

FFY 2026

**State Vocational Rehabilitation Services
and
State Supported Employment Services Programs**

**Monitoring and
Technical Assistance Guide**



**U.S. Department of Education
Office of Special Education and Rehabilitative Services
Rehabilitation Services Administration
State Monitoring and Program Improvement Division**

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I. Monitoring Objective, Values, and Scope of Review

A. Monitoring Objective

Consistent with the requirement in Section 107(a) of the Rehabilitation Act of 1973 (Rehabilitation Act), as amended by Title IV of the Workforce Innovation and Opportunity Act (WIOA), to conduct annual reviews and periodic on-site monitoring of programs authorized under Title I of the Rehabilitation Act, the Rehabilitation Services Administration (RSA) has collaborated with State vocational rehabilitation (VR) agencies in the development of the Monitoring and Technical Assistance Guide (MTAG). The MTAG is focused on improving the program and fiscal performance of VR agencies to maximize quality employment outcomes for individuals with disabilities. The objective of monitoring is to support VR agencies and RSA in improving results for individuals with disabilities seeking high-quality competitive integrated employment by responding to the unique needs and challenges of individual agencies and the VR program nationally.

It is RSA's statutory obligation to enforce the law. RSA's reviews, including oversight, monitoring and evaluation of VR agencies will be limited to ensuring statutory and regulatory compliance.

B. Values

Fundamental to this monitoring approach are values shared by RSA and its State partners. RSA is committed to these values as it partners with VR agencies in the conduct of monitoring to foster continuous improvement in outcomes for individuals with disabilities. As such, RSA's monitoring—

- Maximizes results for VR participants;
- Leads to continuous improvement in the VR program;
- Values and supports the Federal/State partnership;
- Focuses on areas designed to meet the needs of VR agencies and RSA;
- Addresses the characteristics and circumstances of individual VR agencies with respect to the areas reviewed and the conduct of the monitoring;
- Fosters transparent and thoughtful verbal and written communication;
- Promotes the use of and improves the validity and reliability of programmatic and fiscal data;
- Makes efficient and effective use of RSA and VR agency personnel and time devoted to the process;
- Supports the detection and prevention of waste, fraud, abuse, and mismanagement.
- Delivers accurate, targeted, purposeful, and timely technical assistance, balanced with the need to assure compliance with fiscal and programmatic requirements; and
- Supports alignment of the public workforce system monitoring protocols and provides emphasis on coordination and collaboration at the Federal and State level in evaluating and reporting performance and compliance across the core programs.

The MTAG explains the process through which RSA provides technical assistance to, and reviews the progress of, VR agencies in 1) improving the program and fiscal performance of VR

agencies to maximize quality employment outcomes for individuals with disabilities, and 2) complying with Rehabilitation Act and other Federal requirements.

C. Scope of Review

1. General

Pursuant to Section 107(a) of the Rehabilitation Act, RSA must conduct periodic on-site monitoring and annual reviews to determine whether a VR agency is complying substantially with the provisions of its State Plan under Section 101 and the State Plan Supplement under Section 606 of the Rehabilitation Act and with the evaluation standards and performance indicators established under Section 106 of the Rehabilitation Act that are subject to the performance accountability measures in Section 116(b) of WIOA. The specific programs covered by this MTAG include—

- The State Vocational Rehabilitation Services program (VR program), established under Title I of the Rehabilitation Act; and
- The State Supported Employment Services program (Supported Employment program), authorized under Title VI of the Rehabilitation Act.

RSA will ensure designated State units are carrying out nondelegable responsibilities for the administration of the VR and Supported Employment programs described in [34 C.F.R. § 361.13\(c\)\(1\)](#). RSA will provide technical assistance during monitoring reviews and limit compliance findings generally to two focus areas.

2. Focus Areas

When monitoring the VR and Supported Employment programs, the State Monitoring and Program Improvement Division (SMPID) will address two focus areas while reviewing the performance and compliance of the VR agency. Generally, these focus areas cover the—

- Performance of the VR and Supported Employment programs, including how the VR agency is implementing strategies and practices to achieve improvement in the delivery of VR services, including services to students and youth with disabilities, leading to quality competitive integrated employment and supported employment outcomes for individuals with disabilities; and
- Financial management of the VR and Supported Employment programs that maximizes the use of Federal funds and resources to achieve continuous improvement in program performance.

The nature and scope of each focus area, along with the activities to be conducted under each, is contained in Sections III and IV of this MTAG. As a result of the activities reviewed in each of the focus areas, SMPID review teams may identify—

- Compliance findings and corrective actions, based on statutory and regulatory requirements, to improve processes and procedures, including the development or revision of policies and internal controls supporting effective and efficient program operations, service delivery, and data-based decision making; and

- Areas of technical assistance that will assist VR agencies to improve performance and the use of funds while supporting VR agencies to meet statutory and regulatory compliance.

3. Other Areas of Review

In general, the SMPID review team will conduct monitoring activities related to the two areas described above. However, a SMPID review team may, after consulting with the VR agency and SMPID management, engage in further monitoring activities, in areas not covered above, if such areas raise a significant compliance concern, and if the VR agency would benefit from technical assistance. Additionally, when areas of potential noncompliance that are outside the specific scope of the MTAG are identified, SMPID may add such areas to the scope of the review. Any areas added to the scope of review will be to ensure the VR agency takes necessary steps toward compliance with RSA’s statutory and regulatory provisions.

D. Technical Assistance

In FFY 2025, the Office of Special Education and Rehabilitative Services funded two five-year technical assistance centers:

- The National Vocational Rehabilitation Technical Assistance Center (NVRTAC), which was awarded to San Diego State University. This center assists State and other agencies in providing VR and other services to individuals with disabilities to maximize their employment, independence, and integration into the community and the competitive labor market. The NVRTAC also provides training and technical assistance designed to increase the number, and quality, of personnel who are trained in providing VR services as well as other services authorized under the Rehabilitation Act; and
- The National Technical Assistance Center on Transition: The Collaborative (NTACT:C), which was awarded to the University of Oregon. This center offers information, tools, and supports to assist multiple stakeholders to deliver effective services and instruction for students and out-of-school youth with disabilities.

RSA encourages VR agencies selected for monitoring to include the NVRTAC and NTACT:C, in monitoring and review activities to assist in the implementation of corrective action plans (CAP), if SMPID identifies an area of non-compliance. SMPID intends that the technical assistance provided in conjunction with the monitoring process will reflect a partnership among RSA staff, VR agencies, and the technical assistance centers to address VR agencies’ needs as they pursue improvement in the delivery of VR services.

II. Process Overview

A. Agencies for Review

RSA will select VR agencies to monitor based on their scores on the VR Program Accountability Model (Accountability Model).

B. Accountability Model

1. Background

To monitor the VR program in a manner consistent with Section 107 of the Rehabilitation Act and the Department’s policies, and to address technical assistance needs of VR agencies, SMPID developed an accountability model to enable it to carry out monitoring activities while increasing the effective use of its resources to administer the VR program. The model is consistent with guidelines set forth in the Department’s Directive titled “Guide for Managing Formula Grant Programs,” dated August 13, 2019.

2. Accountability Model

The accountability model is comprised of three fiscal and three programmatic factors:

- Fiscal: Percentage of the total VR grant appropriation the State’s VR allotment represents;
- Fiscal: Percentage of State’s Federal VR allotment expended during year of appropriation;
- Fiscal: Percentage of State’s Federal VR allotment expended during the period of performance;
- Programmatic: VR program participant percentage change from the prior two Program Years;
- Programmatic: Number of years since last monitoring review; and
- Programmatic: An Intensive Technical Assistance Agreement (ITAA) in place with an RSA-funded technical assistance center.

RSA computes all data on a State basis to align the RSA accountability model with the principles in Title I of WIOA, under which core partners in the workforce development system, including VR agencies, establish levels of performance Statewide and report performance results on the Annual Statewide Performance Report (WIOA Annual Report) at the State level. This method also ensures comparability between States with one VR agency (combined) and States with more than one VR agency (general and blind). In making the calculations, SMPID reviewed data reported on RSA information collection requests, including the Case Service Report (RSA-911) and the VR Financial Reports (RSA-17) for the most recent period for which complete data are available. Therefore, the data used in the calculation of the factors comprising the model are consistent and verifiable. Importantly, the data elements used in the calculation of the factors are not subjective in nature, further reducing the likelihood of errors. Further details about the Accountability Model may be found in Appendix A.

C. Selection of States

Using the Accountability Model, SMPID assigns each VR agency an overall accountability score that is the sum of the six weighted factors described above, with the highest totals indicating a higher risk. VR agencies are selected for review based upon higher overall accountability scores and significant technical assistance needs related to the expenditure of their Federal VR program allotments. As such, SMPID may monitor a VR agency that has been monitored more recently.

D. Duration of the Monitoring Process

To the extent possible, SMPID will conclude all monitoring reviews by the end of the Federal fiscal year. However, the process for each VR agency under review is not intended to last the length of the entire Federal fiscal year. The SMPID review team, in collaboration with the VR agency, will determine the start date of the monitoring process, accommodating the schedule of the VR agency when possible. The process generally includes preparation and planning activities, an on-site visit, and the development and issuance of draft and final monitoring reports with a corrective action plan if SMPID identifies an area of non-compliance.

