

REHABILITATION SERVICES ADMINISTRATION
Randolph-Sheppard Financial Relief and Restoration Payments (FRRP) Appropriation
ASSURANCES and USE of FRRP FUNDS

Name of State licensing agency (SLA): Indiana
DUNS:

A. Assurances

The State licensing agency (SLA), responsible for administering the Randolph-Sheppard Act program in the State, assures it will (check if yes):

(1) cooperate with the Secretary in applying the requirements of the Randolph-Sheppard Act in a uniform manner when administering the FRRP, pursuant to 34 C.F.R. § 395.3(a)(11)(i), and will comply with all applicable Federal statutory and regulatory requirements for Federal recipients, as well as the terms and conditions of the grant award;

(2) use all funds received under the FRRP in accordance with the terms of the Consolidated Appropriations Act of 2021, PL 116-260, Division H, Title III, section 318, specifically for the purposes of:

- offsetting losses of blind vendors that occurred during calendar year 2020, to the extent that such losses were not otherwise compensated; and
- other purposes authorized under 34 C.F.R. § 395.9 for set-aside funds, but only to the extent any funds remain available after offsetting losses that were incurred by blind vendors during calendar year 2020.

(3) actively participate with the State Elected Committee of Blind Vendors in developing for RSA approval how it will use the FRRP funds, consistent with the information required by Part B of this document, pursuant to 34 C.F.R. §§ 395.3(a)(2), 395.3(a)(6), 395.3(a)(11)(iii), 395.4(a), and 395.14, and Technical Assistance Circular RSA-TAC-21-01. The SLA understands that this information in Part B is required since receipt and use of the FRRP funds represent a change in the SLA's procedures covering the operation of vending facilities in accordance with Federal laws and its sources of funds for the administration of the program;

(4) expend all FRRP funds, including for administrative purposes, in a manner that is allowable, reasonable, and allocable as required by 2 C.F.R. §§ 200.403 through 200.405;

(5) not use Vocational Rehabilitation (VR) program funds, either Federal or non-Federal, to cover the administration of the FRRP funds unless such costs are also allowable under the VR program in accordance with section 103(b)(1) of the Rehabilitation Act of 1973 (Rehabilitation Act) and 34 C.F.R. § 361.49(a)(5) (*i.e.*, "financial relief and restoration payments to offset losses of blind vendors that occurred during calendar year 2020" are

not allowable expenses under the VR program), and allocable to that program in accordance with the Federal cost principles at 2 C.F.R. §§ 200.403 through 200.405. In the unusual event an activity under the FRRP funds is also authorized under the VR program and the SLA wants to use VR program funds, either Federal or non-Federal, to pay the administrative costs, the SLA assures it will allocate those costs proportionately across all benefitting programs in accordance with 2 C.F.R. §§ 200.403 through 200.405;

- (6) not use expenditures paid with these FRRP funds to meet the non-Federal share of the VR program, because these are Federal – not non-Federal – funds; and
- (7) satisfy all applicable requirements under the Randolph-Sheppard Vending Facility Program, including those set forth at 34 C.F.R. § 395.3(a)(11) (viii) and (ix), as well as those of 2 C.F.R. part 200, including those governing internal controls (§ 200.302), financial management (§ 200.303), financial reporting (§ 200.328), performance reporting and monitoring (§ 200.329), and grant closeout (§ 200.344).

B. Use of FRRP Funds

1. Explain briefly how the SLA will distribute the FRRP funds to blind vendors to offset losses incurred during the 2020 calendar year (*e.g.*, proportional to losses incurred, based on losses due to vendor’s spoiled or expired stock, etc.).

FRRP funds will be expended based on the net income loss plus any inventory loss of the blind vendor. The State of Indiana along with the active participation of the Elected committee has agreed to disperse the FRRP funds to all managers who show a loss in their net income from their permanent vending facility, utilizing calendar year 2019 versus calendar year 2020. The Elected Committee of Blind Vendors requested the SLA create a spreadsheet using profit & loss statements to determine what, if any, net profit loss each blind vendor may have incurred in 2020. The blind vendor will be responsible for reporting any inventory spoiled or expired during the calendar year 2020 on the attestation statement. The SLA has already compiled a spreadsheet of all blind vendors net income loss in calendar year 2020. Once all blind vendors have submitted their spoiled and/or expired inventory loss on the attestation statement, the SLA will update the spreadsheet and disburse funds offsetting losses of blind vendors that occurred during calendar year 2020, to the extent that such losses were not otherwise compensated. Based on this request, the SLA created a preliminary payout spreadsheet: Twenty-four (24) will get a percentage of their net profit loss and three (3) will not receive any FRRP funds.

