

**State Rehabilitation Council (SRC)**

**October 28, 2015**

**9:00 a.m. to 12:00 p.m.**

**MINUTES**

**Utah State Board of Education**

**Main Conference Room**

**Conference calls: 1-877-820-7831 269450#**

**Next Meeting: Wednesday, November 25<sup>th</sup>, 2015**

PRESENT:	Kelly Boehmer	Sharon Brand	Helen Post
	Sandy Terry	Lester Ruesch	Rob Ferris
	James Harvey	Rylee Williams	Melissa Freigang
	Ken Gourdin		
PHONE:	Kent McGregor	Merina Pope	Tammy Wood
	Amy Powell	Paula Seanez	
EXCUSED:	Susan Loving	Ron Campbell	Amberley Snyder
	Jan Carter	Evelyn Owen	
USOR Staff	Darin Brush	Stacey Cummings	Aaron Thompson
	Jennifer Roth	Gordon Swensen	Lynn Nelsen
GUESTS:	Kris Fawson		
INTERPRETERS:	Interpreters		

**WELCOME/MISSION STATEMENT**

Kent McGregor, Chair, welcomed Council members and called the meeting to order at 9:05 a.m. The Mission Statement was read by Sharon Brand. Kent requested any amendments or corrections to the September 2015 minutes as presented to the Council. Several corrections were mentioned and amendments were made. Motion was made to approve the minutes as amended. Motion seconded by Lester Ruesch. All were in favor, none opposed. Gordon will attend the NCSRC conference and will report back to the Council in November.

Based on our case service expenditure model, the first category of Most Significantly Disabled under the Order of Selection will open on November 2<sup>nd</sup>, 2015. Over the next 90 days we will begin serving all 1400 people on the waiting list in the MSD Category. We will be reaching out to individuals in a number of different ways and have a good plan in place. We are also in the middle of implementing our new case management system; a web-based system called AWARE. Darin commended Mike Brooks for his leadership in rolling out the new software.

Darin reminded the SRC Board that he is available at any time if board members have thoughts or concerns regarding policies and procedures. Last week was the Executive Appropriations Committee (EAC) meeting of the legislature, and USOR's third opportunity to respond to the legislative audit. EAC is a very powerful committee in the state Legislature, and it was a positive meeting. Although they were sober about the findings of the audit, they are more concerned about the deficit in the state general fund for next year. They don't necessarily believe moving USOR is a cost-neutral proposition. Senator Davis asked where we were with the OOS and Darin was pleased to say we're ahead of our initial predictions to open our OOS. It was well received.

Our chief compliance officer position will be filled by the end of the week. We have WIOA on the horizon partnering with workforce services and adult education. Creation of a state plan now falls under the Workforce Innovation and Opportunities Act (WIOA), and we will submit a unified plan with our partners. We are also working on the Pre-Employment Transition Services for youth (PETS). While we don't have full clarity about the regulations, we have to invest at least 15% of our VR resources to youth eligible for PETS. There are a lot of opinions about how that should be measured nationally and no clarity yet from the federal administration, which makes it challenging. USOR welcomes the SRC's help and input on this.

We're continuing to work on USOR's four goals of (1) creating a budget/accounting management infrastructure, (2) building a management information system that tracks performance, (3) creating a compliance/quality assurance infrastructure, (4) supporting the key business functions of the agency through proper alignment.

Question was asked what the board's response was to moving USOR. There has been no official statement about whether or not we're moving. Darin left the EAC meeting with the impression that they're not highly motivated to move us. USBE Vice Chair Dave Thomas reminded the EAC of the Board's vote to no longer house USOR in USOE. He voiced the concern that attention to USOR will be lost again, and is worried about losing financial control if the State Board loses interest. When WIOA was debated federally there was controversy about leaving Rehabilitation Services Administration under Education or moving it to the Department of Labor, and they finally determined that Education was the best place for that administration.

Kent said we owe a debt of gratitude to Darin and the executive team for the things that have been done over the past few months. Members of the SRC expressed appreciation that OOS for MSD would be opened in November.

