

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

Name of State licensing agency (SLA):  
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):

X  (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;

X  (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.

X  (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;

X  (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;

- X  (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.).

**FRRP funds will be expended based on a tiered system and will be determined based on the individual net profit loss of each blind vendor. 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 calendar year 2020. The SLA complied and determined all Minnesota blind vendors, except for one, had a net profit loss. The Elected Committee of Blind Vendors requested the SLA expend all the FRRP funds available to those blind vendors who incurred a loss in calendar year 2020 and to use a tiered system to determine how the funds could be distributed as equitably as possible and completely expended. Based on this request, the SLA created a payout spreadsheet where twelve(12) blind vendors would receive an amount equal to their net profit loss. These payments would be approximately between \$1,882.14 and \$16,005.90. Thirteen(13) blind vendors would receive a proportional amount to their loss of approximately \$16,021.92. The SLA informed the Elected Committee of Blind Vendors it was waiting for (3) blind vendors to submit monthly ledgers for calendar year 2020 and the payout information may fluctuate slightly when the missing monthly ledgers are processed. The Elected Committee of Blind Vendors took all of this information into consideration and then unanimously agreed to this plan for disbursement of the 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 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. The attestation template has been attached for your review.**

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 SLA and the Elected Committee of Blind Vendors held five(5) separate conference call meetings. The Elected Committee of Blind Vendors provided a unanimous consensus on how to expend the funds. The SLA supports their request.**

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.

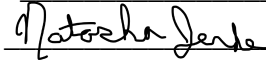
**The SLA will obligate all funds by September 30, 2021, though we will make every effort to obligate funds by June 30, 2021.**

### 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: Natasha Jerde, Director

Signature:



Date:

4/6/2021

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This form should be emailed to: [randolph-sheppardvfpreservationfunds@ed.gov](mailto:randolph-sheppardvfpreservationfunds@ed.gov).