E. Stages of the On-Site Monitoring Review Process

1. Planning and Preparation

SMPID review teams will contact each VR agency selected for monitoring and request documents and conduct virtual meetings, as needed. In coordination with each selected VR agency, SMPID review teams will—

- Introduce the SMPID staff responsible for the review, including the SMPID review team lead, and have the VR agency identify its staff who will be involved in the review;
- Select dates for the on-site monitoring visit;
- Identify interested parties and partners to be invited to participate in the review including VR agency management and personnel, the leadership of the designated State agency (DSA) and the chairperson or representative(s) of the State Rehabilitation Council (SRC), the Client Assistance Program, community rehabilitation programs (CRP), employers, workforce development partners, educational agencies, and VR agency consumers and their representatives; and
- Determine the involvement of the technical assistance centers in the review and notify them of the review schedule.

Additionally, through virtual meetings, SMPID review teams will—

- Discuss the monitoring process and the substance of the focus areas included in the MTAG to ensure the VR agency is aware of the potential areas of noncompliance RSA may address and, as applicable, progress made related to previous compliance findings or corrective actions;
- Discuss the VR agency's organizational structure and staff capacity, resources for service provision, the State's economic conditions and local labor markets, and the VR agency's goals and priorities, so that SMPID may prioritize discussions and technical assistance activities tailored to meet significant areas of need consistent with section 107(a)(2) of the Rehabilitation Act;
- Gather information pertinent to the focus areas of the review from representatives of the VR agency, SRC, and Client Assistance Program consistent with section 107(a)(3) of the Rehabilitation Act; and
- Finalize an agenda, which maximizes efficiency, prioritizes focus areas, and respects the VR agency's investment of time and resources for the on-site monitoring review.

Prior to the on-site monitoring review, the SMPID review team will review documents provided by the VR agency in accordance with the document request related to each focus area (Appendix B). The SMPID review team will use the information obtained from these documents, analyses of program and fiscal data, and the information obtained during the pre-review planning activities described above, to identify, in collaboration with the VR agency, technical assistance needs and priorities.

2. On-Site Monitoring Activities

The SMPID review team will schedule the on-site monitoring visit review activities with each VR agency, when possible, accommodating the schedules of VR agency personnel. The SMPID review team will engage in a variety of activities, including, but not limited to—

- A brief entrance meeting to introduce SMPID review team participants, VR agency management and personnel, and invited interested parties to review the on-site monitoring review scheduled agenda;
- Relevant discussions with key VR agency personnel in the program performance and financial management focus areas;
- The review of policies, procedures, practices, or innovative strategies with key personnel related to the focus areas;
- The review of internal control processes and procedures, particularly as they relate to the reporting of and expenditure of funds for services;
- The provision of technical assistance requested by the VR agency or identified by SMPID for VR agency consideration; and
- An exit meeting to discuss: 1) information gathered by the SMPID review team that may form the basis for potential findings and technical assistance. (Note that any reference to potential findings is subject to change based on input from RSA management or other Department offices); 2) next steps in the process; 3) the need for follow-up teleconferences or activities; and 4) input and feedback from VR agency personnel and other participants in the review concerning the monitoring process.

Individuals with whom the SMPID review team may engage in discussions related to the focus areas during the on-site monitoring review may include—

- VR agency supervisors and counselors;
- State educational agency (SEA) and local school district staff responsible for providing VR services to students with disabilities, particularly those students receiving preemployment transition services;
- The DSA director and DSA staff responsible for fiscal or administrative oversight;
- Commissioners of agencies for the blind or other stand-alone VR agencies;
- Representatives of CRPs, including those contracted to provide pre-employment transition services to students with disabilities;
- Workforce development partners and employers, as appropriate;
- VR agency consumers and their families and other interested parties; and
- State auditors.

3. Follow-up Activities

After the on-site monitoring review activities, the SMPID review team may require further documentation from the VR agency to supplement information obtained prior to or during the review. Additional virtual meetings may be necessary to clarify any outstanding questions or concerns the SMPID review team has or to gather further details about a particular issue.

F. Draft Report

The SMPID review team will develop a draft report containing—

- Findings and corresponding required corrective actions regarding areas of non-compliance with Federal requirements;
- A summary of technical assistance provided during the review as well as plans for additional suggested technical assistance, as applicable; and
- A summary table of corrective actions in chronological order.

The SMPID review team will develop and transmit the draft report to the VR agency following internal review by RSA management and, as needed, relevant departmental review. If there are unforeseen or anticipated delays in the issuance of the draft report, the SMPID review team will notify the VR agency.

Once the draft report is issued, the VR agency will have 15 calendar days to submit written responses to the draft report. If there are extenuating circumstances, the VR agency may submit a written request for an extension that must—

- Detail the nature of the extenuating circumstances;
- Include a proposed due date by which the VR agency could provide its response; and
- Be submitted to SMPID at least five calendar days before the end of the 15 calendar days provided for the VR agency's response.

SMPID will notify the VR agency if a new submission deadline is approved. As applicable, the VR agency responses to the draft report should—

- Identify factual errors either in a comment inserted in the document, if substantial, or in redline track changes, if minor;
- Respond to any programmatic or fiscal compliance findings and corrective actions in the draft report;
- Provide supporting documentation or data, as needed, to substantiate VR agency responses; and
- Request technical assistance to carry out the corrective actions identified in the draft report.

If the VR agency would like to schedule a virtual meeting with the SMPID review team to discuss the draft report, the VR agency should submit a request to the review lead as quickly as possible after receipt of the draft report. Delays in scheduling this meeting will not extend the 15 calendar days the VR agency has to submit its written response to the draft report.

G. Final Report with Required Corrective Actions

Based on the information the VR agency provides in response to the draft report, the SMPID review team will develop the final monitoring report. The SMPID review team may also modify or eliminate a compliance finding, or corrective action, as warranted by the VR agency's response to the draft report, in coordination with OSERS' leadership.

In addition to the information included in the draft report, the final report will contain the VR agency's responses to the draft report and any requests for technical assistance to support the VR agency in carrying out the corrective actions to improve VR agency management and operations. SMPID will include, at its discretion, documentation or exhibits submitted by the VR agency in support of its responses to the draft report. Where appropriate to ensure statutory or regulatory compliance, the SMPID review team may request additional assurances or documentation from the VR agency in connection with programmatic or fiscal compliance findings. The final report will indicate when such material is required.

In accordance with 2 C.F.R. § 200.303(d), VR agencies must "take prompt action when instances of noncompliance are identified." To facilitate the VR agency in taking prompt action, the final report will contain the required corrective actions detailing how the VR agency can successfully address the findings, the timeline to complete the corrective actions, and a summary table of corrective actions in chronological order. Once completed, RSA will transmit the final report to the VR agency and the SRC and publish the final report on the [RSA website](#).

H. Quarterly Updates for RSA Required Corrective Actions

The SMPID review team will transmit instructions to the VR agency for the submission of its quarterly progress reports on the required corrective actions to resolve the findings identified in the final report. The VR agency will report progress to RSA using the Quarterly Updates for RSA Required Corrective Actions form. The VR agency and the SMPID review team will use the summary table in the form to track the resolution of the corrective action deliverables for each finding.

The first progress report is due to the State Liaison no later than 30 calendar days after the end of the first full quarter following the publication of the report, and then 30 calendar days after each subsequent quarter is concluded, until all corrective actions are completed, and the findings are resolved. Following monitoring and implementation of corrective actions, at a defined interval (e.g., two years), where appropriate, RSA may contact the VR agency to determine if additional technical assistance or the conduct of another VR agency review is required.

VR agencies are required to make substantive progress toward the resolution of all findings within the required timelines. In the event a VR agency does not make progress toward compliance through required corrective actions, SMPID, at its discretion, may require the VR agency to take additional steps including, but not limited to, revising the evidence required to demonstrate substantial compliance, due dates of corrective actions, etc. Depending on the nature of the findings, SMPID may take additional enforcement action including assigning specific conditions to the VR grant recipient's award(s) or designating the grant as high risk. In accordance with Department policy, SMPID is not permitted close out a grant award in compliance until all corrective actions have been successfully resolved.

I. Involvement of Consultants in the Review Process

VR agencies, at their discretion, may involve contracted consultants in any or all stages of the review process, including the exchange of information and conduct of virtual meetings in preparation for the on-site monitoring visit, on-site monitoring sessions, follow-up meetings, and the development of responses to draft reports. During the initial stages of the monitoring process, VR agencies should inform SMPID about the role of any consultants retained. The SMPID review team will direct all communication to VR agency management and staff, as well as to technical assistance center representatives and other interested parties when appropriate, but not to the consultants.

