

## **ATTACHMENT 1 - BEP FRRP FUNDS DISBURSEMENT PROCEDURES**

The Pennsylvania Bureau of Blindness and Visual Services will distribute FRRP funds to current licensees of the BEP program in accordance with the following procedures, developed with active participation of the members of the Elected Committee in a meeting held on April 26, 2021.

The below process describes the approach the SLA will follow to organize and allocate the funds to Licensees for equitable disbursement for losses incurred; however, there will only be one single disbursement to each eligible Licensee once all funds have been properly allocated as per the below procedure. To that end, the administrative process for distribution of funds to licensees involves the following steps by the SLA: categorizing the available funds into tiers represented by the amount of lost revenue, allocate funds to licensees in each of the established tiers, and disperse the allocated funds to all eligible licensees in accordance with the outlined disbursement procedures.

The SLA will compare Licensee's reported 2019 and 2020 net proceeds of record to determine compensable revenue losses for the year 2020 using the available FRRP funds. The difference will represent compensable losses incurred by each licensee, offset by any previously granted Fair Minimum Compensation to the eligible licensee by the SLA for the same losses incurred. Licensees will submit written communication to the SLA in the form of an attestation to verify that the financial reports being utilized truly represent losses incurred in 2020.

The order of disbursement will be organized into several tiers as represented by licensees' actual losses, which will be determined by the process presented above. The initial disbursement tier will be established by dividing the available proceeds of \$396,601.00 by the total number of Licensees currently in the program. Licensees in the initial tier will be compensated starting with the lowest documented loss, and progressively thereafter until all licensees within the initial tier have been equitably compensated using available funds.

Once all licensees have been equitably compensated in the initial tier, the remainder of the funds will be recalculated for additional disbursement to licensees who, as a result of higher documented losses, fall in the next progressive tier of distribution.

Subsequent disbursement tiers will follow the same process that was used to establish the initial tier. And as with the initial tier, all licensees in the subsequent tiers will be similarly compensated starting with the lowest documented loss, and progressively thereafter until all licensees in the tier have been compensated with no additional funds remaining for further disbursements.

The funds that will be distributed to the licensees will not exceed uncompensated losses as part of the distribution plan provided above.