Darin said there is a second phase of the legislative audit underway, which is concerned with case service expenditures in the VR program. There will be a second report released before the legislative session begins. The Council will have access to this report for review. As a Board we can invite the auditors to come and report their findings.

## **FINANCIAL REPORT**

**JENNIFER ROTH**

Jennifer provided a handout based on the close of the first state quarter ending September 30<sup>th</sup>. We are currently three months into our state fiscal year with a target rate of 25%. The first category on the handout is for personnel services and we are at 24% of our budget, within our target rate. In our travel budget we are well below our target in both in-state and out-of-state travel. In the next category of current expenses we are at 28%, slightly above the target. This is because we pay annual lease payments in the first quarter of the year skewing the percentage. The next category is data processing, and we are below the target rate. The data processing/capital expenditure is at 44%; we put into that budget the cost of converting from IRIS to AWARE. We expected to obligate that entire budget within the first quarter so this is not alarming as we move to the new case service system. The next category is capital expenditures and we have not spent any money in that budget category to date. Case service has several categories. The current year non-supplemental money, has a budget of \$19 million. Here we are at 30% of budget because we're paying bills in this state fiscal year that were obligated in the previous year. Another factor playing into this is the increased amount of authorizations for fall tuition that should decrease as we proceed through the year. At the time this report was prepared Jennifer had not received approval from USOE to build assets into our budget so there is no data in the old year non-supplemental or supplemental budgets. Moving on to the next category, our non-VR case service category (which includes DDS, some DSBVI, and Assistive Technology), we are below our target at 19%. IL contracts are below target at 11%, and ASPIRE pass through to other states will jump up after the other states are reimbursed. The next category is "other charges" which includes everything else. This category also includes indirect costs paid to USOE. Jennifer has estimated about \$444,460 in this category for the first quarter. Again with that estimate we are below target. The final category is Trust and Agency, and we don't have that built into the budget because we don't expect expenses there. The summation is that we're on track and we're within our budget for the first quarter of the year.

## **DIRECTOR'S REPORT**

**AARON THOMPSON**

Aaron provided an update on OOS and said we will be moving 150 clients off the waiting list on November 2<sup>nd</sup>. There are approximately 1500 people in the MSD category that will eventually be moved off the wait list according to the date of application. We have provided instruction to our staff and developed new activation letters. We've given Districts advance notice so they can decide who these individuals should be assigned to. We're instructing people to contact their counselors as soon as possible. Staff are very excited about being off OOS, and are ready to start working with clients on their IPE's. We will do weekly releases in batches of approximately 150 depending on application dates. The overall wait list is about 5000 people, and we have a new FAQ document on our website with clear directives for clients and community partners.

