

**FISCAL YEAR 2017
MONITORING REPORT
ON THE
MARYLAND DIVISION OF
REHABILITATION SERVICES
VOCATIONAL REHABILITATION
AND
SUPPORTED EMPLOYMENT PROGRAMS**



**U.S. Department of Education
Office of Special Education and
Rehabilitative Services
Rehabilitation Services Administration**

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Table of Contents

	Page
Section 1: Executive Summary	2
Section 2: Focus Area – Performance of the Vocational Rehabilitation Program	6
Section 3: Focus Area – Transition Services, Including Pre-Employment Transition Services for Students and Youth with Disabilities	18
Section 4: Focus Area – State Supported Employment Services Program.....	30
Section 5: Focus Area – Allocation and Expenditure of State Vocational Rehabilitation Services and State Supported Employment Services Program Funds	40
Section 6: Focus Area – Joint Workforce Innovation and Opportunity Act Final Rule Implementation.....	47
Appendix A: Program and Fiscal Performance Data Tables	51
Appendix B: Documentation Review Results	99
Appendix C: Agency Response	100

SECTION 1: EXECUTIVE SUMMARY

A. Background

Section 107 of the Rehabilitation Act of 1973 (Act), as amended by Title IV of the Workforce Innovation and Opportunity Act (WIOA), requires the Commissioner of the Rehabilitation Services Administration (RSA) to conduct annual reviews and periodic on-site monitoring of programs authorized under Title I of the Act to determine whether a vocational rehabilitation (VR) agency is complying substantially with the provisions of its State Plan under section 101 of the Act and with the evaluation standards and performance indicators established under section 106 subject to the performance accountability provisions described in section 116(b) of WIOA. In addition, the Commissioner must assess the degree to which VR agencies are complying with the assurances made in the State Plan Supplement for Supported Employment Services under Title VI of the Act.

Through its monitoring of the State Vocational Rehabilitation Services program (VR program) and the State Supported Employment Services program (Supported Employment program) administered by the Maryland Division of Rehabilitation Services (DORS) in Federal fiscal year (FFY) 2017, RSA:

- Assessed the performance of the VR and the Supported Employment programs with respect to the achievement of quality employment outcomes for individuals with disabilities and those with the most significant disabilities, including students and youth with disabilities;
- Identified strategies and corrective actions to improve program and fiscal performance related to the following focus areas:
 - Performance of the VR Program;
 - Transition Services, including Pre-Employment Transition Services, for Students and Youth with Disabilities;
 - Supported Employment program
 - Allocation and Expenditure of VR Program and Supported Employment Program Funds; and
 - Joint WIOA Final Rule Implementation.

In addition, RSA reviewed a sample of individual case service records to assess internal controls for the accuracy and validity of RSA-911 data and provided technical assistance to the VR agency to enable it to enhance its performance.

The nature and scope of this review and the process by which RSA carried out its monitoring activities, including the conduct of an on-site visit from April 10 through 14, 2017, is described in detail in the [FFY 2017 Vocational Rehabilitation Program Monitoring and Technical Assistance Guide](#).

B. Summary of Observations and Findings to Improve Performance

RSA's review of DORS resulted in the observations and findings to improve program and fiscal performance summarized below. The entire observations and findings made by RSA that the agency can undertake to improve its performance are contained within the specific focus area sections.

Observations

- A significant number of individuals who were determined eligible for VR services by DORS receive no services because they either exited from the VR program after they were assigned to a closed priority category under the agency's order of selection or before an IPE was developed.
- Although DORS has achieved an overall employment rate of 60.1 percent, which is above the performance for all combined agencies, the agency has not been able to achieve high quality employment outcomes for its VR program participants.
- DORS has not established a dedicated quality assurance (QA) branch or division, which may have resulted, in part, in inconsistencies in the maintenance of service record supporting documentation and the reporting of RSA-911 data elements.
- Individuals under the age of 25 are exiting from the VR system prior to receiving services.
- In FFY 2016, DORS did not emphasize the provision of VR services to individuals with disabilities under age 25 that could better assist them to achieve high quality employment outcomes.
- In FFY 2016, the employment rates of individuals with disabilities under age 25 by disability type generally were higher than the employment rates for these individuals served by all combined agencies; however, the percentage of individuals with psychosocial and psychological disabilities who exited without employment was higher than the percentage for all combined agencies that year.
- DORS provides job coaching to individuals who are not in supported employment when extended services cannot be identified at the time of IPE development, although these consumers require long-term provision of job coaching services to succeed in their employment.

Findings

- DORS is not developing IPEs within the 90-day time standard in accordance with Section 101(a)(9)(A) of the Act and 34 CFR §361.45(e).
- DORS is not in compliance with 34 CFR §361.5(c)(19) because the Agency's extended services policy for adults (25 years of age and older) with acquired brain injuries, and the Agency's corresponding extended services placement practices for adults with acquired brain injuries, as specified in the Agency's cooperative agreements, still permit funding extended services for adults with acquired brain injuries. Similarly, DORS is not in compliance with 34 CFR §361.5(c)(41) because the Agency's post-employment services policy for adults (25 years of age and older) with acquired brain injuries, and the Agency's corresponding post-employment services practices for adults with acquired

brain injuries, as specified in the Agency’s cooperative agreements, still permit funding extended services as post-employment services for adults with acquired brain injuries who have not achieved an employment outcome.

- DORS is not adhering to prior approval requirements in accordance with 2 CFR §200.407.
- DORS did not meet the maintenance of effort (MOE) requirement for the review period.
- DORS did not accurately report the financial results of all Federally-assisted activities in accordance with 34 CFR §361.12, 34 CFR §76.702, and 2 CFR §200.302.

C. Summary of Technical Assistance

During the review process, RSA provided technical assistance covering the following topics to DORS:

- The use of standard occupational classification (SOC) codes for individuals who achieved employment outcomes;
- RSA-911 reporting;
- The differences between the definitions of a student and youth with a disability and the scope of these definitions;
- The requirements for the State educational agency (SEA) agreement;
- The provision of pre-employment transition services, including work-based learning experiences;
- The ability to charge travel costs to the funds reserved for the provision of pre-employment transition services;
- Development of IPEs for individuals with the most significant disabilities;
- Integrated location criteria of the definition of “competitive integrated employment;”
- SF-425 financial report submission process; and
- Maintenance of effort (MOE) penalty process.

As a result of the monitoring process, DORS and RSA identified the need for additional technical assistance in the following areas:

- Selection and preparation of appropriate types of agreements for information technology (IT) covered in a contractual arrangement;
- Role of the WIOA State Plan in the prior approval process;
- Use of apprenticeships to improve competitive integrated employment outcomes for consumers; and
- Negotiation methods used by other VR agencies in establishing target performance indicators that align with the workforce system.

D. Review Team Participants

Members of the RSA review team included Sandy DeRobertis, April Trice, and Ed West (VR Program Unit); Andy Kerns (Data Collection and Analysis Unit); Arseni Popov (Fiscal Unit); and Joseph Doney (Technical Assistance Unit). Although not all team members participated in

the on-site visit, each contributed to the gathering and analysis of information, along with the development of this report.

E. Acknowledgements

RSA wishes to express appreciation to the representatives of DORS for the cooperation and assistance extended throughout the monitoring process. RSA also appreciates the participation of others, such as the State Rehabilitation Council (SRC), the Client Assistance Program (CAP) advocates, and other stakeholders in the monitoring process.

SECTION 2: FOCUS AREA – PERFORMANCE OF THE VOCATIONAL REHABILITATION PROGRAM

A. Nature and Scope

Through implementation of this focus area, RSA assessed the achievement of quality employment outcomes by individuals with disabilities served in the VR program by conducting an in-depth and integrated analysis of core VR program data and review of individual case service records. The analysis represents a broad overview of the VR program administered by DORS and included employment outcomes in competitive integrated employment and supported employment. It should not be construed as a definitive or exhaustive review of all available VR program data. The data generally measure performance based on individuals who exited the VR program during the most recently completed three-year period for which data are available. Consequently, the tables do not provide complete information that could otherwise be derived from examining open service records. The analysis includes the number of individuals participating in the various stages of the VR process; the number and quality of employment outcomes; the services provided to eligible individuals; the types of disabilities experienced by individuals receiving services; and the amount of time individuals are engaged in the various stages of the VR process, including eligibility determination, development of the IPE, and the provision of services. RSA also reviewed policies and procedures related to internal controls necessary for the verification of data and compared the performance of DORS with that of all VR agencies of similar type (i.e., combined agencies). Comparisons to national performance do not indicate required performance levels that VR agencies must meet or exceed.

In addition to data tables, the review team used a variety of other resources to better understand the performance trends indicated by the outcomes measured. Other resources included, but were not limited to:

- Agency policies and procedures related to the provision of transition and pre-employment transition services, competitive integrated employment, and supported employment services; and
- Description in the VR services portion of the program year (PY) 2016 Unified or Combined State Plan describing goals and priorities pertaining to the performance of the VR program.

The review team shared the data with the VR agency prior to the on-site visit and solicited information throughout the review process explaining the performance trends demonstrated by the data. Specifically, the review team met with:

- The VR agency director;
- VR agency managers and supervisors;
- VR counselors;
- VR agency personnel;
- Maryland Behavioral Health Administration (BHA) staff;

- Maryland Developmental Disabilities Administration (DDA) staff;
- Maryland State Department of Education (MSDE) staff;
- Representatives of Community Rehabilitation Providers (CRPs);
- National Technical Assistance Center on Transition (NTACT) staff;
- Workforce Innovation Technical Assistance Center (WINTAC) staff; and
- Representatives of the SRC, the CAP, and other VR program stakeholders.

In addition to a review of the RSA-911 and RSA-113 data provided by the VR agency, RSA conducted a review of individual service records. RSA provided guidelines to the VR agency prior to the on-site visit. The review team discussed the selection of service records with DORS and the method it uses to maintain records. RSA used the information obtained through the review of service records to assess DORS' internal controls for the accuracy and validity of RSA-911 data.

The review team provided technical assistance on the WIOA joint performance accountability measures established in section 116(b) of WIOA. RSA did not issue compliance findings on these measures. However, the review team and VR agency used these measures to discuss the potential effect of the joint performance accountability measures on the State and agency level performance.

RSA provided additional technical assistance to the VR agency during the course of monitoring to enable it to improve programmatic performance.

B. Overview

RSA reviewed DORS' performance during FFYs 2014, 2015, and 2016, with particular attention given to the number and quality of outcomes achieved by individuals with disabilities in the State. Additionally, the review addressed the number of individuals who were determined eligible for VR services, who were placed on a waiting list due to implementation of an order of selection, and who received services through the VR program. The data used in this review were provided by DORS to RSA on the Quarterly Cumulative Caseload Report (RSA-113) and the Case Service Report (RSA-911).

VR Process

The total number of applicants for VR services decreased from 8,487 in FFY 2014 to 8,095 in FFY 2016, while the number of eligible individuals also decreased from 10,436 in FFY 2014 to 7,458 in FFY 2016. Concurrently, the number of individuals on the agency's order of selection waiting list increased from 2,293 in FFY 2014 to 3,893 in FFY 2016.

The number of individuals with IPEs receiving services increased slightly from 15,306 (53.4 percent) in FFY 2014 to 15,602 (58 percent) in FFY 2016. However, the percentage of individuals accepted for services who received no services increased from 31.1 percent in FFY 2014 to 34.4 percent in FFY 2016, compared to 23.3 percent for all combined agencies in FFY 2016. Although the percentage of individuals who exited the VR program after they were assigned to the agency's order of selection waiting list decreased from 8.2 percent in FFY 2014 to 7.1 percent in FFY 2016, only 1.5 percent of individuals for all combined agencies

implementing an order of selection exited the VR program at this stage of the process. Finally, the percentage of individuals who exited without employment outcomes after they were determined eligible and before an IPE was developed or they received services decreased from 32 percent in FFY 2014 to 28 percent in FFY 2016, compared to 23.4 percent for all combined agencies.

Employment Outcomes

The employment rate increased from 59.1 percent in FFY 2014 to 60.1 percent in FFY 2016, which compares favorably to the performance for all combined agencies in FFY 2016 of 55.9 percent. The average hourly earnings for competitive employment outcomes increased from \$10.57 in FFY 2014 to \$11.19 in FFY 2016, which is less than the average of \$11.84 for all combined agencies. The median wage of \$8.75 per hour in FFY 2014 increased to \$9.56 per hour in FFY 2016, which is less than the figure of \$10.00 per hour for combined agencies.

VR Services Provided

The total number of individuals whose service records were closed after receiving services decreased slightly from 4,307 in FFY 2014 to 4,222 in FFY 2016. While the number of individuals whose service records were closed and who received four-year training or university training increased from 27 individuals (0.6 percent) in FFY 2014 to 55 individuals (1.3 percent) in FFY 2016, this percentage is well below the performance for combined agencies in FFY 2016 of 8.8 percent. In FFY 2014, 372 individuals (8.6 percent) received Junior or community college training, compared to 254 individuals (6 percent) in FFY 2016, which was slightly below the performance of 6.6 percent for all combined agencies that year.

By contrast, 564 individuals whose service records were closed in FFY 2014 (13.1 percent) received Occupational or vocational training, increasing to 690 (16.3 percent) in FFY 2016, which was well above the performance of 10.1 percent for all combined agencies in FFY 2016. In FFY 2014, only 12 individuals whose cases were closed (0.3 percent) received on-the-job training, increasing slightly to 38 individuals (0.9 percent) in FFY 2016, compared to 1.9 percent for all combined agencies in FFY 2016. No individuals received customized employment services during the review period.

The number of individuals who received basic academic/literacy training increased from 202 individuals whose service records were closed (4.7 percent) in FFY 2014 to 246 individuals (5.8 percent) in FFY 2016. In comparison, 1.6 percent of individuals served by all combined agencies whose service records were closed in FFY 2016 received this type of training. The percentage of individuals whose service records were closed and who received job Readiness training increased from 13.5 percent in FFY 2014 to 14.6 percent in FFY 2016; however, this was substantially below the performance of 20.5 percent for all combined agencies in FFY 2016.

