contents

Sec. 51-4.3 Maintaining qualification.

(a) To maintain its qualification under the JWOD Act, each nonprofit agency authorized to furnish a commodity or a service shall continue to comply with the requirements of a ``nonprofit agency for other severely handicapped'' or a ``nonprofit agency for the blind'' as defined in Sec. 51-1.3 of this chapter. In addition, each such nonprofit agency must submit to its central nonprofit agency by November 1 of each year, two completed copies of the appropriate Annual Certification (Committee Form 403 or 404) covering the fiscal year ending the preceding September 30.

(b) In addition to paragraph (a) of this section, each nonprofit agency participating in the JWOD Program shall:

(1) Furnish commodities or services in strict accordance with Government orders.

(2) Comply with the applicable compensation, employment, and occupational health and safety standards prescribed by the Secretary of Labor, including procedures to encourage filling of vacancies within the nonprofit agency by promotion of qualified employees who are blind or have other severe disabilities.

(3) Comply with directives or requests issued by the Committee in furtherance of the objectives of the JWOD Act or its implementing regulations.

(4) Make its records available for inspection at any reasonable time to representatives of the Committee or the central nonprofit agency representing the nonprofit agency.

(5) Maintain records of direct labor hours performed in the nonprofit agency by each worker.

(6) Maintain a file for each blind individual performing direct labor which contains a written report reflecting visual acuity and field of vision of each eye, with best correction, signed by a person licensed to make such an evaluation, or a certification of blindness by a State or local governmental entity.

(7) Maintain in the file for each blind individual performing direct labor annual reviews of ability to engage in normal competitive employment. These reviews must be signed by an individual qualified by training and/or experience to make this determination.

(8) Maintain an ongoing placement program operated by or for the nonprofit agency to include liaison with appropriate community services such as the State employment service, employer groups and others. Those

individuals determined capable and desirous of normal competitive employment shall be assisted in obtaining such employment.

(9) Upon receipt of payment by the Government for commodities or services furnished under the JWOD Program, pay to the central nonprofit agency a fee which meets the requirements of Sec. 51-3.5 of this chapter.

(c) Each nonprofit agency employing persons with severe disabilities participating in the JWOD Program shall, in addition to the requirements of paragraphs (a) and (b) of this section, maintain in each individual with a severe disability's file:

(1) A written report signed by a licensed physician, psychiatrist, or qualified psychologist, reflecting the nature and extent of the disability or disabilities that cause such person to qualify as a person with a severe disability, or a certification of the disability or disabilities by a State or local governmental entity.

[[Page 55]]

(2) Reports which state whether that individual is capable of engaging in normal competitive employment. These reports shall be signed by a person or persons qualified by training and experience to evaluate the work potential, interests, aptitudes, and abilities of persons with disabilities and shall normally consist of preadmission evaluations and reevaluations prepared at least annually. The file on individuals who have been in the nonprofit agency for less than two years shall contain the preadmission report and, where appropriate, the next annual reevaluation. The file on individuals who have been in the nonprofit agency for two or more years shall contain, as a minimum, the reports of the two most recent annual reevaluations.

(d) The information collection requirements of Sec. 51-4.2 and Sec. 51-4.3 and the recordkeeping requirements of Sec. 51-4.3 have been approved by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1980 (Public Law 96-511). The information collection requirements have been assigned the following OMB control numbers:

Committee form	OMB control No.
Committee form 401.....	3037-0004
Committee form 402.....	3037-0003
Committee form 403.....	3037-0001
Committee form 404.....	3037-0002

The recordkeeping requirements have been assigned OMB control number 3037-0005.

[56 FR 48980, Sept. 26, 1991; 56 FR 64002, Dec. 6, 1991, as amended at 59 FR 59343, Nov. 16, 1994; 62 FR 32237, June 13, 1997; 62 FR 66529, Dec. 19, 1997; 68 FR 53685, Sept. 12, 2003]

[Code of Federal Regulations]
[Title 41, Volume 1]
[Revised as of July 1, 2006]
From the U.S. Government Printing Office via GPO Access
[CITE: 41CFR51-4.4]

[Page 55]

TITLE 41--PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

CHAPTER 51--COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY
DISABLED

PART 51-4_NONPROFIT AGENCIES--Table of Contents

Sec. 51-4.4 Subcontracting.

(a) Nonprofit agencies shall seek broad competition in the purchase of materials and components used in the commodities and services furnished to the Government under the JWOD Act. Nonprofit agencies shall inform the Committee, through their central nonprofit agency, before entering into multiyear contracts for materials or components used in the commodities and services furnished to the Government under the JWOD Act.

(b) Each nonprofit agency shall accomplish the maximum amount of subcontracting with other nonprofit agencies and small business concerns that the nonprofit agency finds to be consistent both with efficient performance in furnishing commodities or services under the JWOD Act and maximizing employment for persons who are blind or have other severe disabilities.

(c) Nonprofit agencies may subcontract a portion of the process for producing a commodity or providing a service on the Procurement List provided that the portion of the process retained by the prime nonprofit agency generates employment for persons who are blind or have other severe disabilities. Subcontracting intended to be a routine part of the production of a commodity or provision of a service shall be identified to the Committee at the time the commodity or service is proposed for addition to the Procurement List and any significant changes in the extent of subcontracting must be approved in advance by the Committee.

(d) A nonprofit agency may not subcontract the entire production process for all or a portion of an order without the Committee's prior approval.

[56 FR 48980, Sept. 26, 1991, as amended at 62 FR 66529, Dec. 19, 1997]

[Code of Federal Regulations]
[Title 41, Volume 1]
[Revised as of July 1, 2006]
From the U.S. Government Printing Office via GPO Access
[CITE: 41CFR51-4.5]

[Page 55-56]

TITLE 41--PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

CHAPTER 51--COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY
DISABLED

PART 51-4_NONPROFIT AGENCIES--Table of Contents

Sec. 51-4.5 Violations by nonprofit agencies.

(a) Any alleged violations of these regulations by a nonprofit agency shall be investigated by the appropriate central nonprofit agency which shall notify the nonprofit agency concerned and afford it an opportunity to submit a statement of facts and evidence. The central nonprofit agency shall report its findings to the Committee, together with its recommendation. In reviewing the case, the Committee may request the submission of additional evidence or may conduct its own investigation of the matter. Pending a decision by the Committee, the central nonprofit agency concerned may be directed by the Committee to temporarily suspend allocations to the nonprofit agency.

(b) If a nonprofit agency fails to correct its violations of these regulations, the Committee, after affording the nonprofit agency an opportunity to address the Committee on the matter, may terminate the nonprofit agency's

[[Page 56]]

eligibility to participate in the JWOD Program.

[56 FR 48979, Sept. 26, 1991, as amended at 59 FR 59343, Nov. 16, 1994]