PBA PED Office of Rehabilitation									
Object_Category_Name	Original Budget	Working Budget	Actual		Obligations in Iris as of 09/30/15	Total		Budget Remaining	
			Expenditures as of 9/30/15 - SFYTD	Payroll & Base Obligations as of 9/30/15					
AA Personnel Services	36,934,739.63	36,934,739.63	7,138,294.45	1,750,902.41		8,889,196.86	24%	28,045,542.77	76%
BB Travel/In State	222,943.38	222,943.38	16,491.54	-		16,491.54	7%	206,451.84	93%
CC Travel/Out of State	177,177.62	177,177.62	8,394.82	-		8,394.82	5%	168,782.80	95%
DD Current Expense	6,525,936.01	6,525,936.01	1,511,730.16	289,721.93		1,801,452.09	28%	4,724,483.92	72%
EE Data Processing Current Expense	913,488.36	913,488.36	81,761.50	120,970.73		202,732.23	22%	710,756.13	78%
FF Data Processing Capital Expenditure	992,696.84	992,696.84	-	440,759.53		440,759.53	44%	551,937.31	56%
GG Capital Expenditure	164,633.32	164,633.32	-	-		-	0%	164,633.32	100%
HH Other Charges/Pass Through - Case Services (7203) - Old Yr Non-Supp.			136,535.68	-	1,209,456.68	1,345,992.36			
HH Other Charges/Pass Through - Case Services (7203) - Current Yr Non-Supp.	19,299,490.15	19,299,490.15	-	-	-	-	30%	13,485,738.49	70%
HH Other Charges/Pass Through - Case Services (7203) - Supplemental			837,748.39	-	3,630,010.91	4,467,759.30			
HH Other Charges/Pass Through - Case Services (7203) - Non-VR	5,330,567.00	5,330,567.00	641,014.61	-	391,286.13	1,032,300.74	19%	4,298,266.26	81%
HH Other Charges/Pass Through - Independent Living (7512)	3,783,012.00	3,783,012.00	429,318.57	-		429,318.57	11%	3,353,693.43	89%
HH Other Charges/Pass Through - ASPIRE Pass thru to Other States (7521)	6,100,000.00	6,100,000.00	17,736.80	-		17,736.80	0%	6,082,263.20	100%
HH Other Charges/Pass Through - Everything Else	2,951,360.69	2,951,360.69	0.00	444,459.84		444,459.84	15%	2,506,900.85	85%
TA Trust & Agency Disbursements	-	-	-	-		-		-	
<b>TOTAL EXPENDITURES</b>	<b>83,396,045.00</b>	<b>83,396,045.00</b>	<b>10,819,026.52</b>	<b>3,046,814.44</b>	<b>5,230,753.72</b>	<b>19,096,594.68</b>	<b>23%</b>	<b>64,299,450.32</b>	<b>77%</b>
<b>Points to Consider</b>									
			1	This overage is largely a result of paying annual rent and operations & maintenance charges for several of our locations within the first quarter of SFY16.					
			2	This budget was established for the final costs of converting our case service system from IRIS to AWARE. We anticipated obligating most, if not all, of these costs within the first quarter of SFY16.					
			3	At the time this report was being prepared, USOR had not yet been given the go ahead to build prior year carryforward funding into their SFY16 budget. When we do so, there will be additional funding to offset case service costs that were authorized/obligated in SFY15 but for which we will actually pay the bills in SFY16.					
				Additionally, USOR typically incurs higher case service costs in the first quarter of the state fiscal year due to fall tuition.					
			4	The portion of this spreadsheet that has the black border around it represents the paid client services for Vocational Rehabilitation.					

Last year we were able to help more than 3,502 individuals establish successful employment within their vocational goal. We had a rehabilitation rate of 58.8%. This is the ratio looked at when people develop their plans for employment (IPE's). RSA sets our performance indicator at 55.8%. Last year our rehabilitation rate was at 52%. So even during a suspension of services and OOS this year, we were able to increase our rehabilitation rate above the national standard. Aaron commended our counselors for continuing to assist clients in reaching employment outcomes. Under WIOA, there won't be a rehabilitation rate indicator, making this the last year of tracking that measure. We will have new performance outcomes that will be consistent across DWS, the VR program, and adult education. They will look at an individual's career trajectory, their skill attainment, and how that advances during the rehabilitation process. We're also following up by looking at clients' second quarter and fourth quarter earnings. Also we're looking at how we provide services to employers. We've done a great job through Choose To Work (CTW), a partnership program with DWS. We're discussing the needs of employers, the labor market, and how we can better partner with employers to provide education and awareness training. Rachel Anderson has provided a few updates on customized employment and we are committed to moving away from sub-minimum wage and non-integrated employment. There are still questions about how to implement the changes coming under WIOA. CSAVR is a great opportunity to talk to other states to see what their practices are in terms of WIOA. We'll be talking with other states at the CSAVR conference about how they are developing their state plans. We want to make sure we're developing effective, quality programs, especially with youth. Students are required to develop a plan within 90 days to provide Pre-Employment Transition Services (PETS). We are giving students a series of opportunities to go out and learn what they want to do before making secondary school choices. We want to provide them with experience up front to give them the same opportunities that their peers are getting. Partnering with IL centers and other community supports provides an opportunity for us to give them work-based learning experiences. Helen commended Aaron on the changes that have been made and on opening the OOS. She is excited about VR having an active plan for transition-age students and getting plans in place before our youth leave school.