The percentage of individuals whose service records were closed and who received diagnosis and Treatment services decreased from 28.1 percent in FFY 2014 to 23.6 percent in FFY 2016, which was below the performance of 29.5 percent for all combined agencies in FFY 2016. The percentage of individuals whose service records were closed and who received On the Job Supports – Short Term increased from 22.2 percent in FFY 2014 to 24.6 percent in FFY 2016, which was well above the performance of 13.8 percent for all combined agencies that year.

Similarly, the percentage of individuals receiving on the Job Supports – Supported Employment increased from 13.8 percent in FFY 2014 to 20.7 percent in FFY 2016, compared to the performance of 7.8 percent for all combined agencies in FFY 2016.

Finally, the percentage of individuals receiving benefits counseling increased from 11.1 percent in FFY 2014 to 15.4 percent in FFY 2016, which was significantly above the performance of 5.9 percent for all combined agencies in FFY 2016.

Select Measures for All Individuals Whose Service Records Were Closed after Receiving Services by Impairment Type

The percentage of individuals with visual disabilities whose service records were closed after receiving services decreased from 5.9 percent in FFY 2014 to 5.0 percent in FFY 2016, consistent with the performance of 5.5 percent for combined agencies in FFY 2016. Of the individuals who achieved employment outcomes, the percentage of individuals with visual disabilities decreased from 6.9 percent in FFY 2014 to 5.1 percent in FFY 2016, compared to the performance of 6.3 percent for all combined agencies in FFY 2016. Of individuals who did not achieve employment outcomes, the percentage with visual disabilities increased from 4.5 percent in FFY 2014 to 4.7 percent in FFY 2016, which was comparable to the performance of 4.4 percent for combined agencies in FFY 2016. The employment rate for individuals with visual disabilities decreased from 68.5 percent in FFY 2014 to 62.7 percent in FFY 2016, slightly below the performance of 64.7 percent for combined agencies in FFY 2016.

The percentage of individuals with auditory and communicative disabilities whose service records were closed after receiving services decreased from 6.6 percent in FFY 2014 to 6.0 percent in FFY 2016, below the performance of 10.1 percent for all combined agencies that year. Of the individuals who achieved employment, the percentage of individuals with auditory and communicative disabilities decreased from 6.6 percent in FFY 2014 to 6.0 percent in FFY 2016, slightly below the performance of 6.3 percent for all combined agencies in FFY 2016. Of the individuals who did not achieve employment outcomes, the percentage with auditory and communicative disabilities decreased from 4.4 percent in FFY 2014 to 3.7 percent in FFY 2016, compared to 5.4 percent for all combined agencies in FFY 2016. The employment rate for individuals with auditory and communicative disabilities increased from 73.1 percent in FFY 2014 to 75.5 percent in FFY 2016, slightly below the performance of 76.7 percent for all combined agencies in FFY 2016.

The percentage of individuals with physical disabilities whose service records were closed after receiving services decreased from 13.6 percent in FFY 2014 to 12.6 percent in FFY 2016, which was well below the performance of 19.7 percent for all combined agencies in FFY 2016. Of the individuals who achieved employment outcomes, the percentage of individuals with physical disabilities decreased very slightly from 10.9 percent in FFY 2014 to 10.8 percent in FFY 2016, which was significantly below the performance of 18 percent for all combined agencies in FFY 2016. Of the individuals who did not achieve employment outcomes, the percentage with physical disabilities decreased from 17.4 percent in FFY 2014 to 15.3 percent in FFY 2016, compared to 21.7 percent for combined agencies in FFY 2016. The employment rate for individuals with physical disabilities increased from 47.3 percent in FFY 2014 to 52.2 percent in

FFY 2016, which was slightly above the performance of 51.3 percent for combined agencies in FFY 2016.

The percentage of individuals with learning and intellectual disabilities whose service records were closed after receiving services increased from 29.5 percent in FFY 2014 to 32.2 percent in FFY 2016. Of the individuals who achieved employment outcomes, the percentage of individuals with learning and intellectual disabilities increased from 34.4 percent in FFY 2014 to 35.1 percent in FFY 2016, slightly above the performance of 34 percent for all combined agencies in FFY 2016. Of the individuals who did not achieve employment outcomes, the percentage with learning and intellectual disabilities increased from 22.5 percent in FFY 2014 to 27.7 percent in FFY 2016, compared to the performance of 32.7 percent for combined agencies in FFY 2016. The employment rate for individuals with learning and intellectual disabilities decreased from 68.8 percent in FFY 2014 to 66.2 percent in FFY 2016, but remained significantly above the performance of 56.9 percent for all combined agencies in FFY 2016.

The percentage of individuals with psychological and psychosocial disabilities whose service records were closed after receiving services remained steady, ranging from 44.4 percent to 44.3 percent in FFYs 2014 and 2016, respectively, significantly above the figure of 31.3 percent for all combined agencies in FFY 2016. Of the individuals who achieved employment outcomes, the percentage of individuals with psychological and psychosocial disabilities increased from 39.6 percent in FFY 2014 to 41.5 percent in FFY 2016, which was above the performance of 27.7 percent for all combined agencies in FFY 2016. Of the individuals who did not achieve employment outcomes, the percentage with psychological and psychosocial disabilities decreased from 51.2 percent in FFY 2014 to 48.5 percent in FFY 2016, compared to 35.8 percent for combined agencies in FFY 2016. The employment rate for individuals with psychological and psychosocial disabilities increased from 52.8 percent in FFY 2014 to 57 percent in FFY 2016, above the performance of 49.6 percent for all combined agencies in FFY 2016.

Length of Time in Stages of the VR Process

Of all individuals whose service records were closed, the percentage of individuals whose eligibility was determined within 60 days of application remained steady at approximately 90 percent from FFY 2014 to FFY 2016, above the performance of 82.6 percent for all combined agencies in FFY 2016. The percentage of individuals whose IPEs were developed within 90 days from the date on which eligibility was determined decreased from 75 percent in FFY 2014 to 73 percent in FFY 2016, which was below the performance of 75 percent for combined agencies in FFY 2016.

SOC Codes for Individuals Who Achieved Employment Outcomes

A review of DORS' employment outcomes by SOC Codes during FFY 2016 showed that a majority of individuals achieved employment in five occupational categories: Installation, Maintenance and Repair (37.9 percent); Office and Administrative Support (12.7 percent); Buildings and Grounds Cleaning and Maintenance (10.8 percent); Food Preparation and Serving (10.8 percent); and Sales and Related (6.5 percent). These clusters of employment outcomes represented 75.2 percent of all employment outcomes for individuals whose service records were closed that year. Average wages range between \$9.00 and \$10.00 per hour.

A review of employment outcome data for all combined agencies showed that a majority of individuals achieved employment in five occupational categories: Office and Administrative Support (18.4 percent); Food Preparation and Serving (11.4 percent); Transportation and Material Moving (8.8 percent); Building and Grounds Cleaning and Maintenance (8.4 percent); and Production Occupations (8.3 percent). These clusters of employment outcomes represented 55.3 percent of all employment outcomes for all combined agencies. Average wages range between \$8.36 and \$10.00 per hour.

Service Record Review

RSA conducted a service record review of thirty DORS' closed service records. This review involved two teams of two reviewers. Each team consisted of one RSA representative and one DORS manager. Each team reviewed the same two service records initially to obtain the required data. The teams then compared their results for interrater reliability. In both cases there was a 100 percent match of the data recorded and extracted from the paper/electronic case files. The teams reviewed the remaining 28 service records. Of the 30 service records reviewed, only four service records were closed after the individuals achieved employment outcomes. In all cases, the service record closure letters were sent to the individuals on September 30, 2016. Service records reviewed were obtained from two districts and were from three caseloads. One of the assigned counselors was terminated on the basis of job performance. The data reviewed in some paper case files showed that supervisors entered data into the service record in the absence of the counselor. However, in some paper case files, data appeared to be backdated in the record. DORS managers stated that the service records were old, that processes had improved, or that counselors responsible for the service records reviewed were no longer employed by DORS.

The results of the Service Record Review are located in Appendix B to this report. To summarize, all service records contained some of the required documentation; however, no service records reviewed contained all the required documentation. All service records contained documentation of four or more data elements.

C. Performance Observations

RSA's review and analysis of the performance of DORS in this focus area resulted in the following observations.

2.1 Individuals Who Exited from the VR Program

Observation: A significant number of individuals who were determined eligible for VR services by DORS receive no services because they either exited from the VR program after they were assigned to a closed priority category under the agency's order of selection or before an IPE was developed.

Of the individuals whose service records were closed in FFY 2016, 7.1 percent of these individuals exited from the VR program while assigned to a waiting list and 34.4 percent exited after they were found eligible for VR services but before their IPEs were developed. These figures were above the performance for all combined agencies of 1.5 percent and 23.4 percent, respectively.

Prior to the on-site review, RSA reviewed description (M) of the VR services portion of the program year 2016 WIOA State Plan for The State of Maryland. DORS implemented an order of selection with one of its three priority categories, Priority Category I for individuals with the most significant disabilities, open for the provision of VR services. Priority Category I will remain open in FFY 2018, unless DORS determines that circumstances require a change to the order of selection.

The length of time on the waiting list for individuals assigned to Priority Categories II (individuals with significant disabilities) and III (all other individuals with disabilities) to receive VR services was 33 months at the time of the onsite review. DORS management stated that the increase in the length of time individuals remained assigned to the waiting list resulted from a lack of resources to serve more eligible individuals. Many counselor positions had been eliminated, counselors were responsible for caseloads of 150 to 200 individuals, and supervisors and managers were providing coverage for multiple vacant caseloads.

DORS management stated that the agency had at one time offered activities designed to encourage individuals to continue participation in the VR program while assigned to a waiting list, such as involvement in Job Clubs or Job-Seeking Skills. DORS had offered these activities when the length of time individuals were assigned to the waiting list was 12 months or less, but the agency discontinued these activities given the significant length of time individuals spend on the waiting list and because many of these individuals do not believe DORS could meet their needs.

2.2 Achievement of High Quality Employment Outcomes

Observation: Although DORS has achieved an overall employment rate of 60.1 percent, which is above the performance for all combined agencies, the agency has not been able to achieve high quality employment outcomes for its VR program participants.

In FFY 2016, the individuals whose cases were closed and who achieved employment after receiving services from DORS worked an average of 25 hours per week. In comparison, individuals who achieved employment after receiving services from all combined agencies worked an average of 30 hours that year. Although individuals who work part-time often can retain benefits associated with Social Security programs, they frequently are not eligible for employer-sponsored medical benefits.

The average hourly wage for individuals whose cases were closed in FFY 2016 and who achieved employment outcomes after receiving services from DORS was \$11.19. This figure was slightly below that of \$11.84 for all combined agencies, despite Maryland having a minimum wage higher than the federal minimum wage (\$8.75).

During the on-site visit, the RSA review team and DORS management discussed how this performance may have resulted, in part, from the provision of services to individuals with certain types of disabilities. During the period under review, DORS served a preponderance of individuals with psychological/psychosocial and learning/intellectual disabilities. In FFY 2016,

individuals in these disability categories accounted for 77 percent of the individuals whose service records were closed compared to 65 percent for combined agencies. In addition, DORS had among the highest percentage of individuals whose service records were closed after they achieved supported employment, using the evidenced-based place-train model. Individuals who achieve supported employment generally work fewer hours and receive lower wages than individuals who achieve other forms of employment.

In addition, DORS assisted very few individuals (1.3 percent) whose service records were closed after receiving services to attend training at the four-year college level or beyond, compared to 8.8 percent for all combined agencies. Also, of the individuals whose service records were closed, DORS assisted 6.0 percent to attend junior and community college training, compared to the figure for all combined agencies of 6.6 percent.

DORS maintains contracts to provide services to consumers of the BHA and the DDA. RSA provided technical assistance during the on-site visit regarding sustainability of the DORS service model that places priority on serving individuals from the contracted programs through evidence-based supported employment services.

RSA encouraged DORS to consider expanding the disability populations served by increasing the range of services delivered, including higher education training and career services, as a means to broaden its service model and address underserved populations, while reducing financial and staffing shortages. If DORS serves a broader range of individuals rather than those whose primary diagnosis is mental health or developmental disabilities, the services would be less intensive and subsequently less costly. Additionally, there are financial comparable benefits for higher education that some will qualify for dependent on income levels, such as Federal grant aid that would further decrease expenditures from case service funds. Individuals in higher education and/or training programs do not normally require regular, intensive contact but instead could be contacted on a yearly or semester schedule. Over time, DORS could potentially decrease resources currently being used for individuals in categories two and three under the current order of selection (OOS) process due to less community rehabilitation provider involvement, less extended supports and less intensive services. Increased support from workforce partners for training services, career services for individuals who can participate without intensive one on one support or can perform self-directed or self-guided job search activities could all lessen staff time and the expenditure of resources.

2.3 Internal Controls

Observation: DORS has not established a dedicated quality assurance (QA) branch or division, which may have resulted, in part, in inconsistencies in the maintenance of service record supporting documentation and the reporting of RSA-911 data elements.

The QA Rehabilitation Services Manager is also a program manager and QA activities are undertaken in partnership with regional managers. This arrangement has been developed in response to staffing and funding shortages. DORS maintains written policies and procedures for QA. DORS managers described a three-tier quality assurance review process that includes:

- Delegated Authority Review – This process involves supervisory review of counselors with delegated authority whereby supervisors review a sample of two IPEs and two authorizations per month.
- Regional Managers QA Review – In this process regional managers review one case per unit looking at quality, compliance, and documentation.
- QA Unit Review – This process coordinates central office teams to perform district office reviews of counselors with delegated authority.

Each review process uses an on-line service record review instrument housed on a commercial survey platform to measure both the quality of VR services and compliance of the service record. There are subsets of questions for use in each review process. Results of these QA processes provide a basis for regional and district training and may affect individual performance appraisals.

In addition to these review processes, the commercial electronic case management system contains reporting features for tracking eligibility and IPE time standards. Regional managers receive biweekly status reports which show the number of days in application status and in eligible status, thereby tracking application to eligibility and eligibility to IPE. Counselors receive a pop-up notification on their computers of activities due.

D. Recommendations

RSA’s review of the performance of the VR program in this focus area resulted in the following recommendations. Appendix C of this report indicates whether or not the agency has requested technical assistance to enable it to implement any of the below recommendations.

