

**U.S. DEPARTMENT OF EDUCATION  
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES  
REHABILITATION SERVICES ADMINISTRATION  
WASHINGTON, D.C. 20202-2800**

INFORMATION MEMORANDUM  
RSA-IM-05-09  
DATE: June 10, 2005

TO : STATE VOCATIONAL REHABILITATION AGENCIES (GENERAL)  
STATE VOCATIONAL REHABILITATION AGENCIES (BLIND)  
CLIENT ASSISTANCE PROGRAM  
PROTECTION AND ADVOCACY OF INDIVIDUALS RIGHTS  
PROGRAM  
INDEPENDENT LIVING, PART B PROGRAM  
INDEPENDENT LIVING OLDER BLIND PROGRAM  
PROTECTION AND ADVOCACY FOR ASSISTIVE TECHNOLOGY  
PROGRAM

SUBJECT : FY 2005 Reallotment Schedule for Formula Grants under the  
Rehabilitation Act

CONTENT : The Rehabilitation Act of 1973, as amended (Act), authorizes the  
Commissioner to reallot to other grant recipients that portion of a  
recipient's annual grant that cannot be used. To maximize the use of  
appropriated funds under the formula grant programs, RSA has established  
the following FY 2005 reallotment schedule for the Basic Support (Title I);  
Supported Employment (SE); Independent Living, Part B (IL);  
Independent Living Older Blind (IL-OB); Client Assistance (CAP);  
Protection and Advocacy of Individual Rights (PAIR); and Protection and  
Advocacy for Assistive Technology (PAAT) programs.

Each formula grant recipient is requested to submit to RSA Headquarters (HQ), **by August 3, 2005**, information as to whether or not it is relinquishing grant funds, is requesting additional grant funds, or whether it will not seek to change its current grant award. We ask that you submit this information in accordance with the format set forth below. RSA will make every effort to award funds through the reallotment process by **September 20, 2005**. RSA HQ will issue revised award documents reflecting changes in cumulative funding for FY 2005 to those grantees that either relinquish funds or receive additional funds through reallotment.

**Format for Submitting Information regarding Reallotment:**

Please use this format for providing information as to whether you will be relinquishing funds, requesting additional funds, or will be seeking no change to the current grant award. Please provide this information for each program.

- A. Program Name \_\_\_\_\_
- B. Current Grant Amount \$ \_\_\_\_\_
- C. Additional Amount Requested \$ \_\_\_\_\_
- D. Amount of Funds to be Relinquished \$ \_\_\_\_\_
- E. Requested Total Annual Grant Amount  
(Lines B+C=E or B-D=E) \$ \_\_\_\_\_

**If you are relinquishing funds**, please provide additional information that briefly explains: (1) why the funds are being relinquished; (2) what conditions resulted in the need to relinquish funds; and (3) whether you expect that funds will need to be relinquished in FY 2006 and why.

Submit the above requested information in writing to:

Director, FMISS/RSA  
400 Maryland Avenue, S.W.  
Potomac Center Plaza, Room 5148  
Washington, DC 20202-2800

The information also can be faxed to (202) 245-7589. Please note that this will be RSA's only notice of the reallotment process. RSA must receive the above information **no later than August 3**.

**Other Important and Relevant Information to Consider:**

Reallotment as Increase to Grant Award & Matching Requirements:

Section 110(b)(3) of the Act makes it clear that funds reallotted to another State are considered to be an increase to that State's allotment for the fiscal year for which funds were appropriated. Therefore, States receiving funds through the reallotment process must be capable of providing sufficient match (21.3%) for the additional funds received by September 30, 2005 (see section 110(b)(2) of the Act).

Requirements for the Carryover of Funds:

Section 19(a) of the Act authorizes formula grantees to carry over any funds appropriated in FY 2005, including original allotments and reallotments, which are not obligated or expended by recipients by September 30, 2005. Funds carried over remain available for obligation and expenditure during the following fiscal year, **provided the recipient**

**has fully met, by September 30, 2005, any matching requirement on the funds to be carried over** (see section 19(b) of the Act).

Unobligated Balances

To minimize unobligated balances, RSA strongly recommends that grant recipients maintain proper recordkeeping in order to identify obligations made.

Cancellation of Reallotment

If ample funds are not relinquished, RSA will exercise its discretion to cancel any scheduled reallotment for each program. RSA will notify grantees if a reallotment has been cancelled.

INQUIRIES : Any questions concerning this Information Memorandum should be addressed to the Director, Financial Management and Information Systems Staff at (202) 245-7254.

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

cc:  
Regional Rehabilitation Continuing Education  
Programs (RRCEPs)  
American Indian Vocational Rehabilitation  
Programs  
Council of State Administrators of Vocational  
Rehabilitation (CSAVR)  
National Organization of Rehabilitation Partners  
(NORP)