

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

Name of State licensing agency (SLA): Puerto Rico Vocational Rehabilitation  
Administration  
DUNS: 011144198

**A. Assurances**

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

- XX (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;
- XX (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.
- XX (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;
- XX (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;
- XX (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;

XX (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

XX (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.).

Sellers' losses will be calculated as the reduction in revenue based on a comparison of the 2019 vs 2020 financial statements. The Funds will be distributed taking into consideration the evidence presented by blind sellers on the losses caused by the pandemic. Inventory will be considered before the pandemic and after the companies reopen operations. In addition, the conditions of the existing equipment will be evaluated. The SLA determined not to use the Unemployment Funds received by the Blind Sellers as income. The SLA determined that it will not reimburse expenses that have been covered by other Federal Resources. Proper evidence will be required to cover other expenses for losses caused by the pandemic.

No individual will receive compensation exceeding losses.

2. Does the SLA anticipate using any of the FRRP funds to cover administrative costs?

    Yes      XX 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.)?

The SLA will use the inventory report, financial report and affidavit certifying that the loss was in the year 2020; due the pandemic.

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?    X    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 checked="" type="checkbox"/> purchase of equipment    | <input type="checkbox"/> fair minimum return to vendors   |
| <input checked="" type="checkbox"/> maintenance of equipment | <input type="checkbox"/> establishment and maintenance of |
| <input type="checkbox"/> management services                 | <input type="checkbox"/> 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 participated with the three State's Blind Vendors through individualized visits. Currently, the SLA offers individual assistance and follow-up to vendors in Federal Facilities in Puerto Rico. There is evidence of the following: from the monthly report of income and expenses per blind seller corresponding to the year 2020, report on benefits of the Pandemic Unemployment Assistance, Government Incentives to Self-Employed Workers and one of the three sellers received the Incentive from the Development Bank Economic.

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.

SLA anticipates obligating all FRRP funds 90 days after receiving award. SLA acknowledges that 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: Sonia J. Hernández Méndez

Signature: 

Date: 8/2/2021

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