RSA recommends that DORS:

2.1 Individuals Who Exited from the VR Program

- 2.1.1 Collaborate with the WINTAC to identify strategies for providing effective guidance and counseling and information and referral services during the order of selection waiting list period;
- 2.1.2 Develop targeted information and resources for individuals assigned to the waiting list that would be of benefit to them, could address potential barriers to employment, or could assist with their immediate employment needs;
- 2.1.3 Explore workforce partner services and referral partner resources and their capacities to provide services to individuals assigned to the waiting list; and
- 2.1.4 Provide individuals assigned to the waiting list with realistic time frames before services can be delivered under an IPE.

2.2 Achievement of High Quality Employment Outcomes

- 2.2.1 Amend the current comprehensive statewide needs assessment (CSNA) to determine the incidence of impairment types in Maryland to assess whether the agency is underserving individuals with the targeted impairments;

- 2.2.2 Identify barriers and opportunities to expanding the provision of services to individuals with differing types of disabilities and the types of services provided to them;
- 2.2.3 Evaluate whether the services currently provided adequately address the needs of those individuals; and
- 2.2.4 Develop outreach strategies to expand participation in the VR program of individuals with differing types of disabilities.

2.3 Internal Controls

- 2.3.1 Modify the internal control process for the case service record to improve the accuracy and validity of reported data, for example by, increasing the frequency of internal reviews and the sample size of cases reviewed; and
- 2.3.2 Provide additional training to counseling staff on service record documentation requirements.

E. Findings and Corrective Actions to Improve Performance

RSA's review of the performance of the VR program in this focus area resulted in the identification of the following finding and corrective actions to improve performance. Appendix C of this report indicates whether or not the agency has requested technical assistance to enable it to implement any of the below corrective actions.

2.1. Untimely Development of the IPE

Issue: Is DORS developing IPEs within 90 days from the date of eligibility determination for each individual.

Requirement: In accordance with 34 CFR §361.45 (a), the VR services portion of the Unified or Combined State plan must assure that an IPE meeting the requirements of this section and 34 CFR §361.46 is developed and implemented in a timely manner for each individual determined to be eligible for VR services or, if the designated State unit (DSU) is operating under an order of selection pursuant to 34 CFR §361.36, for each eligible individual to whom the State unit is able to provide services; and that services will be provided in accordance with the provisions of the IPE. In addition, under 34 CFR §361.45(e), the IPE must be developed as soon as possible, but not later than 90 days after the date of determination of eligibility, unless the State unit and the eligible individual agree to the extension of that deadline to a specific date by which the IPE must be completed.

Analysis: The percentage of individuals for whom an IPE was developed within the mandated 90-day time frame decreased from 75 percent in FFY 2014 to 73 percent in FFY 2016, which is below the national performance for combined agencies of 75 percent. For youth under age 25 who exited the VR Program in FFY 2014, 57 percent had IPEs developed within the 90-day timeframe. DORS' Performance increased to 59 percent in FFY 2015 but declined to 57 percent in FFY 2016, which was below the national performance for combined agencies of 73 percent. For youth under age 25 at exit who achieved a supported employment outcome, DORS achieved

the 90-day standard in 97 percent of cases in FFY 2014 and FFY 2015, but declined to 95 percent in FFY 2016, compared to a national performance of 90 percent.

The establishment of a 90-day timeframe by WIOA ensures consistency across the VR program nationally and sets the expectation that all eligible individuals receive timely services through an effective and efficient VR program with an outcome of improved VR agency performance and resulting in employment outcomes for individuals with disabilities. RSA learned that prior to the enactment of WIOA, DORS had established a 120-day agency standard for IPE development. DORS State data has shown the agency's improvement to 87 percent adherence to the 90-day standard. DORS has policies which address the 90-day standard and documentation procedures for those individuals who require extension of the timeframe. RSA was informed that a notification or "Activity Due" tickler has been added to the case management system at 45 days elapsed time frame from eligibility determination to serve as a reminder and visual cue for counselors and supervisors of IPE development time elapsed. In addition, regional managers receive a report entitled Regional Number of days in Eligibility Status Report on a bi-weekly basis to track time elapsed from eligibility determination to IPE development.

Conclusion: As the FFY 2016 performance data demonstrate, DORS did not develop IPEs for each eligible individual whose service record was closed within 90 days following the date of eligibility determination. As a result of the analysis, DORS did not develop IPEs in a timely manner pursuant to 34 CFR §361.45(a)(1) and within the required 90-day period pursuant to 34 CFR §361.45(e).

Corrective Action 2.1.1: DORS must take the steps necessary to ensure that the IPEs for adults and youth are developed in a timely manner and within the established timeframe, pursuant to Section 101(a)(9)(A) of the Act and 34 CFR §361.45(e).

F. Technical Assistance

During the course of monitoring activities, RSA provided technical assistance to DORS as described below.

SOC Codes for Individuals Who Achieved Employment Outcomes

The RSA review team provided technical assistance regarding the appropriate use of SOC codes to identify the employment goal on the IPE and the employment outcome actually achieved. A review of DORS' employment outcomes by SOC Codes during FFY 2016 showed the most used code was "Installation, Maintenance and Repair" at 37.9 percent. This category was used to a much greater extent as compared to other employment categories used by DORS counselors and as compared to the national performance of all combined agencies. RSA learned that this code was most often used on IPEs for youth with disabilities as a preliminary code for vocational exploration; however, this goal on the IPE often did not reflect the actual employment outcome achieved by these youth at the time their service records were closed. DORS management has provided guidance to VR counselors and staff to ensure that IPEs, including those for youth with disabilities, are amended throughout the VR process and at the time of service record closure, if necessary, so that the identified employment goals reflect the employment outcomes achieved.

RSA-911 Reporting

RSA provided technical assistance to DORS regarding the appropriate reporting of the opening and closing of service records for individuals who did not achieve employment after they refused services or for other reasons. RSA explained that individuals whose service records were closed after they were unsuccessful in achieving employment and who desire to return to DORS for services later in the same program year, (July through June 30), must reapply for VR services. DORS cannot simply “reactivate” the service records of these individuals as had been the agency’s practice. DORS must report the closure of the first service record in the appropriate quarter earlier in the program year and the opening of the second service record in the appropriate quarter later in the program year. However, individuals are included in the WIOA performance accountability indicators only if they received services and exited from the VR program at the close of the program year.

DORS did not request additional technical assistance.

SECTION 3: FOCUS AREA – TRANSITION SERVICES, INCLUDING PRE-EMPLOYMENT TRANSITION SERVICES FOR STUDENTS AND YOUTH WITH DISABILITIES

A. Nature and Scope

Through the implementation of this focus area, RSA assessed the VR agency performance and technical assistance needs related to the provision of transition services, including pre-employment transition services, to students and youth with disabilities and the employment outcomes achieved by these individuals. For purposes of the VR program, “transition services” are defined as a coordinated set of activities for a student or youth with a disability, designed within an outcome-oriented process that promotes movement from school to post-school activities, including post-secondary education, vocational training, competitive integrated employment, supported employment, continuing and adult education, adult services, independent living, or community participation.

The Act places heightened emphasis on the provision of services, including pre-employment transition services, to students and youth with disabilities to ensure they have meaningful opportunities to receive training and other services necessary to achieve employment outcomes in competitive integrated employment. Pre-employment transition services are designed to help students with disabilities to begin to identify career interests that will be explored further through additional VR services, such as transition services.

“Pre-employment transition services,” defined in section 7(30) of the Act and 34 CFR §361.5(c)(42), include both required activities and authorized activities specified in section 113 of the Act and in 34 CFR §361.48(a). Pre-employment transition services also include pre-employment transition coordination activities. Section 113(a) of the Act requires that VR agencies provide, or arrange for the provision of, pre-employment transition services to students with disabilities who are eligible or potentially eligible for VR services. The term “potentially eligible” is specific to the provision of pre-employment transition services but is not defined in the Act. A “student with a disability,” as defined in section 7(37) of the Act and 34 CFR §361.5(c)(51), includes the minimum age for the receipt of pre-employment transition services, the minimum age for the provision of transition services under the Individuals with Disabilities Education Act (IDEA), and the maximum age for the receipt of services under IDEA; thus, the implementing definition of “student with a disability” may vary from State to State.

“Youth with a disability” is defined in section 7(42) of the Act and 34 CFR §361.5(c)(58) as an individual with a disability who is age 14 through 24. The distinction between the definitions of “student with a disability” and “youth with a disability” is critical for purposes of the various authorities for providing transition-related services, including pre-employment transition services.

During the monitoring process, RSA and the VR agency jointly reviewed applicable data and documentation related to transition and pre-employment transition services, which included:

- SEA and local educational agency (LEA) agreements;
- Policies related to the provision of transition services, including pre-employment transition services;
- An on-the-job training agreement;
- Assurance 4(c) and descriptions (j), (m), and (o), and any other relevant information from the most recently submitted VR services portion of the Unified or Combined State Plan;
- Federal Financial Report (SF-425) reporting procedures, especially as those procedures relate to the proper accounting and reporting of expenditures with funds reserved under section 110(d)(1) of the Act for the provision of pre-employment transition services for students with disabilities;
- Supporting documentation for expenditures incurred with funds reserved for the provision of pre-employment transition services and reported in line 12b of the SF-425;
- Updated policies or procedures for tracking expenditures for the provision of pre-employment transition;
- DORS Pre-Employment Transition Services Fact Sheet and student information form; and
- DORS Pre-Employment Transition Services Agreement.

In gathering information related to the provision of transition services, including pre-employment transition services, RSA consulted:

- The VR agency director and other senior managers;
- VR agency fiscal officers and staff;
- VR agency counselors;
- VR agency transition coordinators and staff;
- Representatives of educational agencies;
- NTACTION and WINTAC staff;
- Representatives of the SRC and the CAP; and
- Service providers.

B. Overview

Transition Service Delivery Structure

Transition services and pre-employment transition services are provided by 55 VR transition counselors and five pre-employment transition services counselors throughout Maryland. Students and youth can be referred to DORS by their teachers, transition coordinator or specialist, school personnel, family or their representatives. Students and youth can also self-refer by completing a paper and/or online referral form. The agency's referral form includes demographic information such as: (a) a student's or youth's name; (b) telephone number; (c) social security number (hard copy submission); (d) temporary identifier (online submission); (e) date of birth; (f) address, (g) disability type(s); and (h) school(s) attended. DORS developed a similar pre-employment transition services referral form, pre-employment transition services student information form, requesting similar demographic information.

DORS updated its website to include transition services and pre-employment transition services information and materials (i.e., Pre-Employment Transition Services Fact Sheet and DORS Provider/Vendor Fact Sheet).

Outreach

DORS ensures that transition services, and all required activities as described in section 113(b) of the Act and 34 CFR §361.48(a)(2), are made available to or arranged for students and youth with disabilities, as applicable, statewide, including students who are potentially eligible for VR services. At least one VR counselor is assigned to each public secondary school in the State to provide transition services and pre-employment transition services. DORS reported that its VR counselors are active in attending staff and IPE meetings. Others have presented at transition events in local school districts and surrounding communities. DORS' transition specialists also participate in meetings to educate transition personnel across the State about transition and pre-employment transition services.

DORS has not made any significant changes to its outreach policy to include outreach to students and youth with disabilities, including those students and youth who are potentially eligible for VR services. DORS indicated that it would continue to target all students with disabilities by educating the public about transition services and pre-employment transition services by conducting outreach to local school districts, charter schools, and private schools. DORS also placed emphasis on identifying students and youth by increasing opportunities to collaborate with the American Job Centers (AJCs), homeless and health clinics, GED and adult education programs, and through State-sponsored foster care programs. DORS holds quarterly meetings with VR counselors to review updates to its policies and procedures and to address concerns related to the implementation of transition services and pre-employment transition services.

Planning for the Delivery of Pre-Employment Transition Services and Transition Services for Students and Youth with Disabilities

DORS completed its WIOA State Plan and CSNA in FFY 2016. Surveys were mailed to CRPs and electronic versions were sent by email to statewide transition facilitators. Survey findings revealed gaps in the delivery of pre-employment transition services in Baltimore, Cecil, Harford and Kent counties. As a result of these findings, and the statutory and regulatory requirement to implement pre-employment transition services statewide, DORS requested technical assistance through the WINTAC. DORS identified the following needs:

- a) Identifying effective strategies to expand the provision of pre-employment transition services;
- b) Meeting the 15 percent reserve requirement;
- c) Making pre-employment transition services available to all students with a disability, including those potentially eligible while on an order of selection waiting list;
- d) Determining the necessary actions needed to demonstrate the amount of reserve funds remaining in order to use those funds for additional authorized pre-employment transition activities;
- e) Identifying activities that reserve funds can be used to pay for under pre-employment transition services; and

- f) Ensuring agency policies and procedures are consistent with statutory changes outlined in the Act, including section 113 of the Act.

A five-year strategic plan is in the initial stage of development to assist DORS and its providers to identify resources and services that can be implemented to ensure students and youth will continue to have access to and receive pre-employment transition services statewide. In addition, WINTAC and DORS will explore opportunities to expand pre-employment transition services through an online and electronic modality for students who are located in rural areas of the State.

SEA Agreement

DORS is an organizational unit of the MSDE. DORS and MSDE work collaboratively to provide transition services and pre-employment transition services to youth and students with disabilities. At the time of the onsite visit, DORS and MSDE were in the initial stages of updating the formal interagency agreement to incorporate statutory and regulatory changes as a result of the Act. However, DORS and MSDE have issued joint transition and pre-employment transition services guidance to their respective staff. DORS reported that both agencies have experienced significant personnel changes, which has limited the ability to finalize the SEA agreement. DORS also has 24 LEA agreements at various stages of development and implementation. DORS, in collaboration with MSDE, sought technical assistance from the NTACTION in developing the SEA agreement. In addition, DORS and MSDE attended NTACTION's Capacity Building Institute in May 2017, where the implementation of SEA and LEA agreements was discussed. DORS anticipates the SEA and LEA agreements will be finalized by December 2017.

Transition Policies and Procedures

DORS organized an intra-agency workgroup to review statutory and regulatory changes as a result of the Act and to develop pre-employment transition services policies and procedures. During the onsite review, RSA reviewed DORS' Rehabilitation Services Manual (RSM) 2, VR & IL Policies and Procedures, RSM Section 1700 Pre-Employment Transition Services, Coordination and Planning for Students with Disabilities. Topic areas covered in section 1700 include:

- a) the definition of "student with a disability," including the provision of services to students who are potentially eligible;
- b) the referral process for students with disabilities;
- c) the documenting and reporting processes for pre-employment transition services;
- d) the five required activities of pre-employment transition services as described in section 113 of the Act and §361.48(a)(2);
- e) providing reasonable accommodations; and
- f) outreach and collaboration with service providers.