III. Focus Area—Performance of the State Vocational Rehabilitation Services and State Supported Employment Services Programs

A. Nature and Scope

SMPID will assess the performance of the State Vocational Rehabilitation Services (VR program) and State Supported Employment Services program (Supported Employment program) by reviewing RSA-911 data; and will assess the VR agency's internal controls, including policies and procedures. The SMPID review team will consider the unique characteristics and circumstances of individual VR agencies with respect to their performance during the period under review. RSA will assist VR agencies with the provision of technical assistance to promote continuous improvement in the VR and Supported Employment programs, maximize the provision and quality of services, including services to students and youth with disabilities, ensure quality employment outcomes for VR participants, ensure compliance with Federal laws and regulations governing the VR and Supported Employment programs, and improve the validity and reliability of program data to assist the VR agency in making data-driven and strategic program management decisions.

The data used in the analysis are those collected and reported by the VR agency through the RSA-911. These data include joint data elements necessary for the calculation of performance indicators for all core programs in the workforce development system, including the VR program, established in Title I of WIOA. The analysis is intended to serve as a broad overview of the performance of the VR and Supported Employment programs administered by the VR agency and should not be construed as a definitive or exhaustive review of all available VR program data. The data tables generally measure performance of the VR agency based on data for individuals with open and closed service records for the most recent three program years. The analysis will incorporate the data contained in the tables in Appendix C and information from the RSA data dashboards. SMPID will also review applicable VR agency policies and procedures, particularly as they relate to the provision and scope of VR services, including services to students and youth with disabilities, supported employment services, and the use and expenditure of funds, as well as those related to internal controls necessary for the verification of data. The SMPID review team will review quality assurance processes and internal control activities related to the VR agency's case service records to assist in assessing the effectiveness of a VR agency's internal controls for the accuracy and validity of its data.

The SMPID review team will examine VR agency data and a variety of other resources, including the VR services portion of the Unified or Combined State Plan, to analyze the VR agency's performance. For example, SMPID will assess the efficacy of policies and services

provided to eligible individuals with disabilities by reviewing the quality of employment outcomes, including such factors as hours worked, earnings, and the receipt of other benefits. Also, the examination of data related to attrition and reasons for exit may shed light on the engagement of individuals with disabilities in the VR process. Reviewing the percentage of individuals with disabilities served with particular types of impairments may be indicative of decisions made by VR agency management based on the results of the comprehensive Statewide needs assessment (CSNA) and other information. In particular, the SMPID review team will look at policies and program data in combination with fiscal data to formulate a picture of the VR agency's expenditure and use of funds to promote services leading to quality employment outcomes for individuals with disabilities. The SMPID review team will also review the VR agency's performance on the WIOA performance indicators established in Section 116(b) of WIOA, discussing any issues related to reliability and validity of the data and the potential effect on the State and VR agency negotiated levels of performance, as applicable. SMPID will provide technical assistance as necessary or upon request.

The SMPID review team will share data tables with the VR agency prior to the on-site monitoring visit. Throughout the review process, SMPID will engage the VR agency in discussions related to factors that may inform or explain performance considering any unique circumstances experienced by the VR agency. Generally, compliance findings will not be generated by the analysis unless, for example, SMPID finds that the VR agency lacks sufficient internal controls, VR agency policies or procedures reviewed in conjunction with the performance analysis are not consistent with Federal requirements governing the VR program, or program data are not accurately tracked and reported.

B. Analysis of the Performance of the VR and Supported Employment Programs

During the on-site monitoring review process, the SMPID review team will conduct an analysis and joint discussion with the VR agency of the performance of the VR and Supported Employment programs. The selected VR agencies can request in advance from their SMPID review teams sample discussion questions that may arise during their monitoring engagements.

VR Agency Profile

Resources: Appendix C

- Table 1 — VR Agency Profile

The VR agency profile provides a summary of data that is designed to capture some of the most salient information about the VR agency's performance in the most recently completed program years. Among the data represented are the number of applicants and eligible individuals, the number of participants, the VR agency's employment rate, the number of individuals with disabilities who achieved competitive integrated employment or supported employment, data related to VR process efficiency and services, and data on the WIOA performance indicators.

VR Process: Engagement of Applicants and Eligible Individuals with Disabilities

Resources: Appendix B and Appendix C

- Table 1 — VR Agency Profile

- Table 2 — Types of Exit
- Table 3 — Reasons for Exit
- Table 7 — Students with Disabilities

Timely and effective customer service leads to high-quality competitive integrated employment outcomes for VR program participants. Being engaged with applicants and eligible individuals with disabilities and assisting them during the eligibility and individualized plan for employment (IPE) development processes are attributes of positive customer service. SMPID review teams will look at policies, practices, and trend data, including the most recent program year, to create an understanding of the engagement and movement of individuals with disabilities through the VR process. Through the review of relevant policies and data analysis, the VR agency and the SMPID review team can pinpoint potential obstacles to efficient service delivery and engagement of individuals with disabilities throughout their VR journey. In many instances, such analysis can help to identify potential reasons for high attrition rates and premature exit at various stages of the VR process. It is equally valuable to examine data that show positive trends to assess the effectiveness of VR agency initiatives, practices, or policy changes to improve performance.

Services and Service Delivery

Resources: Appendix B and Appendix C

- Table 1 — VR Agency Profile
- Table 4 — VR Service Provision
- Table 5 — Measurable Skill Gains and Credentials
- Table 7 — Students with Disabilities
- Table 8 — Pre-Employment Transition Service Provision

Active engagement and meaningful service provision result in VR program participants achieving competitive integrated employment. The ongoing engagement of individuals in the VR process, exercise of informed choice, and the timely provision of quality VR services needed for VR participants to attain and maximize their employment goals is integral to the success of the VR program and the participant experience. The scope and type of services provided; policies related to payments, authorizations, and expenditures; service delivery methods; and established rates of payment are among the components influencing the use of funds to ensure successful employment outcomes for individuals with disabilities.

The information in Appendix C, Table 4, is intended to provide a general overview of the provision of services and the potential effect on the ability of eligible individuals to achieve quality employment. The VR services data are categorized into three subcategories: Training Services, Career Services, and Other Services. Training services may include such services as postsecondary education, vocational and occupation skills training, on-the-job training, and apprenticeship training. A full list of training services is provided in Section 134(c)(3)(D) of WIOA. Career services may include assessments, group or individual counseling, or career planning. A full list of career services is listed in Section 134(c)(2) of WIOA. Other services would include any other service provided through the VR program not specified as training or career services in WIOA. These services include, for example, transportation, maintenance, reader services, or interpreter services.

Quality of Employment Outcomes

Resources: Appendix B and Appendix C

- Table 1 — VR Agency Profile
- Table 2 — Types of Exit
- Table 3 — Reasons for Exit
- Table 4 — VR Service Provision
- Table 5 — Measurable Skill Gains and Credentials
- Table 6 — Competitive Integrated Employment and Supported Employment Outcomes

The mission of the VR program is to maximize employment opportunities for all individuals with disabilities, including those with the most significant disabilities, and to assist individuals with disabilities to achieve economic self-sufficiency. The achievement of quality employment outcomes requires an investment in quality services and training, including the establishment of community rehabilitation programs, as needed, and the use of funds to support training programs and education leading to measurable skill gains and credentials, including advanced degrees. VR program participants should sustain employment after they exit the VR program and be provided the opportunity to advance in their careers. To guide the analysis and discussion of quality employment outcomes, the SMPID review team will review a variety of data elements with the VR agency, including the following:

- Employment status at exit;
- Employment rate;
- Median wages earned;
- Median weekly hours worked;
- Health insurance at exit;
- Social security benefits at exit;
- Individuals who exited with competitive integrated employment, including supported employment;
- Individuals employed in second quarter after exit and fourth quarter after exit;
- Percentage of individuals who retained employment;
- Types of occupations that VR participants obtain;
- Efforts to promote career advancement;
- The attainment of Measurable Skill Gains (MSG) and credentials;
- Efforts to assist individuals in achieving parity with the general working population; and
- Strategies to promote job retention.

Pre-Employment Transition Services and Transition Services for Students and Youth with Disabilities

Resources: Appendix B and Appendix C

- Table 4 — VR Service Provision
- Table 7 — Students with Disabilities
- Table 8 — Pre-Employment Transition Service Provision

Students and youth with disabilities receive a broad range of services under the VR program, in group settings or on an individual basis, as appropriate. Certain services (e.g., pre-employment transition services) are available to students with disabilities, regardless of whether they have applied for VR services, but these same services are not available to youth with disabilities who do not meet the definition of a “student with a disability” under the Rehabilitation Act.

Transition services are outcome-oriented services designed to facilitate the movement from the receipt of services from schools to the receipt of services from VR agencies, and/or as appropriate, other State agencies. Transition services are also designed to facilitate movement towards post-school activities, including postsecondary education and vocational training that lead to employment outcomes in competitive integrated employment or supported employment. Early career exploration through pre-employment transition services increases the likelihood of students with disabilities achieving high-quality competitive integrated employment. The SMPID review team will analyze data on the number of students with disabilities, the number of those receiving pre-employment transition services, and the types of services provided. In addition, SMPID will provide information related to the breakout of students with disabilities who received preemployment transitions services as potentially eligible students with disabilities and students with disabilities who received these services under an IPE, as well as the number of students with disabilities who advance from potentially eligible status to VR program participant status and their outcomes. These data may be used to evaluate the relationship between the provision of pre-employment transition services, participation in the VR process, and employment outcomes. More specifically, the SMPID review team will explore the use of funds for the provision of preemployment transition services and whether the VR agency is meeting the required reservation and expenditure of at least 15 percent of its Federal VR grant funds.

