

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

INFORMATION MEMORANDUM
RSA-IM-96-11
DATE: March 20, 1996

TO: STATE VOCATIONAL REHABILITATION AGENCIES (GENERAL)
STATE VOCATIONAL REHABILITATION AGENCIES (BLIND)
CLIENT ASSISTANCE PROGRAMS
PROTECTION AND ADVOCACY FOR INDIVIDUAL RIGHTS PROGRAMS
REGIONAL REHABILITATION CONTINUING EDUCATION
PROGRAMS (RRCEPS)
RSA SENIOR MANAGEMENT TEAM

SUBJECT: Provision for Reimbursement to States Under the Specified Activities Appropriations Act, FY 1996 (P.L. 94-102)

CONTENT: The Specified Activities Appropriations Act, FY 1996, Title V, Section 501, provides for reimbursement to States for operational costs, including interest, incurred by the State to continue a Federal program during any period in which there is a lapse in Federal appropriations in Fiscal Year 1996. States are reimbursed for expenses that would have been paid by the Federal Government during such period, had appropriations been available. According to Section 6503(d) of Title I of the United States Code, interest may be calculated from the time a State makes payments until the time Federal funds are deposited in a State's account.

These provisions also cover reimbursement for the compensation of furloughed State employees who are normally paid in whole or in part with Federal funds. Furloughed State employees must be compensated at their standard rate of pay during the furlough period.

The Specified Activities Appropriations Act, FY 1996 specifies that the term "State" must be used as defined in the program regulations. This means that the reimbursement applies only to State grantees. For RSA's formula grants, this means that the provision covers grantees under the Title I State VR, Supported Employment, and Independent Living State Services programs. The payment for compensation of employees under the Protection and Advocacy for Individual Rights program, the Client Assistance program, and discretionary grant programs is covered only if they are employees of a State agency that is administering the grant project.

Attached is a copy of Section 501, Title V, of the Specified Activities Appropriations Act, FY 1996. If you have any questions about this information, contact Slagle Allbritton, Director, Financial Management and Information Systems Staff, at (202) 205-8358.

Fredric K. Schroeder
Commissioner

Attachment