DORS' policies and procedures manual also references assessment considerations and outreach efforts in school-based meetings, specifically individualized education plan (IEP) team meetings.

Provision of Pre-Employment Transition Services

During the onsite visit, RSA and DORS discussed the provision of pre-employment transition services as described in the Act and regulations. DORS provides pre-employment transition services to students with disabilities who are:

- enrolled in secondary school (including home school or other alternative secondary education program, post-secondary education program, or other recognized educational program and has not exited, graduated, or withdrawn from the school setting);
- at least 14 years old but less than age 22; and
- has a disability documented with an IEP, 504 plan, medical records, or a doctor's note.

In FFY 2016, DORS served 826 students with disabilities through direct services provided by a VR counselor, as well as in collaboration with local school districts and CRPs. Comparatively, during the first two quarters of FFY 2017, DORS has served 1,555 students with disabilities.

Required Activities

DORS updated its case management system to include pre-employment transition services and individualized transition services case-types. These case management types are identified in the system as 'Pre-ETS Case Type' and 'VR Case Type', which makes it easier, as reported by DORS, for VR counselors to differentiate between students who receive pre-employment transition services and individualized transition services, and students who are only engaged in pre-employment transition service activities. Internal controls are also in the system to ensure the 15 percent pre-employment transition reserve is accessible once the VR counselor identifies an individual as a 'student with a disability' and the educational goals are documented in the system. Procedural updates were made to the DORS' policy on how to appropriately document students with disabilities in the system. A desk reference and flow-chart were also distributed to assist VR counselors in completing VR services activities in a timely manner.

Under the 'Pre-Employment Transition Services' case type in the system, DORS lists the five required pre-employment transition services as specified in section 113 of the Act and in 34 CFR §361.48(a)(2). DORS, in collaboration with CRPs and LEAs, provides each of these required activities in a group setting and on an individual basis. These activities are also made available to students in need of pre-employment transition services regardless of whether a student with disabilities has applied for VR services. RSA and DORS discussed the following five required activities and the types of services and activities provided to students with disabilities in the State of Maryland:

- Job Exploration Counseling- Administration of vocational interest inventories; discussion of labor market information in occupational handbooks and web-based career exploration activities (i.e., the U.S. Department of Labor (DOL)); worksite visits; review of wage and hour information for occupations; and job interview techniques.
- Work-Based Learning Experiences- DORS developed cooperative agreements with Humanim; the Johns Hopkins Summer Jobs Program; Sinai Hospital VSP Program; and the Baltimore City Summer Youth Program.
- Counseling on Opportunities for enrollment in Comprehensive Transition or postsecondary Educational Programs- Students participate in university and/or college tours; discussion of college majors and course offerings with academic advisors; and discussion of career opportunities with career counselors.
- Workplace Readiness Training- Counseling on appropriate work-related behaviors; financial and/benefits counseling (i.e., SSI/SSDI planning and budgeting); and soft skills

and interpersonal skills training (i.e., time management, communication, problem-solving, teamwork).

- Instruction in Self-Advocacy- Postsecondary self-advocacy training (i.e., speaking to professors, working with disability support services); and advising students on how to request accommodations.

Authorized Activities

DORS and RSA reviewed the statutory and regulatory requirements related to the provision of the nine authorized activities as described in section 113 of the Act and 34 CFR §361.48(a)(2) of the VR regulations. At the time of the onsite visit, DORS' efforts were focused on providing the required activities in section 113 of the Act and 34 CFR §361.48(a)(2). As discussed previously, DORS updated its website to include pre-employment transition service information and materials (i.e., FAQ sheet and CRP proposal guide). DORS held multiple intra-agency meetings and trainings to educate its personnel about pre-employment transition services. In addition, DORS has updated its brochures and leaflets to include pre-employment transition language and distributes a quarterly transition newsletter that outlines common questions and best practices from a VR counselor perspective.

Pre-Employment Transition Coordination Activities

DORS reported that VR counselors and supervisors serve on local management and workforce development boards, including AJCs; Mayor's Office of Employment Development board in Baltimore; Job Corp and the Urban League; and the Governor's Transition Youth Initial Council. Some VR counselors attend staff and IEP meetings and assist in the planning of transition events at school districts throughout Maryland.

Provision of Group Transition Services

DORS and RSA discussed the provision of group transition services available to students and youth who may not have applied for VR services under section 103(b) of the Act and 34 CFR §361.49(a)(7). DORS had not implemented group transition services at the time of the on-site monitoring visit.

Provision of Individualized Transition Services

As previously discussed, students and youth who have been determined eligible for VR services and can be served under the order of selection must have an IPE within the 90-day statutory time requirement. VR counselors provide service-related activities including assessments, job search and placement activities, hard and soft skills training, benefits counseling, and VR counseling and guidance activities.

C. Analysis of Performance and Observations

RSA's review and analysis of the performance of DORS in this focus area resulted in the following observations:

3.1 Individuals Under the Age of 25 Exiting the VR System

Observation: Individuals under the age of 25 are exiting from the VR system prior to receiving services.

- The percentage of individuals with disabilities under age 25 who exited as an applicant in FFY 2016 was 5.46 percent, which was 7.03 percent lower than the percentage for combined agencies.
- The percentage of individuals with disabilities under age 25 who exited from an order of selection waiting list decreased by 5.24 percent from FFYs 2014 to 2015. The percentage increased by 3.57 percent to 4.74 percent for FFY 2016, which was 3.61 percent higher than the percentage for combined agencies.
- The percentage of individuals under age 25 who exited without employment after the determination of eligibility but before the development of an IPE increased by 6.93 percent from FFYs 2014 to 2015. In contrast, the percentage decreased by 8.08 percent for FFY 2016 to 25.74 percent. However, this percentage was 21.26 percent higher than the percentage for combined agencies.
- The percentage of individuals with disabilities under age 25 who exited without employment after developing an IPE but before receiving services decreased by 2.41 percent from FFYs 2014 to 2015. The percentage increased slightly by 1.71 percent to 9.13 percent for FFY 2016, which was 9.87 percent lower than the percentage for combined agencies.
- The percentage of individuals under age 25 who exited without employment increased slightly from 17.84 percent in FFY 2014 to 18.64 percent in FFY 2016, which was 9.4 percent lower than the percentage for combined agencies.

3.2 VR Services Provided to Individuals with Disabilities Under Age 25

Observation: In FFY 2016, DORS did not emphasize the provision of VR services to individuals with disabilities under age 25 that could better assist them to achieve high quality employment outcomes.

- The percentage of individuals with disabilities under age 25 who received college or university training in FFY 2016 was 0.2 percent, which is 1.4 percent lower than the percentage for combined agencies.
- Although the percentage of individuals with disabilities under age 25 who received four-year or university training increased by 1.4 percent from FFYs 2014 to 2016, the percentage was 8.5 percent lower than the percentage for combined agencies.
- The percentage of individuals with disabilities under age 25 who received junior or community college training decreased from 8.0 percent during FFY 2014 to 6.60 percent in FFY 2016, which was 1.8 percent lower than the percentage for combined agencies.
- The percentage of individuals with disabilities under age 25 who received on-the-job training increased from 0.20 percent during FFY 2014 to 0.90 percent in FFY 2016, which was 1.6 percent lower than the percentage for combined agencies.
- The percentage of individuals with disabilities under age 25 who received occupational or vocational training increased from 13.1 percent in FFY 2014 to 16.3 percent in FFY 2016, which was 6.2 percent higher than the percentage for combined agencies.

- The percentages of individuals with disabilities under age 25 who received assessment, diagnosis/treatment of impairments, and VR counseling and guidance services were comparable to the percentages for combined agencies for FFYs 2014, 2015, and 2016 at 62.06 percent, 26.36 percent, and 98.3 percent, respectively.
- The percentage of individuals with disabilities under age 25 who received benefits counseling increased from 7.10 percent to 9.30 percent from FFY 2014 to FFY 2015. In addition, the percentage increased by 0.20 percent to 9.50 percent for FFY 2016, which was 5.8 percent higher than the percentage for combined agencies.
- The percentage of individuals with disabilities under age 25 who received rehabilitation technology services during FFY 2016 was 15.20 percent, or 8.1 percent higher than the percentage for combined agencies.
- The percentage of individuals with disabilities under age 25 who received job search assistance in FFY 2016 was 49.10 percent, which was 13.3 percent higher than the percentage for combined agencies.
- The percentage of individuals with disabilities under age 25 who received job placement assistance in FFY 2016 was 16.40 percent, which was 14.20 percent lower than the percentage for combined agencies.

3.3 Employment Outcomes for Individuals with Psychosocial and Psychological Disabilities under Age 25

Observation: In FFY 2016, the employment rates of individuals with disabilities under age 25 by disability type generally were higher than the employment rates for these individuals served by all combined agencies; however, the percentage of individuals with psychosocial and psychological disabilities who exited without employment was higher than the percentage for all combined agencies that year.

- The employment rate for individuals with visual disabilities under age 25 who exited from the VR program during FFY 2016 was 64.50 percent, which was 15.02 percent higher than the percentage for combined agencies.
- The employment rate for individuals with auditory and communicative disabilities under age 25 who exited from the VR program during FFY 2016 was 66.70 percent, which was 8.79 percent higher than the percentage for combined agencies.
- The employment rate for individuals with intellectual and learning disabilities under age 25 who exited from the VR program during FFY 2016 was 69.40 percent, which was 13.1 percent higher than the percentage for combined agencies.
- The employment rate for individuals with psychosocial and psychological disabilities under age 25 who exited from the VR program during FFY 2016 was 11.37 percent higher than the percentage for combined agencies; however, the percentage of these individuals who exited from the VR program without an employment outcome, though it decreased from FFY 2014 to FFY 2016, was higher than the percentage for all combined agencies. The percentage decreased from 36.53 percent in FFY 2014 to 34.52 percent in FFY 2015, and in FFY 2016, the percentage decreased by 4.6 percent to 29.92 percent. This last percentage was 5.3 percent higher than the percentage for combined agencies.

D. Recommendations

RSA's review of the performance of the VR program in this focus area resulted in the following recommendations. Appendix C of this report indicates whether or not the agency has requested technical assistance to enable it to implement any of the below recommendations.

RSA recommends that DORS:

3.1 Individuals Under the Age of 25 Exiting the VR System

- 3.1.1 Conduct surveys or use other methods to identify the barriers or factors related to the exit of individuals with disabilities under age 25 from the VR program prior to the provision of services and the achievement of employment;
- 3.1.2 Continue to distribute the Number of Days in Eligible Status report to VR counselors and develop performance action plans, if necessary;
- 3.1.3 Engage students and youth with disabilities in the group transition process as described in section 103(b)(7) of the Act and 34 CFR §361.49(a)(7) until they can receive services under an IPE; and
- 3.1.4 Collaborate with independent living centers or other CRPs to determine whether needed services similar to individualized VR services could be provided by these partners while students and youth are assigned to an order of selection waiting list.

3.2 VR Services Provided to Individuals with Disabilities Under Age 25

- 3.2.1 Identify and assess barriers or factors that are preventing VR counselors from developing college and on-the-job training IPEs and develop measurable goals and strategies to increase the agency's performance in this area;
- 3.2.2 Conduct case reviews to determine if IPE goals and services, including employment goals, are aligned with the labor market demands and trends in the State of Maryland;
- 3.2.3 Provide data and information to VR counselors to ensure they are aware of labor market demands and trends; and
- 3.2.4 Consider joint training activities with the Maryland Department of Labor, Licensing and Regulations (DLLR) to ensure VR counselors and staff are aware of job-driven and high-demand employment opportunities.

3.3 Employment Outcomes for Individuals with Psychosocial and Psychological Disabilities under Age 25

- 3.3.1 Identify and assess barriers limiting employment outcomes for individuals with psychosocial and psychological disabilities under age 25 and develop strategies to improve performance in this area; and
- 3.3.2 Develop and implement a plan to enhance VR counselor skills to assist individuals with psychosocial and psychological disabilities.

E. Findings and Corrective Actions to Improve Performance

RSA's review of the performance of the VR program in this focus area did not result in the identification of any findings or corrective actions to improve performance.

F. Technical Assistance

During the course of monitoring activities, RSA provided technical assistance to DORS as described below.

Definitions of a Student and Youth with a Disability

RSA provided technical assistance related to the definition of "youth with a disability" in section 7(42) of the Act and in 34 CFR §361.5(c)(58), to clarify that a "youth with a disability" is (a) an individual with a disability; (b) not younger than 14 years of age and not older than 24 years of age; (c) there is no requirement that a "youth with a disability" be participating in an educational program; and (d) the age range for a "youth with a disability" is typically broader than that for a "student with a disability."

RSA clarified that a student who graduates or exits from secondary education and meets the minimum and maximum age requirements as set forth in section 7(37) of the Act and 34 CFR §361.5(c)(51), and is enrolled in postsecondary education for whom classes will begin after summer break, would continue to be considered a student with a disability. Students with disabilities may receive pre-employment transition services until they are no longer enrolled or participating in postsecondary education and no longer meet the statutory and regulatory age requirements.

RSA clarified that a student with a disability who has not been accepted into an educational program, including postsecondary education, upon exit from secondary education, would not be considered to be enrolled or participating in an educational program. As such, the individual would be considered to be a youth with a disability. However, if a youth with a disability enrolls in or begins participating in an educational program while meeting the statutory and regulatory age requirements of a "student with a disability," he or she would be permitted to begin pre-employment transition services under section 113 of the Act.

RSA clarified that documentation of enrollment should come from the educational program in which the individual is enrolled. Further, if the individual is participating in postsecondary education, documentation should be submitted from that institution of higher education. If the individual is enrolled and participating in a GED program, documentation from that program would need to be submitted. It may be a letter to VR, or a transcript, or report card that substantiates that the individual is enrolled and participating in an educational program. Students exiting secondary education who are enrolled in postsecondary education for whom classes will begin in the fall, would still meet the definition of a student during the summer. For those individuals, acceptance letters from the institutions of higher education and course registration are all acceptable forms of supporting documentation.