To ensure effective collaboration and coordination for service delivery, VR agencies and schools are required to plan and coordinate pre-employment transition services and transition services for students with disabilities, as agreed upon in the State’s formal interagency agreement between the SEA, the Local Educational Agency (LEA), as appropriate, and the VR agency. This agreement is intended to facilitate a seamless delivery system of services from school to post-school activities. The SMPID review team will review the formal interagency agreement to determine whether it meets the requirements outlined in 34 C.F.R. § 361.22(b), including, but not limited to the roles and responsibilities, including financial responsibilities, of each agency, including provisions for determining State lead agencies and qualified personnel responsible for pre-employment transition services and transition services.

The SMPID review team will also explore the VR agency’s approach to fulfilling its responsibilities to individuals with disabilities, regardless of age, who are employed at a subminimum wage, specifically the provision of career counseling and information and referral services, as described in 34 C.F.R. [§ 397.20\(a\)\(3\)](#), and the responsibilities of a local educational agency to youth with disabilities who are known to be seeking subminimum wage employment, as described in 34 C.F.R. § § 397.30 and 397.31.

The VR agency is required to provide Extended Services (34 C.F.R. § 361.5(c)(19)(v)) to a youth with a most significant disability in accordance with requirements set forth in parts 361 and 363 for a period not to exceed four years, or at such time that a youth reaches age 25 and no longer meets the definition of a youth with a disability under 34 C.F.R. § 361.5(c)(58), whichever occurs first. The SMPID review team will review the VR agency’s provision of extended

services for youth, including the ongoing support services to maintain a job, such as job placement follow-up, counseling, and training.

C. RSA-911 Data Reporting, Internal Controls, and Quality Assurance

Resources: Policies and procedures related to internal controls necessary for the verification of RSA-911 data and quality assurance.

While not the sole basis for VR program management, the analysis of data can play a significant role in decision-making and strategies that drive improvement in performance and the use of resources and funding. The more accurate and valid the data, the better the data-informed decisions will be. Quality assurance (QA) is a proactive process to ensure VR agency staff will deliver, and individuals with disabilities will receive high-quality VR services. QA determines whether specific requirements are being met and improves work processes and efficiency by analyzing and monitoring performance, developing and implementing strategies to detect and correct deficits, and tracking performance metrics. Together, data-informed decisions and quality assurance lead to improved VR agency management of resources and outcomes for individuals with disabilities.

The SMPID review team will assess whether the VR agency is adhering to the internal control requirements in 2 C.F.R. § 200.303. Internal control (2 C.F.R. § 200.1) means processes designed and implemented by recipients to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, reliability of reporting for internal and external use, and compliance with applicable laws and regulations. Internal controls are established and implemented as a measure of checks and balances to ensure proper expenditure of funds. Internal controls serve to safeguard assets and prevent fraud, waste, abuse, and mismanagement. They include methods and procedures the grant recipient uses to manage the day-to-day operations of grant-supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. SMPID will review the VR agency's current control activities (policies and procedures), communication, and monitoring of internal controls and quality assurance designed to mitigate potential risks in achieving management and performance goals.

The VR agency is required to maintain verifiable supporting documentation in an individual's service record, particularly regarding eligibility determination, IPE development, services provided, employment, and case closure. The VR agency must also comply with the data validation requirements outlined in joint WIOA policy guidance (RSA TAC-19-01). The use of an electronic case management system does not remove the requirement for the VR agency to maintain either hard copies or scanned copies of required supporting documentation in the individual's service record. SMPID staff will review VR agency internal controls to ensure accuracy of data reported in the RSA-911. Accurate reporting of data is paramount in making data-driven decisions in the management and operation of the VR program leading to continuous improvement in program and fiscal performance.

IV. Focus Area—Financial Management of the State Vocational Rehabilitation Services and State Supported Employment Services Programs

A. Nature and Scope

The effective fiscal administration of the VR and Supported Employment programs is essential to the ability of a VR agency to maximize the funds available for attainment of employment outcomes for individuals with disabilities. SMPID will review and assess components of the grant recipient's financial management system and the fiscal accountability of the programs to—

- Ensure the grant recipient has sound internal controls and reliable reporting systems to prevent and detect waste, fraud and abuse;
- Ensure funds are expended within the period of performance and are used only for allowable purposes; and,
- Ensure a relative benefit to the VR system is proportional to the funds expended (e.g., contracts, one-stops, indirect cost rates, cost allocation plans, etc.).

Generally, fraud is the wrongful or criminal deception intended to result in financial or personal gain, including false representation of facts or concealment of information. Waste refers to thoughtless or careless expenditure, mismanagement, or abuse of resources, often resulting in unnecessary costs or losses due to inefficiencies or ineffective practices. Abuse involves the excessive or improper use of resources, positions, or authority, which may violate ethical norms or internal guidelines. Fraud, waste, and abuse reduce resources available to serve recipients of VR services and can harm the Federal interest and potentially lead to repayment. A key requirement to prevent fraud, waste, and abuse is the implementation of robust internal controls. Internal controls are processes and systems, implemented by a grant recipient, designed to ensure it is operating effectively and efficiently, accurately handling its finances and accounting, reporting reliable data, and complying with its own policies and procedures as well as applicable laws and regulations. Internal controls serve to safeguard assets and prevent fraud, waste, abuse, improper payments, and fund mismanagement. They include methods and procedures the grant recipient uses to manage the day-to-day operations of grant-supported activities to assure compliance with applicable Federal requirements and achievement of performance goals. The VR agency's internal controls for ensuring compliance with fiscal requirements will be a core component of the financial management system review, particularly as they relate to the VR agency's use of Federal funds, including the required reservation of funds for pre-employment transition services, and the requirements for non-Federal share (match).

The Federal fiscal requirements referenced during the review include—

- Rehabilitation Act and VR and Supported Employment program implementing regulations in 34 C.F.R. part 361 and 34 C.F.R. part 363, respectively;
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) located in 2 C.F.R. Part 200;
- Education Department General Administrative Regulations (EDGAR) in 34 C.F.R. part 76;
- Departmental and RSA guidance, including Policy Directives (PD), Technical Assistance Circulars (TAC), Grant Bulletins, Dear Colleague Letters (DCL), Frequently Asked Questions (FAQ), etc.; and

- Grant Award terms and conditions.

The SMPID review team will use a variety of resources and documents from the current FFY and three FFYs prior. If the issues identified include FFYs beyond the three prior FFYs, SMPID may request additional information as needed. Resources and documentation to be reviewed include data submitted by the VR agency (e.g., Federal Financial Reports (SF-425), VR Financial Reports (RSA-17), and the VR services portion of the Unified or Combined State Plan) and award data in the Department's grants management system (G5).

The SMPID review team will review the following documents, as applicable, to ensure adherence to accountability requirements, and may request additional information, if needed:

- Single Audit findings and corrective actions;
- State/VR agency allocation/budget documents and fiscal reports;
- VR agency internal controls, policies, procedures, and forms (e.g., monitoring, procurement, risk assessment, monitoring, etc.);
- Documentation of obligations and expenditures, including authorizations and contracts, purchase orders, invoices, etc.; and
- Grant award notifications (GANs), documentation of non-Federal share/match (e.g., interagency transfers, third-party cooperative arrangements (TPCAs), establishment and construction projects, private donations), maintenance of effort (MOE), and program income documentation.

The degree to which the SMPID review team addresses each fiscal requirement is dependent upon the individual circumstances of the VR agency. The SMPID review team will analyze the information obtained prior to on-site monitoring review activities by reviewing the documentation submitted, conducting teleconferences or virtual meetings, when necessary, and examining reported data to determine the level of review required for each component.

B. Obligations, Liquidations, and Expenditures (Period of Performance)

Period of performance is the time during which the non-Federal entity (grant recipient) may incur new obligations to carry out the work authorized under the Federal award (2 C.F.R. § 200.1). For purposes of the Department's GANs, the period of performance is referred to as the Federal Funding Period.

To accurately account for Federal and non-Federal funds, the VR agency must ensure that allowable non-Federal and Federal obligations, liquidations, and expenditures are assigned to the correct FFY award (FAIN), to specific fund sources and reported accurately on Federal financial reports (SF-425 and RSA-17 reports). SMPID uses the financial information reported by the grant recipient to determine each VR agency's compliance with fiscal requirements (e.g., reservation of funds, matching, carryover, MOE, etc.). Grantees must ensure the proper tracking of Federal funds and non-Federal funds to ensure such funds are only used for allowable purposes and to identify/prevent fraud, waste and abuse. If the grant recipient is not assigning, tracking and reporting obligations, liquidations, and expenditures to the correct FFY award and through the end of the liquidation period, in accordance with the period of performance requirements, RSA is unable to determine, with certainty, the grant recipient's compliance with these Federal requirements.

