UNITED STATES DEPARTMENT OF EDUCATION
Office of Special Education and Rehabilitative Services
Rehabilitation Services Administration

PER-UNIT ACQUISITION COST FOR EQUIPMENT ACQUIRED FOR THE BENEFIT OF THE BUSINESS ENTERPRISE PROGRAM/RANDOLPH-SHEPPARD VENDING FACILITY PROGRAM

Applicable Program:

- State Vocational Rehabilitation Services (Assistance Listing Number 84.126A)

Requirement:

The Office of Management and Budget granted the Rehabilitation Services Administration (RSA) a limited exception to lower the per unit acquisition cost for equipment acquired for the benefit of the Randolph-Sheppard Vending Facility Program (RSVFP) to $1,000 (87 FR 60664 (October 6, 2022)). This means that equipment acquired for the benefit of a Business Enterprise Program, under Sections 3(3) and 7(c) of the Randolph-Sheppard Act (R-S Act) (20 U.S.C. §§ 107(b)(3), 107d-3(c)) (i.e., the RSVFP) and Section 103(b)(1) of the Rehabilitation Act of 1973 (Rehabilitation Act), will have a per-unit acquisition cost that equals or exceeds the lesser of $1,000 or the capitalization level established by the recipient for financial statement purposes. This applies to all equipment acquired with either R-S Act set-aside funds under 20 U.S.C. § 107(b)(3) and 34 C.F.R. § 395.9(b) or State Vocational Rehabilitation Services (VR) program funds (both Federal and non-Federal) under Section 103(b)(1) of the Rehabilitation Act and 34 C.F.R. § 361.49(a)(5), satisfying the lower per-unit acquisition cost.

For all other equipment purchased under the VR program, the per unit acquisition cost equals or exceeds the lesser of $10,000 or the capitalization level established by the recipient for financial statement purposes. The definition of "equipment" (2 C.F.R. § 200.1) refers to the "capitalization level established by the recipient." Because the VR and State Supported Employment Services programs are administered by the State, "recipient" in this context refers to the State's capitalization level unless the State's official rules or policies permit the recipient itself to develop its own capitalization level for equipment.

VR agencies must obtain prior approval for the cost of items that equal or exceed the equipment capitalization threshold, including the lower threshold amount for equipment purchased for the benefit of the RSVFP, in accordance with 2 C.F.R. § 200.407(g). This means VR agencies must obtain prior approval before incurring costs for equipment, including equipment for the benefit of the RSVFP.