SEA Agreement

RSA provided technical assistance specific to the formal interagency agreement requirements described in section 101(a)(11)(D) of the Act and 34 CFR §361.22(b), including the procedures

for coordinating between DORS and the educational officials responsible for the public education of students and youth with disabilities.

RSA clarified that financial responsibilities between DORS and its providers must be made at the local level and the agency should include the information in its formal interagency agreement to assist LEAs and local VR offices with determining which entity is responsible for providing funding and services that are similar under the Rehabilitation Act and IDEA.

RSA provided technical assistance specific to customary services, including how to determine responsibility for those services that may be either a special education or related service under IDEA and a VR service under the Act, as amended by WIOA.

RSA clarified that SEA and LEA agreements must describe how DORS, the MSDE, and LEAs will capture the required data elements for individuals receiving pre-employment transition services including: (a) a unique identifier; (b) social security number (if available); (c) date of birth; (d) race- required if student is in elementary or secondary education; (e) ethnicity- required if student is in elementary or secondary education (f) student with a disability; (g) start date of pre-employment transition services; and (h) pre-employment transition services.

RSA provided technical assistance specific to section 511(b)(2) of the Act and 34 CFR §397.31, which prohibits the LEAs and SEA from entering into a contract, or other arrangement, with an “entity” that holds a certificate under section 14(c) of the Fair Labor Standards Act for the purpose of operating a program for a youth under which work is compensated at a subminimum wage.

Provision of Pre-Employment Transition Services

RSA clarified that required, authorized, and pre-employment transition coordination activities may be provided or arranged for concurrently so long as DORS can demonstrate that it has identified the number of potential individuals eligible for pre-employment transition services, and the funds necessary to provide the required activities.

RSA clarified that students with disabilities may participate in apprenticeships under section 113 of the Act and 34 CFR 361.48(A)(2) so long as the apprenticeship is not a pre-apprenticeship or registered apprenticeship. The apprenticeship experience can be done in partnership with private for-profit, public, or nonprofit businesses, in-school or outside the traditional school setting or through web-based resources. If work-based learning experiences are paid, students with disabilities must be paid competitive wages to the same extent competitive wages are paid to students without disabilities in similar experiences. Lastly, DORS should exhaust all opportunities for work-based learning experiences in integrated settings before placing an individual in a non-integrated setting.

Expenditures for Travel Costs

RSA clarified that travel costs incurred directly as a result of providing VR services constitute a service-related cost, not an administrative cost, for the purposes of the VR program. DORS may use funds reserved for the provision of pre-employment transition services to pay for those travel costs incurred as a direct result of providing pre-employment transition services, including

lodging and meals if necessary to directly provide pre-employment transition services to students with disabilities that are proportional to the time spent directly providing or arranging for the provision of pre-employment transition services. However, to the extent the VR counselor or partner is performing other duties, DORS is not permitted to charge the portion of travel costs, etc., for those other activities, to the funds reserved for the provision of pre-employment transition services.

DORS did not request additional technical assistance.

SECTION 4: FOCUS AREA – STATE SUPPORTED EMPLOYMENT SERVICES PROGRAM

A. Nature and Scope

Through this focus area, RSA assessed the Supported Employment program, authorized under title VI of the Act and regulations in 34 CFR part 363. The Supported Employment program provides grants to assist States in developing and implementing collaborative programs with appropriate entities to provide programs of supported employment services for individuals with the most significant disabilities, including youth with the most significant disabilities, to enable them to achieve a supported employment outcome in competitive integrated employment. Grants made under the Supported Employment program supplement grants issued to States under the VR program.

WIOA made several significant changes to title VI of the Act that governs the Supported Employment program. The amendments to title VI are consistent with those made throughout the Act to maximize the potential of individuals with disabilities, especially those individuals with the most significant disabilities, to achieve competitive integrated employment and to expand services for youth with the most significant disabilities.

The changes to the Supported Employment program made in the Act covered in this focus area included:

- The extension of the time frame for the provision of supported employment services from 18 to 24 months (section 7(39)(C) of the Act, 34 CFR §361.5(c)(54)(iii), and 34 CFR §363.50(b)(1));
- The requirement that supported employment must be in competitive integrated employment or, if not in competitive integrated employment, in an integrated setting in which the individual is working toward competitive integrated employment on a short-term basis (section 7(38) of the Act and 34 CFR §363.1);
- The requirement that supported employment funds and/or VR program funds be available for providing extended services to youth with the most significant disabilities for a period of time not to exceed four years, or until such time that a youth reaches the age of 25 and no longer meets the definition of “youth with a disability,” whichever occurs first (section 604(b) of the Act and 34 CFR §363.4(a)(2)); and
- The reduction of the amount of funds that may be spent on administrative costs (section 606(b)(7)(H) of the Act and 34 CFR §363.51).

To facilitate the provision of monitoring and technical assistance activities, and in preparation for the on-site visit, the RSA and DORS reviewed applicable documentation and resources related to the Supported Employment program, including, but not limited to:

- VR agency policies and procedures related to the provision of supported employment and extended services;

- Third-party cooperative arrangements (TPCAs) and/or cooperative agreements with employers, State agencies, private nonprofit organizations, and other groups that fund extended services;
- TPCAs and/or cooperative agreements with supported employment vendors and associated CRPs;
- Supported employment assurances 5, 6, and 7 and descriptions e, j.1.A, k.2.B, 1.2, n, o, p, and q and any additional information from the VR services portion of the most recently approved Unified or Combined State Plan;
- Procedures to limit expenditures on administrative costs to 2.5 percent of the State’s supported employment award; and
- Performance data related to the number and percentage of individuals with the most significant disabilities receiving supported employment services and achieving supported employment outcomes.

In gathering information related to this focus area, the review team consulted:

- The VR agency director and other senior managers;
- VR agency counselors;
- VR agency supported employment coordinators and staff;
- Supported employment vendors and associated rehabilitation providers; and
- Entities with which the VR agency has arrangements to fund extended services.

B. Overview

DORS’ supported employment policy, per Section 800 (“Supported Employment”) of the Agency’s Vocational Rehabilitation and Independent Living Policies and Procedures Manual II (RSM II), was last updated in June 2014, prior to the passage of WIOA. In addition to this policy, DORS provided RSA a series of draft supported employment policies and related documents, including: multiple cooperative agreements by DORS for purchased supported employment services (including several initiated or updated in February and March 2017); and DORS’ cooperative agreements for employment services with both the Maryland BHA and DDA. These policies and agreements state that the Agency provides supported employment services to individuals as follows:

- a) individuals eligible for BHA-funded supported employment services;
- b) individuals eligible for DDA-funded supported employment services; and
- c) individuals with acquired brain injury (ABI) served through the Governor’s Acquired Brain Injury Program for Extended Services (ABI Program).

Each of the above referenced cooperative agreements and policies likewise discuss the following three models:

- 1) employer-sponsored enclaves and CRP-sponsored enclaves;
- 2) CRP-sponsored mobile work crews; and
- 3) individual placement and support (IPS).

Section 802 (“Supported Employment Glossary/Key Concepts”) of the RSM II defines the three models as follows:

- 1) Enclaves consist of a small group (generally five to eight) of individuals with most significant disabilities who work in a community-based local and integrated industry with training, supervision and ongoing support provided by a job coach/employment specialist from a vendor/provider agency. The enclave supervisor may be employed either by the employer or by the vendor/provider agency. Supported employment enclaves are distinguished by the continuous individualized job and social skills training provided to consumers. The individuals in the enclave may be employed either by the employer or by the vendor of supported employment services.
- 2) Mobile work crews are set up as small single-purpose service businesses whose employees move from site to site in the community. A general manager is responsible for small crews and there is one supervisor/job coach per crew. Companies using the mobile work crew model are often organized as not-for-profit corporations, performing such services as cleaning or landscaping. Mobile work crew members should be provided the same opportunities for integration with customers and the general public to the same extent as non-disabled workers in comparable positions interact with others in performing these work activities.
- 3) Individual placement and support establishes employment opportunities for individuals with most significant disabilities in local employment settings on a one-person/one-job basis. Typically, a trained job coach develops the job in business, matches an individual to the job and trains the individual on the job until he or she meets employer criteria and has developed social integration skills. The job coach then provides extended services to the individual and the employer.

Per discussions with several CRPs, VR counselors, DORS’ management and partners from DDA and BHA, and review of draft supported employment policies, it appears that DORS recently ceased funding enclave and mobile work crew supported employment services (or is in the final stages of doing so in some locations).

Individuals Eligible for BHA-Funded Extended Services

Individuals eligible for BHA-funded extended services constitute the first of the three current populations to whom DORS regularly provides supported employment services. DORS management and executive level BHA staff reported that their joint priorities are to continue to provide staff resources and staff training to support evidence-based practices and to further enhance collaboration through a braided funding model that enhances and expands the ability of both DORS and BHA to fund services and increase capacity in the number of individuals eligible for supported employment.

Individuals Eligible for DDA-Funded Extended Services

Individuals eligible for DDA-funded extended services constitute the second of the three current populations to whom DORS regularly provides supported employment services. DORS management and executive level DDA staff reported that their joint priorities are to continue collaboration to implement Employment First, ensuring that individuals with intellectual/developmental disabilities consider employment on a preferred basis in planning for their lives, and to work collaboratively through customized employment and supported

employment services to facilitate movement from sheltered work to competitive integrated employment.

The Individuals with Disabilities - Minimum Wage and Community Integration Act, HB 420/SB 417, effective October 1, 2016, requires phasing out the payment of subminimum wages in Maryland by October 1, 2020. DORS is currently working, in partnership with DDA, in accordance with 34 CFR §397.40, to facilitate independent decision-making and informed choice for currently employed subminimum wage employees for whom subminimum wage will no longer be an option. DORS and the Maryland Department of Health and Mental Hygiene (DHMH) and the Maryland DLLR have worked together to identify all individuals in Maryland employed under Section 14(c) of the Fair Labor Standards Act (FLSA). DORS and DDA have made initial contact with every individual who is known to be employed at subminimum wage in the State and actively promote supported employment, including customized employment, pursuant to Employment First principals. DORS is also working with DDA to develop individual phase out plans for current subminimum wage employees that may lead to IPEs for each individual determined to be eligible for VR services.

DORS management and executive level BHA and DDA staff stated that they are committed to updating their cooperative agreement to align with HB 420/SB 417, 34 CFR §397.40, and the overarching principle of the Act – namely, that individuals with disabilities are capable of achieving full integration into all aspects of life, including employment, if they are provided reasonable accommodations and appropriate supports and services. The cooperative agreements between DORS and respectively, BHA and DDA, were last updated in December 2011 and October 2013.

Individuals from the ABI Program

Individuals from the ABI Program constitute the third population to whom DORS regularly provides supported employment services. Section 804.04 (“VR Process for Individuals with Acquired Brain Injuries”) of the RSM II states that individuals considered for the ABI Program:

- 1) must have a primary cause of disability of brain injury or stroke;
- 2) must require supported employment services; and
- 3) are not eligible for DDA or BHA long-term vocational supports.

The ABI Program began in July 2006 with a budget of approximately one million, including \$150,000 from DORS, and \$850,000 in appropriations from the Governor’s Office. The Maryland SRC minutes from FFY 2009 state that DORS allots \$850,000 annually for the ABI Program. The ABI Program currently serves approximately 50 to 60 consumers per year. DORS program and fiscal managers stated that DORS is the sole funder for the ABI Program and has been since approximately 2009.

A unique feature of the ABI Program is that DORS funds extended services for consumers served under the ABI Program. Per DORS’ current supported employment policy, and recent draft VR policy, DORS funds extended services for consumers with ABI at the same rate, \$500 per month, paid by BHA and DDA for extended services for individuals with mental health and developmental disabilities. The Act and 34 CFR §361.5(c)(19)(v) do not permit using VR and Supported Employment Service program dollars to fund extended services except for youth with

disabilities under the age of 25. DORS' current ABI Program policy directs VR counselors to code extended services for consumers with ABI as post-employment services pursuant to 34 CFR §361.5(c)(41).

DORS maintains a comprehensive network of over 110 CRPs statewide that provide job coaching services to individuals in supported employment and individuals with significant disabilities not in supported employment. This strong collaboration between DORS and a large array of CRPs, in concert with the BHA and DDA, contributes to statewide service provision, although availability of services varies. Underserved areas of the State include Western Maryland, Southern Maryland, and Northeast Maryland.

DORS Supported Employment Data Analysis

Maryland's WIOA State Plan estimates funding supported employment services for 4,000 individuals in FFY 2017. Appendix A contains the program and fiscal performance data tables used throughout the review.

As reported in Table 5.1.a, DORS achieved an average of 677 supported employment closures during the FFYs 2014 through 2016 review period, constituting 26.63 percent of DORS' total number of consumers exiting with an employment outcome, or 2.28 times the performance of 11.67 percent for combined agencies for FFY 2016.

The percentage of competitive supported employment outcomes achieved rose from 95.44 percent in FFY 2014 to 100 percent in FFY 2016, or 5.93 percentage points higher than the 94.07 percent for combined agencies. Of DORS consumers achieving competitive supported employment outcomes in FFY 2016, 28.26 percent met substantial gainful activity, which is 4.73 percentage points above the performance for combined agencies of 23.53 percent.

As reported in Table 5.1.b, DORS achieved an average of 203 supported employment closures for individuals under age 25 during the FFYs 2014 through 2016 review period, including 193 in FFY 2016, constituting 20.6 percent of DORS' total number of individuals under age 25 at exit with an employment outcome, or 1.53 times the performance for combined agencies of 13.49 percent in FFY 2016.

The percentage of competitive supported employment outcomes achieved for individuals under age 25 at exit rose from 92.44 percent in FFY 2014 to 100 percent in FFY 2016, or 5.42 percent higher than the performance for combined agencies of 94.58 percent. Of DORS consumers in FFY 2016 under age 25 at exit achieving competitive supported employment outcomes, 28.26 percent met substantial gainful activity, which is 4.73 percent above the performance for combined agencies of 23.53 percent.

C. Analysis of Performance and Observations

RSA's review and analysis of the performance of DORS in this focus area resulted in the following observations:

4.1 Individuals not in supported employment who require supported employment services

Observation: DORS provides job coaching to individuals who are not in supported employment when extended services cannot be identified at the time of IPE development, although these consumers require long-term provision of job coaching services to succeed in their employment. DORS refers to these individuals as receiving “non-supported employment job coaching.”