2. Does the SLA anticipate using any of the FRRP funds to cover administrative costs?
 Yes No
3. If yes, what percentage of the FRRP funds do you anticipate expending on administrative costs? _____ percent
4. How will the SLA ensure blind vendor losses were not previously compensated (*e.g.*, attestation, financial reports, inventory reports, documentation of losses due to spoilage, etc.)?

The Elected Committee of Blind Vendors requested the attestation include language which indicates PPP, SBA loans, unemployment and SSDI not be counted as “otherwise compensated” as these items are either not reported on the blind

vendor's BEP monthly ledgers to the program or they are required to be repaid by the blind vendor and therefore not considered compensation. It was agreed upon by the SLA leadership and the entire elected committee members, that the Fair Minimum Return received by each blind vendor is however to be considered as 'otherwise compensated'. The SLA supports this request. The SLA will create an attestation for each blind vendor to sign confirming their loss in their net income from their permanent vending facility in calendar year 2020 and any loss of spoiled or expired inventory. Please see attached attestation form.

5. Does the SLA anticipate having any FRRP funds remaining after distributing funds to the blind vendors to cover losses incurred in calendar year 2020? Yes No
6. If yes, please identify for which authorized set aside purposes under 34 C.F.R. § 395.9 the SLA anticipates using the funds (check all that apply):
- | | |
|---|---|
| <input type="checkbox"/> purchase of equipment | <input type="checkbox"/> fair minimum return to vendors |
| <input type="checkbox"/> maintenance of equipment | <input type="checkbox"/> establishment and maintenance of |
| <input type="checkbox"/> management services | retirement or pension funds* |
| <input type="checkbox"/> paid sick leave* | <input type="checkbox"/> health insurance contributions* |
| <input type="checkbox"/> paid vacation time* | |

*Use of funds for these purposes would also require a majority vote of the blind vendors licensed by the SLA in accordance with 34 C.F.R. § 395.9(b)(5).

7. Explain briefly how the SLA actively participated with the State's Elected Committee of Blind Vendors to develop the Use of FRRP funds under Part B of this document and the result of their active participation (*e.g.*, was there consensus on the use of the funds). Documentation, such as meeting minutes when the use of FRRP funds was discussed, must be available upon request.
- The State of Indiana and the Elected Committee developed a Sub-Committee that included elected committee members as well as program state representatives to work specifically on the FRRP process of fund dispersal. The sub-committee had three meetings to develop a proposal which they submitted to the SLA's leadership and the entire elected committee members for approval.**
8. Please identify the date by which the SLA anticipates obligating all FRRP funds, making sure all funds will be obligated by September 30, 2022.
- Our plan is to distribute the funds within 30 days from the approval of RSA.**

C. Certification

As a duly authorized representative of the applicant, I hereby certify that the applicant will comply with the Assurances in Part A. I also attest that the information provided in Part B regarding the Use of FRRP Funds is true and accurate.

Printed name and title of authorized representative:

Signature: Locket Phillips, Manager of Blind Services
Date: March 23, 2021

Paperwork Burden Statement: According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1820-0698. Public reporting burden for this collection of information is estimated to average 1 hour per response, including time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. The Department is requiring States to respond to this collection to obtain or retain benefit pursuant to 34 C.F.R. §§ 395.3, 395.4(a), and 395.14, and consistent with the requirement of 2 C.F.R. § 200.207. If you have any comments concerning the accuracy of the time estimate, suggestions for improving this information collection, or if you have comments or concerns regarding your individual form, application, or survey, please contact Jesse Hartle, U.S. Department of Education, 550 12th Street, SW, Washington, DC 20202-5176, Jesse.Hartle@ed.gov, directly. Note: Please do not return the completed form to this address.

This form should be emailed to: randolph-sheppardvfprestationfunds@ed.gov.