Because issues identified in this area significantly affect other areas of the fiscal review, if substantive issues related to period of performance are identified, this area will become a primary focus area for the fiscal review.

C. Non-Federal Share (Match)

VR Program

This area assesses the matching requirements for the VR program. It includes an assessment of whether the matching level was met, as well as whether the sources of match were consistent with Federal requirements (e.g., from allowable sources, for allowable program purposes, etc.). Because match is the basis for determining a State's compliance with the VR program MOE requirements (34 C.F.R. § 361.62(a)), review of this area may include MOE when issues are identified.

VR program implementing regulations require that the State incur a portion of expenditures under the VR services portion of the Unified or Combined State Plan from non-Federal funds to meet its cost sharing requirements (34 C.F.R. § 361.60). The required Federal share for expenditures made by the State, including expenditures for the provision of VR services and the administration of the VR services portion of the Unified or Combined State Plan, is 78.7 percent. The State's share is 21.3 percent. Because of the high Federal participation rate (78.7 percent), reporting of unallowable match by a grantee can result in fraud, waste and abuse, including a substantial amount of Federal funds being drawn down that the grantee was not eligible to receive. For example, one dollar in unallowable drawdowns of State match could result in unallowable drawdowns of \$3.69 from the Federal VR award.

RSA staff will address requirements pertaining to the sources of non-Federal share used by the State as the match for the VR program including, but not limited to:

- State appropriations and interagency transfers;
- TPCAs;
- Establishment projects; and
- Randolph-Sheppard set aside expenditures.

Prior to the review, SMPID will ask the VR agency to identify the sources and amounts of match contributed by the VR agency, by FFY, for the period under review. Additionally, SMPID will request the VR agency's internal control processes for ensuring that only allowable non-Federal expenditures are reported as the match.

State Appropriations and Interagency Transfers

Resources: RSA-17 and SF-425 Federal financial reports and VR agency documentation of non-Federal expenditures (e.g., general ledger, accounting records)

Non-Federal share from State appropriations includes obligations and expenditures from funds appropriated by the State to the DSA or designated State unit (DSU) to pay the State's share of program expenditures. This source may include State expenditures made on behalf of the

program from a central account or other State department. For example, a State pays for personnel fringe benefits and indirect costs from a central pool of State funds. The actual State expenditures from this pool for VR staff providing allowable VR services would be treated as State appropriated funds.

This area includes non-Federal funds transferred to or otherwise under the control of the VR agency, so long as the VR agency maintains control over the determination of eligibility, the provision of services, and the allocation and expenditure of the funds.

Third-Party Cooperative Arrangements (TPCAs)

Resources: Documentation related to TPCAs (e.g., contracts, agreements, and invoices)

TPCAs are agreements between the VR agency and other State or local public agencies (referred to as cooperating agencies). TPCAs allow the VR agency to use a third party for the direct provision of VR services to applicants for, or recipients of services from, the VR program. Services are typically provided by cooperating agency staff and may not be provided by VR counselors or other VR agency staff under a TPCA. Due to the complexity of TPCAs, there is a higher potential for fraud, waste and abuse. The review of TPCAs includes those for the provision of pre-employment transition services.

The SMPID review team will assess the consistency of TPCAs with the requirements of 34 C.F.R. § 361.28. This includes the VR agency's process for ensuring that TPCA costs are allocable to the VR program in accordance with the relative benefits received (2 C.F.R. § 200.405).

Establishment Projects

Resources: Policies related to establishment projects and establishment project contracts or agreements; comprehensive Statewide needs assessment; VR services portion of the Unified or Combined State Plan; and the RSA-17 Federal financial reports

This area assesses fiscal accountability for VR funds used for the establishment, development, or improvement of a public or nonprofit CRP to provide VR services to applicants and eligible individuals of the VR program that promote integration into the community and competitive integrated employment, including supported employment and customized employment (Section 103(b)(2) of the Rehabilitation Act and 34 C.F.R. § 361.49(a)(1)).

The VR agency must evaluate the needs of VR participants in the comprehensive Statewide needs assessment (CSNA) (34 C.F.R. § 361.29) to determine whether the VR agency can establish, develop, or improve a public or non-profit CRP (34 C.F.R. § 361.5(c)(16) and (17), and 34 C.F.R. § 361.49(a)(1)). The need to establish, develop, or improve a CRP, along with goals and priorities and strategies to address the need, must be reported in the VR services portion of the Unified or Combined State Plan. Due to the complexity of pre-planning and implementation requirements under the establishment authority, there is the potential for fraud, waste and abuse.

The questions below address the pre-planning requirements, as well as the use of non-Federal funds earmarked for establishment projects (34 C.F.R. § 361.60(b)(3)(i)).

Randolph Sheppard Set Aside

Resources: VR agency documentation of set-aside expenditures, Report of Vending Facility Program (RSA-15)

VR agencies serving as the State licensing agency are authorized by the Randolph-Sheppard Act to set aside funds for the purposes set forth in the statute. Such expenditures, in certain categories, are considered non-Federal expenditures in support of the Federal VR program. Therefore, these expenditures must also be reported as non-Federal expenditures on the VR agency's financial reports for purposes of determining match and MOE:

- Acquisition of new and replacement equipment;
- Maintenance and repair of equipment; and
- Management Services and Supervision.

Supported Employment Program

Resources: Federal financial reports (SF-425) and VR agency documentation of non-Federal expenditures

This area assesses the matching requirements for the Supported Employment program. It includes an assessment of whether the matching level was met, as well as whether the sources of the match were consistent with Federal requirements. Supported Employment program regulations require that the State expend 50 percent of its total Supported Employment allotment for the provision of supported employment services, including extended services, to youth with the most significant disabilities. This means the amount of Federal funds spent on allowable services for non-youth with the most significant disabilities (from the SE-A award) may not exceed the amount of Federal funds matched and spent on youth with the most significant disabilities (from the SE-B award).

The supported employment funds required to be reserved and expended for services to youth with the most significant disabilities are awarded through the SE-B grant award. The Federal share for expenditures from the State's SE-B grant award is 90 percent. The statutorily required 10 percent match requirement applies to the costs of carrying out the provision of supported employment services, including extended services, to youth with the most significant disabilities. This means that the 10 percent is applied to total expenditures, including both the Federal and non-Federal shares, incurred for this purpose, and that the non-Federal share must also be spent on the provision of supported employment services, including extended services, to youth with the most significant disabilities. Because of the high Federal participation rate (90 percent), reporting of unallowable match by a grantee can result in fraud, waste and abuse, including a substantial amount of Federal funds being drawn down that the grantee was not eligible to receive. For example, one dollar in unallowable State match could result in unallowable drawdowns of \$9.00 from the Federal SE-B award. This may result in additional unallowable drawdowns from the Federal SE-A award since the amount of funds spent from the SE-A award cannot exceed the amount of matched funds spent from the SE-B award.

D. Contracts and Contracting Processes

Resources: Policies and procedures regarding contracting, including determining the rates of the payment, and contract monitoring

This area addresses the requirements related to contracting for purchased services. Because a high percentage of VR Federal funds are used to pay providers and contractors for the provision of services to VR recipients, RSA has identified this area as a high risk for fraud, waste, and abuse. Previous monitoring has found weaknesses in this area related to contract development, implementation and oversight. Proper functioning contracts are critical for VR recipients to receive the services required for them to achieve successful employment.

Contract policies outline the process the VR agency completes to ensure the services provided are clearly defined and rates of payment for VR services are reasonable, necessary, allocable, and therefore allowable under the award, in accordance with Uniform Guidance, 2 C.F.R. 200, Subpart E, Cost Principles. Uniform Guidance requires that States follow the same policies and procedures it uses for procurements from its non-Federal funds (2 C.F.R. § 200.317). Contract policies are necessary to ensure that contract language results in the VR agency receiving the necessary data that it must collect and report with the frequency required by the terms and conditions of the VR award (2 C.F.R. § 200.328). In addition, VR agencies are responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities on a consistent basis to assure compliance with applicable Federal requirements and the achievement of performance expectations (2 C.F.R. §§ 200.329(a) and 200.403-405). Agencies are required to develop and maintain written policies governing rates of payment for all purchased VR services (34 C.F.R. § 361.50(c)).

The SMPID review team will review the following areas related to performance in contracting—

- Contract development/implementation to prevent fraud, waste and abuse (e.g., contract is executed prior to services rendered, signed by designated authority, contains required language, including services only benefiting applicants or recipients of VR services, clearly defined deliverables, and total value, and follows policies for determining rates of payment, invoice processing, and budget management, etc.); and
- Contract monitoring to detect fraud, waste and abuse.

This review area includes contracts for the provision of pre-employment transition services.

APPENDIX A: Accountability Model

I. Background

To monitor the VR program in a manner consistent with Section 107 of the Rehabilitation Act and the Department's policies, and to address technical assistance needs of VR agencies, SMPID developed an accountability model to enable it to carry out monitoring activities while increasing the effective use of its resources to administer the VR program. The model is consistent with guidelines set forth in the Department's Directive titled "Guide for Managing Formula Grant Programs," dated August 13, 2019.

