

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

Name of State licensing agency (SLA): **Kansas BEP, Rehabilitation Services, DCF**  
DUNS: **Not sure what this is.**

**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;

- X (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
- X (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.).

**Kansas BEP:** The Kansas BEP State Licensing Agency (SLA) actively participated with the Elected Committee of Blind Vendors in determining how the funds will be distributed and how uncompensated losses will be documented. After several meetings there was documented consensus of all licensed blind vendors and the SLA that Kansas BEP would distribute all \$111,982 based upon the percentage of total losses that the FRRP funds will cover. FRRP funds totaling \$111,982 are estimated to make up for 27% of estimated total program losses of \$403,829 so the BEP will compensate each blind vendor for around 27% of their actual losses.

The Elected Committee of Blind Vendors and the SLA agreed that participants with military teaming partners were not eligible for FRRP funds because their operations were not affected by COVID and they had no losses.

The Elected Committee of Blind Vendors requested the SLA create a summary using profit/loss statements to determine what, if any, net profit loss each Blind vendor may have incurred in calendar year 2020 compared to 2019.

Losses for Blind Vendors who did not operate a facility for all of 2019, or, for vendors who began operating a facility in 2020, will be calculated based upon a projection based upon historical data and the months of data that was available. The SLA estimated seven (7) of the eight (8) eligible Blind vendors had a net profit loss.

The Elected Committee of Blind Vendors proposed the SLA expend all the FRRP funds available to those Blind vendors who incurred a loss in calendar year 2020 and to use percentage of profit loss system to determine how the funds could be distributed as equitably as possible. Based on this proposal, the SLA and the Committee of Blind Vendors agreed that there was an estimated Total Program Net Loss of \$403,829 by eligible participants.

The Elected Committee of BEP Vendors and the SLA took all of this information into consideration and then unanimously agreed to this plan for disbursement of the FRRP funds. Eligible vendors will submit an attestation stating their lost net profit in 2020 and the amount that they will receive calculated by taking the total of Operator Net loss divided by Total Program Net Loss then multiplied by the total amount of FRRP appropriations.

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?  0\_\_ 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.)?

**Kansas BEP:** The Elected Committee of Blind Vendors requested to define “otherwise compensated” as only revenues reported on the blind vendor’s BEP monthly ledgers to the program. The SLA supports this request. The SLA will create an attestation for each blind vendor to sign confirming their net profit loss in 2020 and that they were not “otherwise compensated” for their loss. The Elected Committee of Blind Vendors requested the attestation include language which indicates PPP and 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. The SLA supports this request. No vendor will receive more in FRRP funds than they had in losses. A draft attestation is included with this report.

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):  
 purchase of equipment                       fair minimum return to vendors  
 maintenance of equipment                 establishment and maintenance of  
 management services                        retirement or pension funds\*  
 paid sick leave\*                                 health insurance contributions\*  
 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.

**Kansas BEP:** The Kansas BEP SLA actively participated with the Elected Committee in determining how the funds will be distributed and how uncompensated losses will be documented. After several meetings there was documented consensus of all licensed vendors and the SLA that Kansas BEP would distribute all \$111,982 based on the proportion of losses incurred in calendar year 2020 compared to calendar year 2019. See attached statement from Michael Malloy Committee Chairman certifying that the committee actively participated in the process of determining how the FRRP funds would be distributed.

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.

**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: **Matthew Miller, BEP Administrator**

*Matthew Miller*

Signature:

Date:

06/01/2021

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 12<sup>th</sup> 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-sheppardvfprestorationfunds@ed.gov](mailto:randolph-sheppardvfprestorationfunds@ed.gov).

**ATTESTATION**

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

I, \_\_\_\_\_ (*name of blind vendor*), am a blind vendor in the Kansas Business Enterprises Program (BEP).

I incurred the following financial loss in calendar year 2020:

Lost net profit in the amount of \$\_\_\_\_\_ (net profit loss).

This is supported with the attached BEP profit and loss report which compares net profit for my business in calendar year 2019 and 2020.

I am receiving the following amount \$\_\_\_\_\_ which is calculated by taking the total of Operator Net loss divided by Total Program Net Loss then multiplied by the total amount of FRRP appropriations.

My signature below indicates my confirmation of this loss and that it was not otherwise compensated.

I understand I am solely responsible for this declaration and that I could be subject to monetary penalties and or disciplinary action should my attestation be found to be untrue.

*For this attestation, “otherwise compensated” is defined as only revenues reported on my BEP monthly ledgers. PPP and SBA loans, unemployment, and SSDI are not considered “otherwise compensated” as these items are either not reported on the my BEP monthly reports to the program or they are required to be repaid.*

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BEP Vendor Signature

Date