Aaron said the 15% reserve we're dedicating to Pre-Employment Transition Services will ensure we're developing the right services and that they are meaningful. There will be a learning curve the first couple of years and we will continue to provide counselors with training and guidance. Transition in youth has been a priority at USOR, especially over the last three years. When WIOA came out we already had certain things in place and a good vision laid out. The question was asked if there is a prediction of when the final regulations will be out, and Aaron said they have to be out by March. One of Aaron's concerns is that there is a draft definition in WIOA stating the student must be of age 16 to graduation and receiving special education services or coverage under 504. The draft regulations state if the student drops out of secondary education they wouldn't be countable. A lot of our youth come to us having already dropped out of school, or they graduated without being connected to VR. If states aren't able to meet the 15% requirement they may be forced into OOS. If the requirements are too restrictive it will affect other individuals seeking VR services.

Before WIOA, USOR submitted a VR state plan to RSA every three years. Under the new regulations we partner with the Department of Workforce Services and Adult Education to submit a Unified State Plan. We have sub-committees studying governance, economic and workforce analysis, and operations. We're looking at adult service delivery as well as youth.

We're studying how to meet common performance measures, alignment of common services and how we coordinate services with our partners. We will organize services to help the client receive long term success so they're not bouncing from system to system. Kickoff for the Unified State Plan was on September 17<sup>th</sup>, with representatives from VR, DWS, Adult Education and community partners and employers. Having the employer perspective is very important. We want to be sensitive to their role so they're not feeling burdened but are making a meaningful contribution. In the November SRC meeting, Aaron would like to give an overview of the Unified State Plan. We want to get your input on the tentative goals and priorities that we have in place. We must submit the plan for public comment by January 26<sup>th</sup> and need the input of SRC.

It's been two years since VR presented the Comprehensive Statewide Needs Assessment to the Council. We presented our goals and priorities to the SRC at that time and these were approved by the SRC. From that assessment we had objectives that were not identified so we want to add on a 4<sup>th</sup> year. We already have three years of goals, and we want to provide you with an update in November. This will include the goals we received your support on and also your recommendations for the fourth year's goals. We submit the Comprehensive Needs Assessment Plan in March so there would be a period of review before we submit it. We want your feedback and recommendations, and will give you an opportunity to look at it in advance before it goes public. The council decided to take the information they will be given in November and submit comments and suggestions by email to Aaron from the end of November into January. It will then be submitted for public comment on January 26<sup>th</sup>. That allows the SRC time to review the public comments at their meeting in February. Helen requested that the SRC get the information as early as possible to review. A motion was made by Melissa that the information is to be provided electronically as soon as possible for the SRC's review, so we're prepared to discuss the plan in our regular meetings as needed. Motion was seconded by Sharon.

## **FUNCTIONAL LIMITATIONS**

**JENNIFER SMART & JANET AUTREY**

Under OOS we prioritize clients into three categories of Most Significantly Disabled (MSD), Significantly Disabled (SD), and Disabled (D). Classification is a different process than eligibility. When we determine eligibility we look at the employment potential and impediments to employment. When we look at classification, clients have already been determined eligible. Classification looks at how a client functions in major life areas compared to everyone else and is very individualized. A serious functional limitation is a limitation reduction due to severe mental or physical impairment. The person needs services or accommodations not typically needed by other people in order to get or maintain employment. Clients classified in the D category require services from VR and the lifespan of their case will be six months or less. They may or may not exhibit one serious limitation in a functional category. Those in SD require multiple services (three or more) over an extended period of time (six months or longer). They have at least one serious functional limitation. Those in the MSD category require multiple services, an extended period of time and at least two functional limitations. To determine a classification, counselors look at three criteria: the estimated number of services, the estimated length of time, and the number of functional limitations. Classification is determined by the counselor's professional judgment based on the information provided by the client about their disability. Medical evaluations are taken into account. Information provided by a client can change, and the counselor must reevaluate and reclassify someone if additional information

comes into play. What doesn't factor into the classification decision is geographical location, lack of public transportation, lack of training, and criminal background.