II. Accountability Model

The accountability model is comprised of three fiscal and three programmatic factors, as follows:

1. Fiscal: Percentage of the total VR grant appropriation the State's VR allotment represents;
2. Fiscal: Percentage of State's Federal VR allotment expended during year of appropriation;
3. Fiscal: Percentage of State's Federal VR allotment expended during the period of performance;
4. Programmatic: VR program participant percentage change from the prior two Program Years;
5. Programmatic: Number of years since last monitoring review; and
6. Programmatic: An Intensive Technical Assistance Agreement (ITAA) in place with an RSA-funded technical assistance center.

RSA computes all data on a State basis to align the RSA accountability model with the principles in Title I of WIOA, under which core partners in the workforce development system, including VR agencies, establish levels of performance Statewide and report performance results on the Annual Statewide Performance Report (WIOA Annual Report) at the State level. This method also ensures comparability between States with one VR agency (combined) and States with more than one VR agency (general and blind). In making the calculations, SMPID reviewed data reported on RSA collection instruments, including the RSA-911 and the VR Financial Reports (RSA-17) for the most recent period for which complete data are available. Therefore, the data used in the calculation of the factors comprising the model are consistent and verifiable. Importantly, the data elements used in the calculation of the factors are not subjective in nature, further reducing the likelihood of errors.

III. Description of Factors

The six factors analyzed through the model are described more fully below, including the basis for their use, the methods of calculation, and threshold levels of performance equating with numerical scores.

1. Fiscal: Percentage of the total VR grant appropriation the State's allotment.

Basis: Use of this factor is consistent with the guidelines contained in the Guide for Managing Formula Grants (ODS: 1-102) issued by the Department on August 13, 2019. States allotted a

greater amount of the total Federal formula award potentially have more financial resources available to assist a larger number of individuals with disabilities to achieve employment. Consequently, these States can have a more significant effect on VR program performance nationally.

Method of Calculation: This calculation is based on the percentage of the total VR allotment the State’s formula award allotment represents. The State’s formula allotments are not adjusted to account for reallocation, maintenance of effort reductions, or other changes to the allotment.

Scoring Thresholds: Assigned numerical scores are based on the table below. A Risk Score of 1 represents the lowest risk; 5 represents the highest risk.

Formula Grant Award Percentage	Risk Score
0.000% - 0.749%	1
0.750% - 1.490%	2
1.500% - 2.249%	3
2.250% - 3.990%	4
4.000% - 8.800%	5

2. Fiscal: Percentage of State’s VR allotment expended by end of year of appropriation.

Basis: Fiscal trend data indicates a decreasing amount of Federal VR funds are expended during the year of appropriation for VR awards. This trend increases the risk of unused VR funds and that VR program objectives will not be attained.

Method of Calculation: RSA-17 for the reporting period ending September 30, line 12, Federal Cash Disbursements divided by line 10, Total Federal Funds Awarded.

Scoring Thresholds: Numerical scores are assigned based on the table below. A Risk Score of 1 represents the lowest risk; 5 represents the highest risk.

Low Threshold	High Threshold	Risk Score
64.000%	100.000%	1
48.000%	63.990%	2
32.000%	47.990%	3
16.000%	31.990%	4
0.000%	15.990%	5

3. Fiscal: Percentage of State’s Federal VR allotment expended during the period of performance.

Basis: Fiscal trend data indicates an increasing amount of Federal VR funds remaining unexpended at the end of the period of performance for VR awards. These funds represent resources that were not made available to VR consumers to accomplish VR program outcomes.

Method of Calculation: State’s VR formula award amount divided by the net amount of Federal VR award funds drawn down according to G5.

Scoring Thresholds: Assigned numerical scores are based on the table below. A Risk Score of 1 represents the lowest risk; 5 represents the highest risk.

Low Threshold	High Threshold	Risk Score
100.00%	140.000%	1
90.00%	99.999%	2
80.00%	89.999%	3
70.00%	79.999%	4
0.00%	69.999%	5

4. Programmatic: VR Program participant percentage change from the prior two Program Years.

Basis: VR program participants are individuals with disabilities, who were determined eligible and received VR services under an individualized plan for employment. VR program participants inform the WIOA performance accountability system, and their outcomes are assessed across the performance indicators, as applicable. Program participation change reflects the extent to which State programs are either contracting or expanding. States with contracting VR programs represent a higher risk than States with expanding VR programs because, in States with contractions, fewer individuals with disabilities are receiving VR services and achieving competitive integrated employment through the VR program.

Method of Calculation: The difference between State’s number of VR participants served in the two prior Program Years divided by the number of VR program participants served two Program Years prior, multiplied by 100.

Scoring Thresholds: Numerical scores are assigned based on the table below. A Risk Score of 1 represents the lowest risk; 5 represents the highest risk.

Low Threshold	High Threshold	Risk Score
6.1%	44.8%	1
1.9%	5.7%	2
-0.5%	1.5%	3
-0.6%	-3.6%	4
-5.1%	-21.2%	5

5. Programmatic: Number of years since last monitoring review.

Basis: As of FFY 2026, States have established 78 State VR agencies. In FFY 2026, RSA plans to conduct on-site monitoring reviews of four State VR agencies as it did in FFY 2025. With RSA conducting four reviews per FFY, it would take nearly 20 years to monitor each VR

agency. As a result, it may be several years between monitoring reviews for a VR agency. Therefore, RSA considers this frequency a risk factor in its accountability model.

Scoring Thresholds: Numerical scores are assigned based on the table below. A Risk Score of 1 represents the lowest risk; 5 represents the highest risk.

Number of Years	Risk Score
1-2 years	1
2-3 years	2
4-6 years	3
7-12 years	4
13 + years	5

6. Programmatic: An Intensive Technical Assistance Agreement (ITAA) in place with an RSA-funded technical assistance center.

Basis: State VR agencies may enter into an ITAA with RSA-funded technical assistance centers for support with implementing VR program statutory and regulatory requirements. RSA does not consider the existence of an ITAA to be a negative reflection of the VR agency or its performance; however, RSA acknowledges that ITAAs are typically long-term agreements that address a variety of issues. Therefore, RSA uses this factor in its accountability model yet assigns it minimal risk.

Scoring Thresholds: Numerical scores are assigned based on the table below. A Risk Score of 1 represents the existence of an ITAA; 0 signals the VR program has not developed an ITTA.

ITAA in Place	Risk Score
Yes	1
No	0

APPENDIX B: Required Documentation

The SMPID review team will use documentation provided by the VR agency to inform the development of the on-site agenda and in the review of each focus area. In accordance with 2 C.F.R. § 200.337(a), Access to records, “The Federal agency or pass-through entity, Inspectors General, the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to any records of the recipient or subrecipient pertinent to the Federal award to perform audits, execute site visits, or for any other official use. This right also includes timely and reasonable access to the recipient’s or subrecipient’s personnel for the purpose of interview and discussion related to such documents or the Federal award in general.” In accordance with 34 C.F.R. § 81.34(b)(3), “A statement that the recipient failed to maintain records required by law or failed to allow an authorized representative of the Secretary access to those records constitutes a prima facie case for the recovery of the funds affected.” VR agencies are responsible for submitting the requested documentation by the date identified by the SMPID review team.

When submitting requested documentation, please remember the following:

1. Do not include personally identifiable information (e.g., names, Social Security numbers, dates of birth, etc.);
2. Send copies of signed, executed documents for the last completed Federal fiscal year;
3. “Contract,” as used in this list, means an agreement or promise with another entity to provide goods or services in exchange for VR or Supported Employment funds. These agreements may be referred to as memoranda of understanding, memoranda of agreement, letters of understanding, letters of agreement, grants, agreements, contracts, purchase orders, or service authorizations;
4. If a particular request is not applicable to the VR agency, or if the information is not otherwise available, include a statement letting the SMPID review team know;
5. If the data being submitted contains State or VR agency specific codes or titles, please include a reference sheet that provides an explanation of the code or title to facilitate review;
6. Submit the requested information as soon as it is available. It is not necessary to submit all the documentation at one time. Submitting the information to the SMPID review team as soon as possible helps ensure there is adequate time to review the documentation prior to the on-site review;
7. Provide fiscal data by Federal fiscal year, not State fiscal year or program year; and
8. Label each document submitted with the corresponding number used in the Document Request.

After the information has been submitted, the SMPID review team may request additional program or fiscal documents or other clarifying information related to the document submission categories in order to complete the review process. Prior to the review, the SMPID review team will work with the VR agency to determine the number of documentation samples being requested and the timeframe from which the samples should be taken (e.g., contracts, invoices, third-party cooperative arrangements, program policies and procedures, agreements, etc.).

Note: Many agencies have established collaboration websites where SMPID review team members can access and download the requested documentation. Please coordinate with the SMPID review team if this is an approach your VR agency may wish to use.