DORS’ virtually exclusive referral arrangement with BHA and DDA raises concerns about DORS’ policy for the development of IPEs for eligible individuals who, because of the nature and severity of their disabilities, require supported employment services and extended services after the transition from supported employment services funded by the agency. Per Section 800 (“Supported Employment”) of the RSM II, DORS limits its provision of supported employment services to individuals who, at the time of developing their IPEs, are eligible for extended services funded by DORS, BHA or DDA. However, section 102(b)(4)(F) of the Act and 34 CFR §361.46(b)(3) and §363.11(g)(3)(iii) clearly state that IPEs can be developed for individuals for whom extended services have not been identified if there is a reasonable basis when developing the IPE to expect that extended services, including natural supports, will become available for the individual before the individual transitions from support funded by the VR Agency.

As reported in the FFY 2013 CSNA and subsequently reported in the WIOA State Plan, the most requested service from CRPs reported by VR counselors and supervisors was job coaching for individuals with significant disabilities not in supported employment. Job coaching services are offered to a significantly larger number of individuals with most significant disabilities who are not in supported employment but who are in the order of selection Priority Category I when compared to the number of individuals in supported employment receiving job coaching services. Hence, given that over a quarter of DORS consumers (100 percent of supported employment closures) receive job coaching, and an even larger number of individuals with significant disabilities who are not in supported employment receive job coaching, it appears that a substantial majority of DORS consumers receive job coaching services.

Job coaching provided to individuals in supported employment and job coaching provided to individuals with significant disabilities not in supported employment is indistinguishable, except that those individuals in supported employment who receive job coaching have identified funders for extended services. Both the CRPs and VR counselors noted that the CRPs that provide job coaching to individuals not in supported employment need to develop natural supports for those consumers in lieu of funded extended services; otherwise, these consumers would likely fail at their jobs.

The distinction between the job coaching services provided to individuals in supported employment and individuals not in supported employment appears merely to be the type of extended service provided – namely, that which will be funded by DORS, BHA or DDA versus that which will be provided by natural supports arranged by each individual’s job coach or other concerned party. In practice, DORS is providing supported employment services (i.e., job coaching) pursuant to the Agency’s purchase agreements to individuals who are not in supported employment positions. These outcomes in competitive integrated employment could have been counted as supported employment outcomes on the RSA 911 if their IPEs included statements that extended services from a third party or through natural supports would become available.

D. Recommendations

RSA's review of the performance of the VR program in this focus area resulted in the following recommendations. Appendix C of this report indicates whether or not the agency has requested technical assistance to enable it to implement any of the below recommendations.

RSA recommends that DORS:

4.1 Individuals Who Require Job Coaching Services but Do Not Have Identified Funders for Extended Services at IPE Development.

4.1.1 Cease using the term non-supported employment job coaching given that job coaching is indistinguishable whether these services are provided to individuals in supported employment or to individuals with significant disabilities not in supported employment; and

4.1.2 Develop IPEs for eligible individuals, per 34 CFR §361.42(a), who, because of the nature and severity of their disabilities, require supported employment services and extended services after the transition from support funded by DORS, in accordance with 34 CFR §361.46(b)(3), and who, though not having an extended service funder identified at the point of IPE development, have a reasonable basis to expect that extended services funded by an employer, a private nonprofit organization, a State agency, or any other appropriate resource, including natural supports, will become available for the individual before the individual transitions from support funded by DORS.

E. Findings and Corrective Actions to Improve Performance

RSA's review of the performance of the VR program in this focus area resulted in the identification of the following corrective actions to improve performance. Appendix C of this report indicates whether or not the agency has requested technical assistance to enable it to implement any of the below corrective actions.

4.1 Funding of Extended Services

Issue: Is DORS improperly providing extended services to adults with disabilities as post-employment services.

DORS has allocated Title I and Title VI grant dollars for the provision of extended services for individuals with most significant disabilities who are adults (25 years of age and older) with acquired brain injuries since approximately FFY 2009, often by coding extended services as post-employment services.

Requirement: Prior to the passage of WIOA, VR agencies were not permitted to expend VR Program or Supported Employment Program funds for extended services. In accordance with language in 34 CFR §361.5(c)(19)(v), VR agencies continue to be prohibited from expending State VR and Supported Employment Program grant funds on extended services for adults with disabilities (25 years of age and older). Furthermore, 34 CFR §361.5(c)(54)(iv) highlights within the definition of supported employment services both that post-employment services are supported employment services meant to supplement and not supplant extended services and that

these services of limited scope and duration are provided following the transition to extended services when post-employment services that are unavailable from an extended services provider and that are necessary to maintain or regain the job placement or advance in employment.

Analysis: RSA reviewed the following documents: DORS' extended services policies for the Governor's ABI Program in Section 800 ("Supported Employment") of the DORS RSM II, dated June 2014; references to DORS ongoing funding of extended services for individuals served through the Governor's ABI Program in Maryland's WIOA State Plan; ongoing cooperative agreements with the Maryland DDA and BHA, dated October 2013 and December 2011; a draft of RSM II Section 800, dated March 2017, which removed reference to the ABI Program; and finally, subsequent to the onsite portion of this review, an electronic copy of a form letter regarding the discontinuation of extended services for the ABI Program, dated May 19, 2017, effective on July 1, 2017.

RSA also reviewed a subsequent draft of RSM II Section 800, dated May 22, 2017, which removed reference to the ABI Program. This draft also states that "Extended Services may not be provided by DORS for individuals who are not youth with most significant disabilities." Though DORS has not finalized its RSM II Section 800 draft supported employment policy, the Agency's program and fiscal managers reported, in accordance with 34 CFR §361.5(c)(19)(v), that DORS' has, subsequent to the passage of WIOA, consistently advised field staff through training and other modes of communication to authorize funding for extended services for eligible youth (24 years of age and under).

Another policy inconsistent with the regulations is RSM II Section 815, which reads as follows: "Once individuals in the ABI Program have achieved stability in employment with job coaching and have been employed for 90 days or longer, consideration should be given to successful case closure and opening of a post-employment case to provide extended services." Post-employment services are not designed to address complex and comprehensive issues Per DORS' current RSM II Section 815 Post Employment Services policy. These services, likewise referred to as extended services, in DORS currently published supported employment policy and various cooperative agreements, are open-ended and designed to address complex issues over an extended period of time. Per discussions with DORS management throughout the onsite review, these services are open ended for as long as the consumer remains employed. DORS was, however, planning to limit this methodology for funding extended services to two years. In its draft of 800 RSM 2, dated March 27, 2017, Section 815 was removed from DORS draft policy.

Conclusion: Although DORS has already made significant progress towards fulfilling the corrective action steps outlined below, RSA has determined that DORS is not in compliance with 34 CFR §361.5(c)(19) because the Agency's extended services policy for adults (25 years of age and older) with acquired brain injuries, and the Agency's corresponding extended services placement practices for adults with acquired brain injuries, as specified in the Agency's cooperative agreements, still permit funding extended services for adults with acquired brain injuries. Similarly, although DORS has already made significant progress towards fulfilling the corrective action steps outlined below, RSA has determined that DORS is not in compliance with 34 CFR §361.5(c)(41) because the Agency's post-employment services policy for adults (25 years of age and older) with acquired brain injuries, and the Agency's corresponding post-

employment services practices for adults with acquired brain injuries, as specified in the Agency's cooperative agreements, still permit funding extended services as post-employment services for adults with acquired brain injuries who have not achieved an employment outcome.

Corrective Action Steps: DORS must –

4.1.1 Finalize the Agency's extended services policy in a timely manner which is consistent with 34 CFR §361.5(c)(19), including:

- A) Excluding from DORS' final extended services policy, in a manner consistent with the Agency's current draft policy, the provisions from the Agency's published extended services policy that permit funding extended services for adults (25 and above); and
- B) Adding, consistent with the Agency's current draft policy, provisions that permit funding extended services for youth (24 and under);

4.1.2 Finalize a post-employment policy in a timely manner that is consistent with 34 CFR §361.5(c)(41), including:

- A) Excluding from DORS' final post-employment policy –
 - i. Funding of comprehensive and complex post-employment services for all individuals;
 - ii. Post-employment services for all adults (ages 25 and above) who have not achieved stability in their work setting for a minimum of 90 days after transitioning to extended services funded by another provider; and

4.1.3 Revise all cooperative agreements, including those with DDA and BHA, to be consistent with the finalized extended services and post-employment policies.

F. Technical Assistance

During the course of monitoring activities, RSA provided technical assistance to DORS as described below.

RSA clarified that an IPE may be developed for supported employment services for individuals with most significant disabilities, including youth with disabilities, for whom supported employment has been determined as the most appropriate employment outcome but for whom a source of funding for extended services has not been identified at the time of IPE development.

RSA explained that employment outcomes for individuals with disabilities must meet the requirements of 34 CFR §361.5(c)(9)(ii)(B). This includes the requirement that individuals with disabilities hired to perform work under service contracts, either alone, in mobile work crews, or in other group settings (e.g., landscaping or janitorial crews) interact with persons without disabilities while performing job responsibilities. Such interaction must include interaction with co-workers without disabilities performing similar job responsibilities for the employer. Even if non-integrated group employment in a community rehabilitation program provides for competitively paid wages, this fact does not change the non-integrated nature of the employment and may result in a less desirable level of integration (e.g., interaction with non-disabled co-workers), which supports the autonomy and self-sufficiency of individuals with disabilities. DORS should revise its policies and contracts so that they are consistent with the integrated

location criteria in the definition of “competitive integrated employment” and the guidance from the final VR program regulations published on August 19, 2017 (81 FR 55629).

DORS did not request additional technical assistance.

SECTION 5: FOCUS AREA – ALLOCATION AND EXPENDITURE OF STATE VOCATIONAL REHABILITATION SERVICES AND STATE SUPPORTED EMPLOYMENT SERVICES PROGRAM FUNDS

A. Nature and Scope

Through this focus area RSA assessed the fiscal accountability of the VR and Supported Employment programs to ensure funds are being used only for intended purposes; programs have sound internal controls and reliable reporting systems; DORS is maximizing resources available for program needs; and funds support the achievement of employment outcomes for individuals with disabilities, including youth with disabilities and individuals with the most significant disabilities. RSA reviewed DORS' adherence to Federal fiscal accountability requirements, which include both general administrative and program-specific requirements.

General administrative requirements refer to:

- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) located in 2 CFR §200. These regulations establish the foundation of Federal cost principles and standards for determining costs for Federal awards while reducing the administrative burden on award recipients and guarding against the risk of waste and misuse of Federal funds;
- Education Department General Administrative Regulations (EDGAR) in 34 CFR part 76. These regulations are applicable to Department of Education (Department) grantees and establish uniform administrative rules for the Department's Federal grants to State administered programs; and
- Departmental and RSA guidance, including Policy Directives (PDs), Technical Assistance Circulars (TACs), Grant Bulletins, Frequently Asked Questions (FAQs), etc.

Program-specific requirements refer to the Act and VR and Supported Employment program implementing regulations in 34 CFR part 361 and 34 CFR part 363, respectively. These requirements establish the specific provisions related to the administration and operation of the VR and Supported Employment programs.

In addition to the fiscal accountability requirements covered in this focus area, RSA reviewed fiscal requirements pertaining to the VR program funds reserved for the provision of pre-employment transition services (i.e., the prohibition against the use of these funds for administrative costs) and Supported Employment program funds (i.e., the limit on the use of these funds for administrative costs to 2.5 percent of the award to youth with the most significant disabilities). The nature and scope of this focus area did not include a review of the extent to which States have satisfied the requirements to reserve at least 15 percent of the Federal VR program award for expenditures on pre-employment transition services, to reserve 50 percent of Supported Employment program funds for services to youth with the most significant disabilities, and to provide a 10 percent match for this amount, or to track expenditures toward these reserves. Instead, in FFY 2017, RSA will provide technical assistance to, and review the

progress of, each State toward satisfying these requirements through other processes established by the State Monitoring and Program Improvement Division's Fiscal unit.

RSA used a variety of resources and documents from the period covering FFY 2014 through FFY 2016. If the issues identified included Federal fiscal years prior to 2014, RSA requested additional information within the statute of limitations. Resources and documentation included data maintained on RSA's Management Information System (MIS) generated from reports submitted by DORS (e.g., Federal Financial Reports (SF-425), Annual VR Program/Cost Report (RSA-2), and the VR services portion of the PY 2016 Unified or Combined State Plan). These data were organized into a fiscal profile for each State and shared with the VR agency and served as a reference for discussions regarding the areas covered within this focus area.

The review team reviewed the following documents, as needed, to ensure adherence to accountability requirements (list is not exhaustive):

- A-133 audit findings and corrective actions;
- State/agency allocation/budget documents and annual fiscal reports;
- Agency policies, procedures, and forms (e.g., monitoring, personnel cost allocation, procurement, etc.);
- Documentation of obligations and expenditures, including contracts, purchase orders, invoices, etc.; and
- Grant award notifications, documentation of non-Federal share/match (e.g., interagency transfers, TPCAs, establishment projects, private donations), MOE, and program income documentation.

Prior to conducting the review, RSA provided DORS with a documentation request that included a list of the documentation that the agency needed to provide prior to the start of the review in a manner that enabled RSA to analyze the documents prior to the on-site visit.

The degree to which the review team addressed each accountability requirement was dependent upon the individual circumstances of the agency. The review team analyzed the information obtained prior to the on-site visit by reviewing the documentation requested, conducting teleconferences, and examining RSA-MIS data to determine the level of review required for each component.

For purposes of the VR program, fiscal integrity is broadly defined as the proper and legal management of VR program funds to ensure that VR agencies effectively and efficiently manage funds to maximize employment outcomes for individuals with disabilities. Through the implementation of this focus area, RSA assessed the fiscal performance of the VR and supported employment programs and compliance with pertinent Federal statutory and regulatory requirements, including cost principles, governing financial resources, match (non-Federal share) and MOE, internal controls, prior approval, and fiscal planning.

