

U.S. DEPARTMENT OF EDUCATION  
OFFICE OF SPECIAL EDUCATION & REHABILITATIVE SERVICES  
REHABILITATION SERVICES ADMINISTRATION  
WASHINGTON, D.C. 20202

INFORMATION MEMORANDUM  
RSA-IM-91-24  
RSM-1200 1/  
DATE: July 2, 1991

TO : STATE VOCATIONAL REHABILITATION AGENCIES (GENERAL)  
STATE VOCATIONAL REHABILITATION AGENCIES (BLIND)  
CLIENT ASSISTANCE GRANTEEES  
RSA SENIOR MANAGEMENT TEAM

SUBJECT : Replacement To IM-89-35 and IM-89-26 - Liquidation of Obligations

CONTENT : IM-89-35 and IM-89-26 are being replaced by this Information Memorandum for the following reasons: (1) to clarify that only the Title I Vocational Rehabilitation Program has the authority to carry over reallocated funds; (2) to outline information required in the request for waiver of the 90-day liquidation requirement; and (3) to specify that a waiver request must be reviewed by the appropriate RSA Regional Office.

The time limit for liquidation of obligations for grants issued on or after October 1, 1988 (and subgrants issued under these grants) is within 90 days after the end of the funding period or the termination of the grant. This requirement is contained in 34 CFR 80.23(b) Liquidation of Obligations which became effective for grants or subgrants made October 1, 1988 or later. Section 110(c)(2) of the Rehabilitation Act allows State VR agencies 45 days in the subsequent fiscal year in which to obligate funds received during the reallocation process. The 45-day carryover period applies only to grants issued under Section 110(a)(1) of the Rehabilitation Act of 1973, as amended. The time limit in which to liquidate obligations against these funds is 90 days from the 45th day of the subsequent fiscal year.

State VR Agencies and Client Assistance Grantees that cannot meet the 90-day liquidation requirement may request an extension to this time limit. A written request is required and must contain the following: (1) name of grant program; (2) the month, the day and

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the year when all funds will be liquidated under each grant; and (3) the reasons for the extension of time for each grant program. A request for an extension to the 90-day liquidation requirement by a State VR agency or a Client Assistance grantee must be submitted to the appropriate RSA Regional Office.

RSA will notify the grantee by letter whether the request for extension to the 90-day liquidation requirement has been approved.

**INQUIRIES:** If you have any questions concerning this Information Memorandum, please call Slagle Allbritton, Director, Management Services Staff at 202-732-1358.

Nell C. Carney  
Commissioner