DOCUMENT REQUEST

III. Performance of the State VR and Supported Employment Programs	Date Submitted
1. Written policies and procedures regarding RSA-911 internal control process (e.g., ensuring data accuracy, reliability, and timely submission).	
2. Written policies and procedures regarding the provision and scope of services, which include the following: <ul style="list-style-type: none"> • Referrals and applications (34 C.F.R. § 361.41); • Eligibility and ineligibility determinations (34 C.F.R. §§ 361.42, 361.43 and 361.44); • Individualized plan for employment (34 C.F.R. §§ 361.45 and 361.46) • Record of services (34 C.F.R. § 361.47); • Scope of vocational rehabilitation services for individuals with disabilities (34 C.F.R. § 361.48); • Scope of vocational rehabilitation services for groups of individuals with disabilities (34 C.F.R. § 361.49); • Written policies governing the provision of services for individuals with disabilities (34 C.F.R. § 361.50); • Informed choice (34 C.F.R. § 361.52); • Comparable services and benefits (34 C.F.R. § 361.53); • Participation of individuals in cost of services based on financial need (34 C.F.R. § 361.54); • Semi-annual and annual review of individuals in extended employment and other employment under special certificate provisions of the Fair Labor Standards Act (34 C.F.R. § 361.55); and • Requirements for closing the record of services of an individual who has achieved an employment outcome (34 C.F.R. § 361.56). 	
3. Written policies and procedures for the provision, scope, tracking and reporting of supported employment services, including extended services for youth (34 C.F.R. § 361.5(c)(54) and part 363).	
4. Written policies and procedures for the provision, tracking, and reporting of pre-employment transition services (34 C.F.R. § 361.48(a)).	
5. A copy of the most recently completed Comprehensive Statewide Needs Assessment (CSNA) (optional unless VR agency spent Federal or non-Federal funds on Construction/Establishment projects).	
6. A copy of the most recently signed formal interagency agreement with the State educational agency that, at a minimum, meets the requirements described in 34 C.F.R. § 361.22(b).	
7. As applicable, State-imposed requirements: The designated State unit must, upon request, identify those regulations and policies relating to the administration or operation of its vocational rehabilitation program that are State-imposed, including any regulations or policy based on State interpretation of any Federal law, regulation, or guideline (34 C.F.R. § 361.39).	

IV. Financial Management of the State VR and Supported Employment Programs	
1. Obligations, Liquidations, and Expenditures (Period of Performance) (2 C.F.R. §§ 200.1 and 200.303; 34 C.F.R. § 76.707):	Date Submitted
A. Documentation that identifies the State and VR agency financial obligation requirements and how they are implemented consistent with the Federal requirements. VR agency’s written policies and procedures that detail the processes/internal controls for assignment of non-Federal and Federal financial obligations and expenditures—for authorizations/purchase orders, contracts, personal salaries, rent, utilities, etc.—to the correct period of performance specific to Federal awards and non-Federal fund sources;	
B. Description of accounting processes, including chart of accounts, used to track financial obligations and expenditures assigned, tracked, and reported to a Federal award or non-Federal sources; and	
C. VR agency supporting documentation that demonstrates how the process for assigning, tracking, liquidating, and reporting of obligations and expenditures (see 1.A. and 1.B. above) meet the period of performance requirements.	
2. Federal Financial Reporting (2 C.F.R. § 200.328):	Date Submitted
A. VR agency policies and procedures for ensuring the accurate and timely submission of Federal financial reports (SF-425) and (RSA-17); and	
B. VR agency supporting documentation for SF-425 and RSA-17 data submitted (RSA Financial Management Specialist will provide reporting period end dates).	
3. Non-Federal Share (Match in VR Program) (34 C.F.R. § 361.60(a)(1) and (b)):	Date Submitted
For the FFYs under review, provide dollar amounts (\$) for the following sources of non-Federal share (match), for each program per FFY.	
A. State appropriations;	
B. Interagency transfers;	
C. Third-party cooperative arrangements (VR program only);	
D. Randolph-Sheppard program expenditures (VR program only);	
E. Construction/Establishment expenditures not included in State appropriations (VR program only);	
F. Cash contributions by private entities; and	
G. Other (please describe).	

3.1 Third-Party Cooperative Arrangements (TPCA) (if applicable) (34 C.F.R. § 361.28):	Date Submitted
A. VR agency policies and procedures regarding TPCAs, including for the provision of pre-employment transition services;	
B. TPCA contracts/agreements; and	
C. VR agency supporting documentation for costs paid under TPCAs (e.g., cooperating agency personnel activity reports/work logs, monthly progress reports, invoices, etc., including respective charges to Federal and non-Federal share).	
3.2 Establishment Projects (VR program only) (if applicable) (Section 103(b)(2)(A) of the Rehabilitation Act and 34 C.F.R. § 361.49(a)(1)):	Date Submitted
A. VR agency policies and procedures regarding establishment projects, including pre-planning;	
B. Requirements, demonstration of the need for establishment and reflection of goals and priorities and strategies in the VR services portion of the Unified or Combined State plan;	
C. Contracts/agreements; and	
D. VR agency supporting documentation for expenditures (e.g., progress reports, invoices, etc.).	
3.3 Randolph-Sheppard Expenditures (if applicable) (34 C.F.R. § 361.49(a)):	Date Submitted
A. Policies and procedures regarding the VR agency's use of Randolph Sheppard set-aside funds as match in the VR program;	
B. VR agency supporting documentation that demonstrates only allowable set-aside fund expenditures are counted as match for the VR program (DSU/DSA management services and supervision, new or replacement equipment, maintenance and repair of equipment); and	
C. VR agency supporting documentation of non-Federal funds, not set-aside, expended by DSU for acquisition of vending facilities or equipment; management and supervision; maintenance and repair of equipment; initial stocks and supplies not to exceed six months; and initial operating expenses not to exceed six months.	
4. Non-Federal Share (Match in the Supported Employment Program) – documentation of non-Federal share being spent in Supported Employment-B for youth with the most significant disabilities.	Date Submitted
A. Supporting documentation that costs used for match met the age requirements for youth and that youth are working in a supported employment position.	

5. Sample Contracts and Contracting Processes

For each sample provided, when applicable, include the: announcement, requests for proposal/bid, original contract, amendments, authorizations, invoices, payment approval, monthly and quarterly reports, verification of performance, corrective actions, final output, and reconciliation. Contact your SMPID review team fiscal representative to identify what contract sample sets to send.

A. Procurement policies and procedures used by the State in procuring VR and Supported Employment goods or services, including requirements for requests for proposal, etc.

B. Contracts used to purchase VR services, including pre-employment transition services (purchased services). This includes contracts structured as fee-for-service and the authorizations issued for services.

C. Policies and procedures regarding contract monitoring.

D. Samples of completed contract monitoring from the sample set of contracts provided.

APPENDIX C: Performance Tables

Table 1 — Performance Profile

Table 2 — Types of Exit

Table 3 — Reasons for Exit

Table 4 — VR Service Provision

Table 5 — Measurable Skill Gains and Credentials

Table 6 — Competitive Integrated Employment and Supported Employment Outcomes

Table 7 — Students with Disabilities

Table 8 — Pre-Employment Transition Service Provision

Table 1 — Performance Profile

VR Program Performance	PY	PY	PY
Employment Rate			
Number of Participants Exiting in Competitive Integrated Employment or Supported Employment			
Percentage of Timely Eligibility Determinations			
Percentage of Eligibility Determinations Extensions			
Percentage of Timely IPE Development			
Percentage of Initial IPE Extensions			
Number of Applicants			
Number of Individuals Determined Eligible			
Number of Individuals with an IPE and No VR Services Provided			
Number of Participants (with an IPE and VR Services Provided)			
WIOA Performance Indicators (General/Blind VR agency)	PY	PY	PY
Measurable Skill Gains Rate			
Employment Rate in 2 nd Qtr After Exit			
Median Earnings in 2 nd Qtr After Exit			
Employment Rate in 4 th Qtr After Exit			
Credential Attainment Rate			
WIOA Performance Indicators (State)	PY	PY	PY
Measurable Skill Gains Rate			
Employment Rate in 2 nd Qtr After Exit			
Median Earnings in 2 nd Qtr After Exit			
Employment Rate in 4 th Qtr After Exit			
Credential Attainment Rate			

Table 2 — Types of Exit

Individuals Who Exited the VR Program			PY		PY		PY	
Number of Individuals Who Exited the VR Program								
Exit Type	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent	PY Percent	
Individual exited as an applicant, prior to eligibility determination or trial work experience								
Individual exited during or after a trial work experience								
Individual exited after eligibility, but from an order of selection waiting list								
Individual exited after eligibility, but prior to a signed IPE								
Individual exited after an IPE without an employment outcome								
Individual exited after an IPE in noncompetitive and/or nonintegrated employment								
Individual exited after an IPE in competitive and integrated employment or supported employment								
Individual exited as an applicant after being determined ineligible for VR services								

Supported Employment	PY Number of Participants	PY Number of Participants	PY Number of Participants
Number of Participants Who Exited with a Supported Employment Outcome in Competitive Integrated Employment			
Number of Participants Who Exited with a Supported Employment Outcome in Noncompetitive and/or Nonintegrated Employment			

Table 3 — Reasons for Exit

Reason for Exit	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent
Health/Medical						
Death of Individual						
Reserve Forces Called to Active Duty						
Ineligible after determined eligible						
Criminal Offender						
No Disabling Condition						
Transferred to Another Agency						
Achieved Competitive Integrated Employment Outcome						
Extended Employment						
Extended Services Not Available						
Unable to Locate or Contact						
No Longer Interested in Receiving Services or Further Services						