In support of this focus area, RSA reviewed the following documents:

- State policies and procedures;

- Diagrams, organizational charts and other supporting documentation illustrating its relationship and position to other agencies, and the direction of supervisory reporting between agencies;
- Diagrams, tables, charts and supporting documentation identifying all programs from all funding sources that fall under the administrative purview of the agency, illustrating the number of full-time equivalent (FTE) staff working on each program;
- DORS cash deposits, journal entries, cost reimbursement data;
- Personnel cost allocation;
- Internal Control Manual;
- A-133 Single State Audit and internal audit;
- SF-425 and RSA-2 reports for the period for VR and supported employment;
- Indirect cost rate agreements;
- Timesheets and semiannual certification; and
- Cooperative agreements and memoranda of understanding (MOU)s.

B. Overview

DORS is the DSU responsible for the provision of VR and Supported Employment services to eligible individuals. RSA reviewed DORS' fiscal management of the VR and Supported Employment programs.

During the on-site review, DORS staff described systems the agency uses to authorize, account for, and issue payment for VR and Supported Employment consumer services.

In order to meet the required non-Federal share (match) requirement, DORS charges staff salary and benefits costs to non-Federal funds, then reconciles match in the fourth quarter of the year of appropriation. MSDE is responsible for drawing down grant funds from G5. The VR Director monitors agency expenditures and determines when MSDE stops drawing down Federal funds from one FFY's award and begins assigning obligations and expenditures to the subsequent FFY's award.

RSA reviewed fiscal performance data from FFY 2014 through FFY 2016. Based on the fiscal data tables provided in Appendix A, the agency matched its grant award through State appropriations in each FFY reviewed. In FFY 2014, DORS reported \$12,792,286 in match (\$775 in excess of match required per net award amount); in FFY 2015, it reported \$12,858,786 (\$2,061,831 in excess of match required per net award amount); and in FFY 2016, DORS reported \$12,797,286 (\$1,458,619 in excess of match required per net award amount).

The agency reported \$36,301,641 in carryover after the fourth quarter for FFY 2014 (76.81% of the award). However, the agency's carryover has decreased substantially from \$34,029,121 in FFY 2015 to \$9,320,402 in FFY 2016.

DORS was able to demonstrate that it had internal controls in place, and it accurately assigned costs to corresponding reporting periods and tracked expenditures during FFY 2014 through FFY 2016.

C. Findings and Corrective Actions to Improve Performance

RSA's review of the performance of the VR program in this focus area resulted in the identification of the following findings and corrective actions to improve performance. Appendix C of this report indicates whether or not the agency has requested technical assistance to enable it to implement any of the below corrective actions.

5.1 Prior Approval Requirements Not Met

Issue: Did DORS meet the prior approval requirements in 2 CFR §200.407. This area of monitoring is included on page 53 of the [FFY 2017 Vocational Rehabilitation Program Monitoring and Technical Assistance Guide](#).

Requirement: The Uniform Guidance at 2 CFR §200.407, includes a list of specific circumstances for which prior approval from the Federal awarding agency in advance of the occurrence is either required for allowability or recommended in order to avoid subsequent disallowance or dispute based on the unreasonableness or non-allocability. For example, 2 CFR §200.439(b)(1) states that capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except with the prior written approval of the Federal awarding or pass through entity. The Uniform Guidance at 2 CFR §200.62(a)(3) also requires the agency have internal control over compliance requirements for Federal awards to demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

On November 2, 2015, the Department of Education adopted the final regulations found in 2 CFR part 200 (Federal Register notice 80 FR 67261). The Department issued notifications to grantees regarding the new requirements and made training and technical assistance documents available to grantees to assist in implementation of the new requirements. To ensure that RSA grantees were aware of the applicability of the prior approval requirements, RSA included a special clause on the FFY 2016 Grant Award Notifications that stated, in pertinent part:

the prior approval requirements listed in the Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance) (2 CFR part 200) are applicable to this award... Grantees are responsible for ensuring that prior approval, when required, is obtained prior to incurring the expenditure. Grantees should pay particular attention to the prior approval requirements listed in the Cost Principles (2 CFR 200 subpart E).

In addition, information regarding the requirements in 2 CFR part 200 was communicated to grantees via RSA's listserv on September 23, 2015.

Analysis: The RSA Financial Management Specialist requested the agency's written processes that ensured the agency was meeting the prior approval requirements. The agency informed RSA that no such processes had been developed.

Conclusion: RSA determined that the agency was not in compliance with the prior approval requirements pursuant to the Uniform Guidance (2 CFR §200.407). The agency has begun the process of developing its policy for prior approval and provided RSA with the first draft policy on May 16, 2017. The RSA Financial Management Specialist has reviewed and accepted the draft policy.

Corrective Action Steps 5.1.1: RSA requires that DORS develop and implement a written internal control process, including a monitoring component, to ensure ongoing compliance with the prior approval requirements.

5.2 Maintenance of Effort Deficit

Issue: Did DORS meet the maintenance of effort (MOE) requirement for the period being reviewed.

Requirement: Section 111(a)(2)(B) of the Rehabilitation Act of 1973 (Rehabilitation Act), as amended, requires the amount payable to a State for a Federal fiscal year (FFY) to be reduced by the amount by which expenditures from non-Federal sources under the VR program for any previous FFY are less than the total of such expenditures for the FFY two years prior to that previous fiscal year. For example, this means that a State's VR expenditures from non-Federal sources in FFY 2015 must equal or exceed its VR expenditures from non-Federal sources in FFY 2013. If a State has less VR expenditures from non-Federal sources in FFY 2015 than it had in FFY 2013, the Secretary must reduce the State's allotment in a subsequent fiscal year by the deficit amount.

Analysis: A review of DORS financial data demonstrated that the agency met its MOE requirement for FFY 2014 and FFY 2016. However, in FFY 2013 DORS had VR expenditures from non-Federal sources of \$12,863,972. These non-Federal expenditures incurred in FFY 2013, less the non-Federal share of expenditures for construction of facilities for CRP purposes and the establishment of facilities for CRP purposes (34 CFR §361.62(b)), as reported by the agency's SF-425 for FFY 2013, established the MOE level for FFY 2015 pursuant to Section 111(a)(2)(B) of the Rehabilitation Act and 34 CFR 361.62(a). According to the agency's SF-425 reports for FFY 2015, DORS had VR expenditures from non-Federal sources, less the non-Federal share of expenditures for construction of facilities for CRP purposes and the establishment of facilities for CRP purposes, of \$12,858,786 in FFY 2015, resulting in a MOE deficit of \$5,186 for DORS.

Conclusion: Based upon the analysis above, DORS had a FFY 2015 MOE deficit of \$5,186.

Corrective Action Steps 5.2.1: RSA will address this finding by issuing a separate letter to DORS.

5.3 Inaccurate Financial Reporting

Issue: Does DORS accurately report the financial results of all Federally-assisted activities in accordance with 34 CFR §361.12, 34 CFR §76.702, and 2 CFR §200.302. This area of

monitoring is included on pages 51 - 54 of the [FFY 2017 Vocational Rehabilitation Program Monitoring and Technical Assistance Guide](#).

Requirement: In accordance with the Uniform Guidance at 2 CFR §200.302(a), a State's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the award, must be sufficient to permit the preparation of reports required by general and program specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. In addition, 34 CFR §76.702 requires States to use fiscal control and fund accounting procedures that insure proper disbursement of and accounting for Federal funds (see also 34 CFR §361.12).

Analysis: RSA's review of DORS' SF-425 financial reports, for FFY 2014 through FFY 2016, identified the following issues.

- The final VR SF-425 report for FFY 2014 (H126A140027), lines 10a and 10b, did not equal the amount of funds the agency drew down from G5, the Department's electronic grants management system.
- The Department is DORS' cognizant Federal agency for indirect costs. According to the financial data submitted through DORS' SF-425s, DORS applied the Department approved indirect cost rates for FFY 2014 through FFY 2016. However, in FFY 2016 (H126A150027), line 11b of the final SF-425 did not accurately reflect the application of the agency's approved indirect cost rate.
- In FFY 2016 (H126A160027), an encumbrance in the amount of \$374.42 was assigned to an incorrect FFY.
- The FFY 2016 Supported Employment SF-425 report for the period ending September 30, 2016 (H187A160028) was not submitted in the RSA Management Information System (MIS) until January 10, 2017 (current version resubmitted on January 26, 2017). The report was due November 15, 2016.
- In one instance, the agency entered an incorrect journal entry and had to process a reversed entry.
- In two instances, the agency recorded incorrect dates on receipts of deposited amounts. In one instance, the agency was not following its procedures and wrote a check number on the deposited check instead of a work order number in order to match the check with its supporting documentation per procedures.

Conclusion: DORS did not satisfy the requirements in 34 CFR §361.12, 34 CFR §76.702, and 2 CFR §200.302 to accurately account for and report the financial results of all Federally-assisted activities. Additionally, the agency did not have sufficient internal controls to ensure the accurate and timely submission of the required financial reports.

Corrective Action Steps: DORS must

5.3.1 revise the affected SF-425 financial reports (namely, H126A140027 – final, H126A150027 – final, and H126A160027 – annual) to correct identified reporting errors;

5.3.2 ensure the implementation of internal controls to ensure that:

- dates on receipts of deposit are accurate and staff is following procedures consistently when reviewing work orders;
- journal entries are accurate to minimize wrongful balances and reversed entries;
- financial reports are accurate, complete and submitted timely; and
- fiscal staff are adequately trained and capable of continued implementation of internal control processes in the event of staffing changes.

D. Technical Assistance

During the course of monitoring activities, RSA provided technical assistance to DORS as described below.

RSA staff conducted an overview of the SF-425 financial report submission process, including the overview of PD 15-05.

RSA staff provided guidance regarding the MOE penalty process.

DORS has requested additional technical assistance in the following areas:

The State of Maryland continues consolidating information technology (IT) staff, and, as a result, three quarters of its IT staff are now with the Department of IT. Given the circumstances, DORS requested technical assistance that would help the Agency select and prepare an appropriate type of agreement that would cover the IT costs by using IT from another State agency; and DORS requested guidance regarding the role of the WIOA State Plan in the prior approval process.

SECTION 6: FOCUS AREA – JOINT WORKFORCE INNOVATION AND OPPORTUNITY ACT FINAL RULE IMPLEMENTATION

A. Nature and Scope

The U.S. Department of Education and the U.S. Department of (collectively, the Departments) issued the WIOA Joint Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions; Final Rule (Joint WIOA Final Rule) to implement jointly administered activities authorized by title I of WIOA. These jointly-administered regulations apply to all core programs of the workforce development system established by title I of WIOA and are incorporated into the VR program regulations through subparts D, E, and F of 34 CFR part 361.

WIOA strengthens the alignment of the public workforce development system's six core programs by compelling unified strategic planning requirements, common performance accountability measures, and requirements governing the one-stop delivery system. In so doing, WIOA places heightened emphasis on coordination and collaboration at the Federal, State, local, and tribal levels to ensure a streamlined and coordinated service delivery system for job seekers, including those with disabilities, and employers.

Under WIOA, the workforce development system consists of the following six core programs:

- Adult, Dislocated Worker, and Youth programs, authorized under title I;
- Adult Education and Family Literacy Act (AEFLA) program, authorized under title II;
- Employment Service program authorized under the Wagner-Peyser Act, as amended by title III; and
- VR program authorized under title I of the Rehabilitation Act of 1973, as amended by title IV.

Through this focus area, RSA:

- Assessed DORS' progress toward fulfilling its role as one of the core programs in the workforce development system;
- Identified areas where DORS' partnership and collaboration with other core programs should be strengthened; and
- Provided technical assistance to DORS to assist in implementing the Joint WIOA Final Rule.

This focus area consists of the following topical areas: Governance, Unified or Combined State Plans, One-Stop Operations, and Performance Accountability. To gather information pertinent to these topics, RSA reviewed the PY 2016 Unified or Combined State Plan and sample MOUs and infrastructure funding agreements (IFA)s related to the one-stop service delivery system, as available. The review team met with the VR agency director, VR agency senior leaders, region managers and supervisors.

B. Overview

Governance

DORS is represented on the Maryland State workforce development board (SWDB) by the Maryland State Superintendent of Schools. The DORS Assistant State Superintendent serving as the VR State Director attends all SWDB meetings and plays an active role in workforce disability-related issues. The DORS VR State Director is also a member of the SWDB Steering Committee that is charged with implementing programs and services under WIOA. The VR State Director reports this committee has been active in reviewing and implementing disability-related issues involving accessibility, one-stop integration and the VR service delivery system. DORS was an active member of the SWDB committees that formulated the WIOA State Plan for The State of Maryland.

Maryland is comprised of twelve local workforce development boards (LWDB)s. DORS is represented on each LWDB by a regional manager assigned geographically. DORS reports that the LWDBs have been active in developing strategies for effectively serving individuals with disabilities and for coordinating programs and services among one-stop partner programs for these individuals in each local area. Communication flows from the LWDBs to the DORS VR State Director who reports on implementation strategies to the SWDB's steering committee.

WIOA State Plan for the State of Maryland

DORS was an active member of the WIOA State Plan for the State of Maryland development process. The SWDB Steering Committee was the lead in the development process and this group led nine working committees to develop the WIOA State Plan. DORS was active in communicating and developing disability-related workforce plans including accessibility issues, one-stop integration, and VR service delivery issues. DORS management and the CAP Director reported that the state planning process was effective in developing a solid, unified, partner-driven WIOA State Plan that incorporates DORS goals and objectives. The public was informed of the draft WIOA State Plan via statewide public meetings where DORS received feedback and comments related to the order of selection process, pre-employment transition services, subminimum wage law changes, supported employment, competitive integrated employment, and performance standards. The DORS SRC reported that this was an effective process that led to changes in the WIOA State Plan following public feedback.

DORS reported that the SWDB created a statewide workgroup to begin evaluating the effective implementation of the WIOA State Plan. During the review process, DORS reported that this workgroup has not initiated any reports to date but has begun discussing common enrollment issues, performance standards, and certifications of the AJCs. DORS is well represented on this workgroup and input is sought from all partner agencies and all local areas. A report will be generated and sent to the Governor by the end of 2017 that tracks progress towards implementation of the State's strategies for alignment among the core programs.

DORS reported that it completed its most recent comprehensive statewide needs assessment (CSNA) in the fall of 2016. Though the CSNA was completed within the required 3-year cycle but after the submission of the WIOA State Plan for the State of Maryland, the goals and priorities will be developed and submitted via an amendment to the WIOA State Plan and

completed in FFY 2018. DORS reported that discussions have begun within the agency, the CAP, and the SRC to develop appropriate goals and priorities that align with the full WIOA State Plan in preparation for the FFY 2018 required modification.

