

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

INFORMATION MEMORANDUM
RSA-IM-93-26
RSM-1050¹
DATE: August 13, 1993

TO : STATE VOCATIONAL REHABILITATION AGENCIES
(GENERAL AND BLIND)
CLIENT ASSISTANCE PROGRAM GRANTEEES
REGIONAL REHABILITATION CONTINUING EDUCATION PROGRAMS
(RRCEPS)
RSA SENIOR MANAGEMENT TEAM

SUBJECT: FY 1993 MAINTENANCE OF EFFORT (MOE) AND MATCH
LEVELS IN THE TITLE I VOCATIONAL REHABILITATION (VR)
SERVICES PROGRAM

CONTENT : Attached is a table showing both the FY 1993 State MOE and match levels.
The FY 1992 Amendments to the Rehabilitation Act changed the
requirements for both the MOE and match.

Section 111(a)(2)(B)(ii) of the Rehabilitation Act, as amended, now requires that State expenditures from non-Federal sources for FY 1993 equal or exceed the non-Federal expenditures for FY 1991. This is known as the MOE requirement. Any State that fails to maintain the required level of non-Federal expenditures in FY 1993 will have a MOE penalty assessed in FY 1994, unless a waiver has been granted by RSA. Under a MOE penalty, the State's FY 1994 allotment would be reduced by the amount of the MOE shortfall.

The attached table shows the required MOE level for FY 1993 based on non-Federal expenditures as reported on the current Financial Status Report (SF-269) for FY 1991 that RSA has on file. If any revisions to your non-Federal expenditure level for FY 1991 are made that result in a different expenditure level than the level reported in this table, you must submit an explanation to RSA of why those expenditures have changed. If RSA approves the revised reported expenditures, a new MOE level will be established.

¹ Under development

Under the 1992 Amendments to the Rehabilitation Act, the required match is calculated at 21.3 percent (Section 7 (7)(A)), with the Federal share not

exceeding 78.7 percent. This matching rate applies to the cost of all VR services, except for the costs of the construction of any rehabilitation facility, which must be matched at 50 percent. The attached table reflects the non-Federal share which would be required to match fully all the Federal funds awarded in the initial allotment, provided the State is not using funds to construct a rehabilitation facility. The grantee's matching requirement will, of course, be higher if it receives any reallocated funds.

INQUIRES: Inquiries regarding the calculation of the FY 1993 MOE and match levels should be directed to Geraldine White at (202) 205-7393.

William L. Smith
Acting Commissioner

Attachment