Reason for Exit	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent
All Other Reasons						
Short-Term Basis Period						
Ineligible: Pursuant to 511						
Ineligible: Following Trial Work						
Number of Individuals Who Exited the VR Program						

Table 4 — VR Service Provision

VR Service Provision		PY	PY		PY	
Total Number of Individuals Who Received VR Services						
Training Services	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent
Graduate Degree Training						
Bachelor’s Degree Training						
Junior or Community College Training						
Occupational or Vocational Training						
On-the-Job Training						
Apprenticeship Training						
Basic Academic Remedial or Literacy Training						
Job Readiness Training						
Disability Related Skills Training*						
Miscellaneous Training						
Randolph-Sheppard Entrepreneurial Training						

Customized Training						
Work-Based Learning Experience						
Career Services	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent
Assessment*						
Diagnosis and Treatment of Impairment						
Vocational Rehabilitation Counseling and Guidance*						
Job Search Assistance						
Job Placement Assistance						
Short-Term Job Supports						
Supported Employment Services						
Information and Referral Services*						
Benefits Counseling*						
Customized Employment Services						
Extended Services (for youth with the most significant disabilities)						
Other Services	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent	PY Number of Individuals	PY Percent
Transportation*						
Maintenance*						
Rehabilitation Technology*						
Personal Attendant Svs*						
Technical Assistance Services						
Reader Services*						
Interpreter Services*						
Other Services						

* Indicates RSA-911 Service Categories that do not require an individualized plan for employment

Table 5 — Measurable Skill Gains and Credentials

Type of Measurable Skill Gains Earned	PY Number	PY Number	PY Number
Educational Functioning Level			
Secondary Diploma			
Postsecondary Transcript/Report Card			
Training Milestone			
Skills Progression			
Total			
Participants Who Earned Measurable Skill Gains	PY Number/Percent	PY Number/Percent	PY Number/Percent
Number of Participants Who Earned Measurable Skill Gains			
Percent of Participants Eligible to Earned Measurable Skill Gains	%	%	%
Type of Credentials Earned	PY Number	PY Number	PY Number
Secondary			
Postsecondary			
Total			
Participants Who Earned Credentials	PY Number/Percent	PY Number/Percent	PY Number/Percent
Number of Participants Who Earned Credentials			
Percent of Participants Eligible to Earn Credentials	%	%	%

Table 6 — Competitive Integrated Employment and Supported Employment Outcomes

Participants Who Exited in Competitive Integrated Employment or Supported Employment	PY	PY	PY
Number of Participants Who Exited in Competitive Integrated Employment or Supported Employment			
Median Hourly Earnings at Exit			
Median Hours Worked per Week at Exit			

Percent with Private Insurance Through Employer at Exit			
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Table 7 — Students with Disabilities

Students with Disabilities	PY Number/ Percentage of Students	PY Number/ Percentage of Students	PY Number/ Percentage of Students
Total Students with Disabilities Reported			
Students with Disabilities Reported with 504 Accommodation			
Students with Disabilities Reported with the Individualized Education Program			
Students with Disabilities Reported without 504 Accommodation or IEP			
Total Students with Disabilities Who Received a Pre-Employment Transition Service			
Potentially Eligible Students with Disabilities Who Received a Pre-Employment Transition Service			
Students with Disabilities, Who Applied for VR Services, and Received a Pre-Employment Transition Service			
Percentage of Students with Disabilities Reported Who Received a Pre-Employment Transition Service			

Table 8 — Pre-Employment Transition Service Provision

Pre-Employment Transition Services	PY Number Provided	PY Percent of Total	PY Number Provided	PY Percent of Total	PY Number Provided	PY Percent of Total
Total Pre-Employment Transition Services Provided						

Job Exploration Counseling						
Work-Based Learning Experiences						
Counseling on Enrollment Opportunities						
Workplace Readiness Training						
Instruction in Self-Advocacy						

APPENDIX D: Fiscal Tables

Table 3.1 — VR Federal Resources and Expenditures

Table 3.2 — VR Non-Federal Share

Table 3.3 — VR Maintenance of Effort

Table 3.4 — Pre-Employment Transition Services

Table 3.5 — Program Income

Table 3.6 — Miscellaneous

Table 3.1 — VR Federal Resources and Expenditures

Federal Resources and Expenditures	FFY	FFY	FFY	FFY
(a) FAIN				
(b) Formula Award AMT				
(c) MOE Reduction AMT				
(d) Relinquished-Reallotment				
(e) Received-Reallotment				
(f) Adjustments				
(g) Net Award AMT				
(h) Net Award AMT Unused**				
(i) Net Award AMT Unused-Matched***				
(j) Award Funds Drawn Down - 4th				
(k) Award Funds Drawn Down - Final				
(l) PCT of Net Award Drawn Down - 4th				
(m) PCT of Net Award Drawn Down - Final				
(n) PCT of Formula Award Expended				
(o) Carryover Met				
(p) Award Closed				

*Indicates the award is currently in an open status; therefore, data are either not currently available or not final.

**If award is closed, represents amount of funds deobligated at closeout. If award is not closed, represents balance in G5.

***Negative number indicates funds expended that were not matched.

Table 3.2 — VR Non-Federal Share

Non-Federal Share (Match)	FFY	FFY	FFY	FFY
(a) FED Expenditures Matched				
(b) Non-FED Share-4th				
(c) Non-FED Share-Final				
(d) FED Funds Required to Match				
(e) FED Funds Matched				
(f) Non-FED Share Required				
(g) FED Funds Match Difference				
(h) PCT of Net FED Funds Matched				

Non-Federal Share (Match)	FFY	FFY	FFY	FFY
(i) PCT of FED Formula Award Matched				
(j) Matching Requirement Met-State				
(k) Required Non-FED Share-State				
(l) FED Funds Required to be Matched-State				
(m) FED Funds Matched-State				
(n) FED Funds Match Difference-State				

* Indicates the award is currently in an open status; therefore, data are either not currently available or not final.

Table 3.3 — VR Maintenance of Effort

Maintenance of Effort (MOE)	FFY	FFY	FFY	FFY
(a) AMT of Non-FED Share => 2 Years Prior				
(b) Non-FED Share				
(c) Construction Expenditures-4th				
(d) Construction Expenditures-5th-8th				
(e) Unadjusted MOE Base				
(f) Adjusted MOE Base				
(g) MOE Difference				
(h) Adjusted MOE Base-State				
(i) MOE Difference-State				

* Indicates the award is currently in an open status; therefore, data are either not currently available or not final.

Calculation Table 3.3: VR Maintenance of Effort

NOTE: See Financial Management Specialist for details.

Table 3.4 — Pre-Employment Transition Services

Pre-Employment Transition Services (Pre-ETS)	FFY	FFY	FFY	FFY
(a) Pre-ETS Target Met				
(b) PCT Matched FED Funds Expended on Pre-ETS				
(c) Pre-ETS FED Expenditures-4th				
(d) Pre-ETS FED Expenditures-Final				

Pre-Employment Transition Services (Pre-ETS)	FFY	FFY	FFY	FFY
(e) Pre-ETS Base				
(f) Pre-ETS Target				
(g) Pre-ETS Difference				
(h) Pre-ETS Requirement Met-State				
(i) PCT of Matched VR Funds Spent on Pre-ETS-State				
(j) Pre-ETS Base-State				
(k) Pre-ETS Target-State				
(l) Pre-ETS FED Expenditures-Final-State				
(m) Pre-ETS Difference-State				
(n) Negative is Amount of Reserve Spent on Non-Pre-ETS				

* Indicates the award is currently in an open status; therefore, data are either not currently available or not final.

Calculation Table 3.4: Pre-Employment Transition Services

NOTE: See Financial Management Specialist for details.

Table 3.5 — Program Income

Program Income	FFY	FFY	FFY	FFY
(a) Program Income Received-4th				
(b) Program Income Received-Final				
(c) Program Income Difference-4th/Final				
(d) Total Program Income Disbursed-4th				
(e) Total Program Income Disbursed-Final				
(f) Program Income Disbursed Difference-4th/Final				
(g) Program Income Transferred SILS Program-Final				
(h) Program Income Transferred to OIB Program-Final				
(i) Program Income Transferred to CAP Program-Final				
(j) Program Income Transferred to SE Program-Final				

Program Income	FFY	FFY	FFY	FFY
(k) Total Program Income Transferred				
(l) Program Income Used for VR Program				
(m) SSA Reimbursement-4th				

* Indicates the award is currently in an open status; therefore, data are either not currently available or not final.

Calculation Table 3.5: Program Income

NOTE: See Financial Management Specialist for details.

Table 3.6 — Miscellaneous

Administrative Expenditures	FFY	FFY	FFY	FFY
(a) Administrative Expenditures				
(b) Total Prog Expenditures (Fed and Non-Fed)				
(c) Percent of Total Costs				

Calculation Table 3.6: Miscellaneous

NOTE: See Financial Management Specialist for details.