The seven functional categories for MSD, SD, and D determination are:

1. Work skills. This is the ability to learn and perform a work function or the capacity to do something. They may never be able to do a certain job due to their disability. A sheltered environment may be required.
2. Work Tolerance. This deals with time or endurance. The client may have the capacity to do a task but because of their disability they can't do it over a sustained period of time.
3. Interpersonal Skills. This is the ability to interact in an acceptable manner with coworkers, the public, supervisors, etc. It is frequently seen with psychological disabilities.
4. Self-Direction. The ability to plan, initiate, and carry out day-to-day activities. The client may need a higher level of supervision than is typically needed by other workers.
5. Self-Care. Reflects the ability to do activities of daily living. Limitations may be grooming issues, poor money management, health care assistance, or medication administration.
6. Communication. The ability to accurately transfer information. It is the ability to process what is being transmitted verbally. For instance, requiring sign language, or the lack of reading/writing skills.
7. Mobility. The ability to move efficiently from place to place. It is not always physical, and can be psychological. The client requires assistance from others more than half the time to get around.

Question was raised if there are there ways to help match the employer with the client? Can we coach the coworkers, or coach the client in jobs that may be better suited to their disability? We do have employers that work with us who understand our clients' limitations and are willing to accommodate them.

Kent said a lot of these criteria could change and once a client is classified as MSD is that where they stay? Janet said that once a client is in plan with an IPE, they usually stay in that category. Generally we don't classify people down, unless there is a mistake made in the beginning. Aaron said when people are assigned a classification, they are told to let their counselor know if there are changes in the severity of their condition. If a client disagrees with their classification, they can be referred to the Client Assistance Program (CAP). When a counselor classifies there should be clear, thorough documentation and justification for placement into a specific category. AWARE has some support features and checklists that guide counselors in making the correct classification of functional limitations so there is statewide consistency. Helen pointed out if we're basing classification on what the client is telling you, many clients can't talk about their disability or the impact it has on them in employment settings. What they say may be very different than what others see as their disabilities. Question was raised if you can use information from others in making a classification? Aaron said we look at a client's

support people and use what information we can gather from their parents or guardians, as well as their medical/educational documentation. If the client is a teenager the counselor frames it in terms of educational situations, and how it might carry over to a work situation. Counselors are trained to tailor and modify questions to extract the information they need for classification and/or eligibility.

Paula asked if putting individuals into functional classifications is daunting for the counselor. Do they have access to assessments to help them determine functional limitations and where to place people in the OOS category? Aaron said we do have assessments for classification and eligibility purposes. Classification has always been part of the counselor's practice and we have supervisory reviews and ongoing training for counselors. We access all available resources when we make the classification determination. Classification is part of the reporting to RSA. It also ties in to standards that are in place so that VR is not skewing the population we're serving to the lowest category.

## **OPEN DISCUSSION**

**KENT MCGREGOR**

Lester introduced Rob Ferris as the new SRC board member representing USILC. Rob is the new chair of USILC. IL has finished their public input sessions for the development of the Independent Living State Plan. The next task is to go through the comments from the input sessions and develop the plan.

Sandy said that DWS has published the 4<sup>th</sup> Annual Report on Intergenerational Poverty. John Pierpont is testifying on welfare and poverty to a committee Senator Orrin Hatch is sponsoring. The 4<sup>th</sup> Annual Report can be located by going to:

jobs.utah.gov website

Click on the department tab at the top

Click on department

Click on Utah's 4th Annual Report on Intergenerational Poverty

Paula did another call-out for CANAR's Annual Conference which is being held November 8-12 in Salt Lake City. Susan Loving is doing a transition presentation at CANAR. Paula would like other administrators from rehabilitation services in Utah to be in attendance on the 9<sup>th</sup> or 10<sup>th</sup> to address the group. More information can be found on CANAR.org. Gordon will be presenting at CANAR on youth gangs on the reservation. They also want to hear about transition activities so Gordon will reach out to Carol Ruddell, the Director of the Promise grant to see if she's available to present on November 12<sup>th</sup>.

Kris Fawson shared that the Legislative Coalition reception with legislators is January 28<sup>th</sup>, 2016. Please note this on your calendars.

Meeting adjourned at 12:00 p.m. Next meeting 25<sup>th</sup> of November.

Minutes submitted by Lynn Nelsen.