

**UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF SPECIAL EDUCATION AND
REHABILITATIVE SERVICES
REHABILITATION SERVICES ADMINISTRATION
WASHINGTON, DC 20202-2800**

**INFORMATION MEMORANDUM
RSA-IM-06-06
DATE: May 15, 2006**

ADDRESSEES: RECIPIENTS OF FISCAL YEAR 2005 ALTERNATIVE FINANCING PROGRAM GRANTS

SUBJECT: Submission Requirements for Fiscal Year 2005 Alternative Financing Program (AFP) Grants

BACKGROUND: This Information Memorandum (IM) provides guidance about the required submissions to reflect compliance with the terms of AFP grants awarded in FY 2005.

POLICY: Required materials are to be submitted to the Rehabilitation Services Administration (RSA) by **September 30, 2006**.

DISCUSSION: To receive an AFP grant in FY 2005, a state was required to identify the types of alternative financing mechanisms it would use and submit 11 assurances. A number of these assurances required that you submit material to RSA within 12 months of receiving your grant. In order to meet the requirements of your grant award, you must submit to RSA the following:

(1) Proof of match. You must provide to RSA proof that you have obtained the full amount of matching funds as stated in your grant application. This can be done through a letter, signed by your certifying representative, attesting to the amount and source of the funds and that these funds and your federal funds have been deposited in your permanent separate account dedicated to the operation of the AFP, or by other means such as a statement of deposit.

If you have not obtained the full amount of matching funds, you must provide a letter, signed by your certifying representative, describing the amount of funds you have obtained and that these funds and your federal funds have been deposited in a permanent separate account dedicated to the operation of the AFP, the factors that have prevented you from obtaining the full amount, and your plan for obtaining the full amount. This letter also must request a no cost extension for your grant, the length of which cannot exceed 12 months. The letter also must acknowledge

your understanding that RSA may need to reclaim the unmatched federal share of the grant if the matching funds are not secured by the conclusion of your no cost extension.

(2) Contracts with Community-Based Organization (CBO) and Lending Institution. You must provide RSA with copies of the contract between you and your designated CBO, and between the CBO and the lending institution(s) with which it partners, commensurate with the assurance you provided in your application.

(3) Indirect Costs. You must provide RSA with your indirect cost agreement as approved by the Department of Education or other cognizant federal agency. Indirect costs may not exceed 10 percent of the amount of funds in the permanent and separate account and any outstanding loans from that account.

(4) Administrative Policies and Procedures. You must provide to RSA copies of your administrative policies and procedures commensurate with the assurance you provided in your application.

(5) Agreement with Statewide AT Program. You must provide to RSA a copy of the written agreement with your statewide AT program to coordinate activities appropriately.

Please be aware that submission of these materials does not constitute your final report. A final report on your grant will be due to RSA by December 30, 2006. Instructions for that report will follow.

Procedures for Submitting Required Materials

These materials can be submitted to RSA either electronically or in hardcopy.

Electronic Transmission Options

- (1) States are strongly encouraged to submit their materials to RSA electronically. If a state chooses this option, the submission must be in Microsoft Word. The address for the submission of the materials is: Jeremy.Buzzell@ed.gov.
- (2) States can also submit on a CD-ROM. If a state chooses this option, the submission must be in Microsoft Word.
- (3) If the materials submitted either through the Internet or a CD-ROM do not include the signature of the state official authorized to submit, the state must submit to RSA a separate hardcopy of the transmittal letter

signed by the state official authorized to submit. States should submit hardcopies of these pages to one of the two addresses specified below, depending on whether the pages are being sent via regular mail or overnight mail.

Hardcopy Transmission

In lieu of an electronic submission of the materials, a state can submit the original and two copies of the materials together with a transmittal letter signed by the state official authorized to submit. The materials can be addressed to the following addresses either through regular mail or overnight mail.

Materials sent through regular mail can be addressed as follows:

United States Department of Education
Office of Special Education and Rehabilitative Services
Attention: Jeremy Buzzell
400 Maryland Avenue, S.W., PCP Room 5025
Washington, D.C. 20202-2800

Materials sent by overnight mail should be sent to the following address:

United States Department of Education
Attention: Jeremy Buzzell
Mail Stop 2800
PCP Room 5025
7100 Old Landover Road
Landover, MD 20785-1605

**CITATIONS
IN LAW:**

Section 4(b)(2)(D) of the Assistive Technology Act of 1998, as amended.
Title III of the Assistive Technology Act of 1998.

**CITATIONS IN
REGULATION:**

34 CFR parts 74, 75, 77, 78, 79, 80, 81, 82 and 85 apply except to the extent that any requirements contained therein are inconsistent with the intent of Title III of the AT Act. Specifically, grantees are exempt from Section 80.21(i) regarding interest earned on advances and the addition method in Section 80.25(g)(2) applies to program income rather than the deduction method in Section 80.25(g)(1). Sections 75.560-75.564 do not apply to the extent that these sections are inconsistent with the AFP requirement that indirect costs cannot exceed 10 percent.

**EFFECTIVE
DATE:**

Upon Issuance

EXPIRATION

DATE: September 30, 2006.

INQUIRIES: Jeremy Buzzell. (202) 245-7319. Jeremy.Buzzell@ed.gov

Edward Anthony, Ph.D.
Delegated the authority to perform
the functions of the Commissioner for
Rehabilitation Services Administration

cc: Rehabilitation Engineering and Assistive Technology Society of North America
Association of Assistive Technology Act Programs

OMB No. 1820-0018
EXP. DATE 02/28/2007