One-Stop Delivery System

The Maryland Division of Workforce Development and Adult Learning within the Maryland DLLR is the State's main workforce development entity. The Division oversees the operation of Maryland's 32 AJCs located in each county. DORS staff members are located in 22 field offices throughout the State, some of which are co-located with AJCs. Access to VR services at the one-stop centers in urban locations is easily accomplished. However, DORS indicated that, in some very rural areas of the state, small satellite offices serve as local one-stop centers and have limited physical or programmatic accessibility. DORS has been successful in providing guidance and education to the State's workforce partners at the state and local levels regarding physical and programmatic accessibility.

DORS has successfully executed twelve MOUs with all LWDBs. However, the IFAs are still being negotiated with all twelve LWDBs. This is due to a state plan that called for the signing of MOUs without full IFAs in place. The State's goal is to execute all IFAs on/before January 2018. DORS is working with the LWDBs in all twelve local areas to develop and execute the IFAs and DORS fiscal and program management staffs are engaged in the negotiation process. DORS is employing a calculation of square foot usage to begin the negotiations in most locations. However, DORS should explore other methods of calculating its proportionate share of infrastructure costs. DORS management indicated that IFAs will be easier to accomplish in areas where longstanding positive relationships have resulted in co-location of DORS staff.

As noted above, DORS has played an active role in leading and working with LWDBs to make all of the State's local one-stop centers fully accessible to individuals with disabilities. DORS has been involved in the evaluation and certification of local one-stop centers and has been asked to develop accessibility assessments for some of the centers. DORS has been working with the RSA-funded WINTAC to develop effective accessibility assessments to be used statewide.

Performance Accountability

In Maryland, the SWDB is coordinating the submission of the WIOA Annual Statewide Performance Report Template, in accordance with 34 CFR §361.160. The SWDB has established policy and performance workgroups that are developing the report template for the core partners that will encompass a performance matrix assessing workforce service integration. The performance workgroup is using the WIOA State Plan benchmarks as a starting point for developing the matrix and the core partners will be responsible for providing input into the performance benchmarks. DORS is an active participant in these workgroups and is working with the SWDB to develop negotiated targets of performance after submission of this PY's performance report. DORS is using the RSA-911 data and reports from its case management system to assess its target performance numbers. However, DORS management indicated a concern that the benchmarks may not be in alignment with what the SWDB is seeking to negotiate.

DORS is on target to implement all changes in RSA-911 data reporting to begin with the start of PY 2018. DORS is upgrading its case management system to add a unique identifier and the

identification of individuals co-enrolled for services with other core partners. DORS regional managers are working with the LWDB partners to exchange information about co-enrolled individuals and to insure services are coordinated at regularly scheduled meetings at the local levels.

DORS successfully executed a MOU with the Maryland DLLR in April 2017 that effectively allows DORS to obtain wage record information on individuals served by the VR program. The MOU permits the DLLR Division of Unemployment Insurance (UI) to share its wage and trade records of individuals served by DORS upon request. This cross-matching, data sharing agreement will be an effective tool in assisting DORS with defining its performance measures and assessing attainment of those performance measures.

C. Analysis of Performance and Observations

RSA's review of the performance of DORS in this focus area did not result in the identification of observations and recommendations.

D. Findings and Corrective Actions to Improve Performance

RSA's review of the performance of DORS in this focus area did not result in the identification of findings and corrective actions.

E. Technical Assistance

DORS has requested additional technical assistance in the following areas:

Use of apprenticeships to improve competitive employment outcomes for consumers; and
Negotiation methods used by other VR agencies in establishing target performance indicators that align with the workforce system program in Maryland.

APPENDIX A: PROGRAM AND FISCAL PERFORMANCE DATA TABLES

This appendix contains the program and fiscal performance data tables used throughout the review. Data were drawn from the RSA-113, the RSA-911, and SF-425. The RSA-113 report is a quarterly submission that provides cumulative information at the end of the Federal fiscal year. The data from the RSA-113 cover both open and closed cases as reported to RSA at the end of the Federal fiscal year. The RSA-911 contains only information on cases closed during the Federal fiscal year covered by the report and does not include information related to those cases remaining open in the next Federal fiscal year.

Table 3.1 MD-C Case Status Information, Exit Status, and Employment Outcomes for All Individuals - FFYs 2014-2016

Performance category	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total applicants	8,487		7,984		8,095		263,064	
Total eligible individuals	10,436		9,563		7,458		247,467	
Agency implementing order of selection	Yes		Yes		Yes		-	
Individuals on order of selection waiting list at year-end	2,293		2,697		3,893		11,437	
Individuals in plan receiving services	15,306		15,582		15,620		454,801	
Percent accepted for services who received no services		31.1%		32.6%		34.4%		23.20%
Exited as applicants	486	6.0%	422	5.4%	448	6.2%	29,456	12.3%
Exited trial experience/extended evaluation	31	.4%	15	0.2%	39	.5%	1,956	.8%
Exited with employment	2545	31.6%	2559	32.6%	2565	35.2%	82,808	34.6%
Exited without employment	1762	21.8%	1731	22.1%	1657	22.8%	65,276	27.3%

Performance category	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Exited from OOS waiting list	665	8.2%	202	2.6%	520	7.1%	3,516	1.5%
Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	2576	32%	2915	37.2%	2049	28.2%	56,055	23.4%
Total received services	4307	53.4%	4290	54.7%	4222	58.0%	148,084	61.9%
Employment rate		59.1%		59.7%		60.1%		55.9%
Competitive employment outcomes	2362	92.8%	2306	90.1%	2445	95.3%	78,859	95.2%
Supported employment outcomes	701	27.5%	647	25.3%	683	26.6%	9,673	11.7%
Average hourly earnings for competitive employment outcomes	\$10.57		\$10.88		\$11.19		\$11.84	
Average hours worked for competitive employment outcomes	26.52		26.99		27.13		30.3	
Median hourly earnings for competitive employment outcomes	\$8.75		\$9.00		\$9.56		\$10.00	
Median hours worked for competitive employment outcomes	25		25		25		30.0	
Quarterly median earnings	\$2,990		\$3,120		\$3,250		\$3,900.00	

Data sources: RSA-911, RSA 113

Table 3.2.a MD-C VR Training Services Provided for Individuals Served - FFYs 2014-2016

Training Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total number of individuals served	4,307		4,290		4,222		148,084	
College or university training	0	0.0%	1	0.0%	5	0.1%	1,951	1.3%
Four-year or university training	27	0.6%	32	0.7%	55	1.3%	13,025	8.8%
Junior or community college training	372	8.6%	306	7.1%	254	6.0%	9,790	6.6%
Occupational or vocational training	564	13.1%	631	14.7%	690	16.3%	14,961	10.1%
On-the-job training	12	0.3%	20	0.5%	38	0.9%	2,840	1.9%
Apprenticeship training	2	0.0%	7	0.2%	3	0.1%	83	0.1%
Basic academic remedial or literacy training	202	4.7%	209	4.9%	246	5.8%	2,357	1.6%
Job readiness training	582	13.5%	576	13.4%	617	14.6%	30,291	20.5%
Disability-related skills training	133	3.1%	156	3.6%	102	2.4%	4,642	3.1%
Miscellaneous training	198	4.6%	192	4.5%	154	3.6%	11,595	7.8%

Data source: RSA-911

Table 3.2.b MD-C VR Career Services Provided for Individuals Served - FFYs 2014-2016

Career Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total number of individuals served	4,307		4,290		4,222		148,084	
Assessment	2,463	57.2%	2,479	57.8%	2,390	56.6%	84,756	57.2%
Diagnosis and treatment of impairment	1,210	28.1%	1,071	25.0%	997	23.6%	43,641	29.5%
Vocational rehab counseling and guidance	4,067	94.4%	4,225	98.5%	4,185	99.1%	95,439	64.4%
Job search assistance	2,351	54.6%	2,337	54.5%	2,394	56.7%	49,182	33.2%
Job placement assistance	395	9.2%	417	9.7%	506	12.0%	44,189	29.8%
On-the-job supports-short term	955	22.2%	969	22.6%	1,037	24.6%	20,412	13.8%
On-the-job supports-SE	593	13.8%	809	18.9%	873	20.7%	11,615	7.8%
Information and referral services	42	1.0%	144	3.4%	152	3.6%	33,306	22.5%
Benefits counseling	478	11.1%	574	13.4%	651	15.4%	8,715	5.9%
Customized employment services	0	0.0%	0	0.0%	0	0.0%	928	0.6%

Data source: RSA-911

Table 3.2.c MD-C VR Other Services Provided for Individuals Served - FFYs 2014-2016

Other Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total number of individuals served	4,307		4,290		4,222		148,084	
Transportation	1,163	27.0%	1,152	26.9%	974	23.1%	51,017	34.5%
Maintenance	443	10.3%	792	18.5%	1,008	23.9%	32,145	21.7%
Rehabilitation technology	715	16.6%	733	17.1%	674	16.0%	24,372	16.5%
Reader services	10	0.2%	10	0.2%	4	0.1%	151	0.1%
Interpreter services	68	1.6%	67	1.6%	77	1.8%	2,590	1.7%
Personal attendant services	1	0.0%	3	0.1%	4	0.1%	247	0.2%
Technical assistance services	7	0.2%	6	0.1%	6	0.1%	1,437	1.0%
Other services	1,496	34.7%	1,184	27.6%	1,005	23.8%	32,136	21.7%

Data source: RSA-911

Table 3.3.a MD-C Outcomes by Type of Impairment - FFYs 2014-2016

Type of Impairment	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Visual - Employment outcomes	174	6.9%	174	6.8%	131	5.1%	5,241	6.3%
Visual - Without employment outcomes	80	4.5%	66	3.8%	78	4.7%	2,861	4.4%
Auditory and Communicative - Employment outcomes	209	8.2%	218	8.5%	191	7.4%	11,490	13.9%
Auditory and Communicative - Without employment outcomes	77	4.4%	69	4.0%	62	3.7%	3,490	5.4%
Physical - Employment outcomes	276	10.9%	273	10.7%	277	10.8%	14,906	18.0%
Physical - Without employment outcomes	307	17.4%	276	16.0%	254	15.3%	14,128	21.7%
Intellectual and Learning disability - Employment outcomes	874	34.4%	829	32.5%	900	35.1%	28,084	34.0%
Intellectual and Learning disability - Without employment outcomes	396	22.5%	398	23.0%	459	27.7%	21,270	32.7%
Psychosocial and psychological - Employment outcomes	1,007	39.6%	1,060	41.5%	1,065	41.5%	22,897	27.7%
Psychosocial and psychological - Without employment outcomes	902	51.2%	920	53.2%	802	48.5%	23,281	35.8%
Total served - Employment outcomes	2,540	100%	2,554	100%	2,564	100%	82,618	100.0%
Total served - Without employment outcomes	1,762	100%	1,729	100%	1,655	100%	65,030	100.0%

Data source: RSA-911

Table 3.3.b MD-C All Individuals Served by Type of Impairment FFYs 2014-2016

Type of Impairment	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Visual - Individuals served	254	5.9%	240	5.6%	209	5.0%	8,102	5.5%
Auditory and Communicative - Individuals served	286	6.6%	287	6.7%	253	6.0%	14,980	10.1%
Physical - Individuals served	583	13.6%	549	12.8%	531	12.6%	29,034	19.7%
Intellectual and Learning disability - Individuals served	1,270	29.5%	1,227	28.6%	1,539	32.2%	49,354	33.4%
Psychosocial and psychological	1,909	44.4%	1,980	46.2%	1,867	44.3%	46,178	31.3%
Total individuals served	4,302	100.0%	4,283	100.0%	4,219	100.0%	147,648	100.0

Data source: RSA-911

Table 3.3.c MD-C Employment Rate by Type of Impairment - FFYs 2014-2016

Type of Impairment	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Visual - Employment rate		68.5%		72.5%		62.7%		64.7%
Auditory and Communicative - Employment rate		73.1%		76.0%		75.5%		76.7%
Physical - Employment rate		47.3%		49.7%		52.2%		51.3%
Intellectual and Learning disability - Employment rate		68.8%		67.6%		66.2%		56.9%
Psychosocial and psychological – Employment rate		52.8%		53.5%		57.0%		49.6%
Total served - Employment rate		59.0%		59.6%		60.8%		56.0%

Data source: RSA-911

Table 3.4.a MD-C Elapsed Time from Application to Eligibility for All Individuals Served - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 60 days	6,762	89.6%	6,706	90.5%	6,148	90.5%	171,607	82.6%
61 – 90 days	373	4.9%	315	4.3%	292	4.3%	17,315	8.3%
91 – 120 days	218	2.9%	205	2.8%	192	2.8%	8,398	4.0%
121 – 180 days	118	1.6%	88	1.2%	73	1.1%	6,202	3.0%
181 – 365 days	56	0.7%	70	0.9%	66	1.0%	3,473	1.7%
More than 1 year	21	0.3%	23	0.3%	20	0.3%	660	.3%
Total eligible	7,548	100.0%	7,407	100.0%	6,791	100.0%	207,655	100.0%

Data source: RSA-911

Table 3.4.b MD-C Elapsed Time from Eligibility to IPE for All Individuals Served - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 90 days	3,212	74.6%	3,157	73.6%	3,055	72.4%	111,220	75.1%
More than 90 days	1,095	25.4%	1,133	26.4%	1,167	27.6%	36,864	24.9%
Total served	4,307	100.0%	4,290	100.0%	4,222	100.0%	148,084	100.0%

Data source: RSA-911

Table 3.4.c MD-C Elapsed Time from IPE to Closure for All Individuals Served - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 3 months	168	3.9%	165	3.8%	152	3.6%	4,867	3.3%
4 – 6 months	450	10.4%	422	9.8%	398	9.4%	18,624	12.6%
7 – 9 months	404	9.4%	430	10.0%	388	9.2%	18,240	12.3%
10 – 12 months	347	8.1%	381	8.9%	318	7.5%	15,762	10.6%
13 - 24 months	1,193	27.7%	1,043	24.3%	1,066	25.2%	37,939	25.6%
25 – 36 months	658	15.3%	681	15.9%	621	14.7%	18,934	12.8%
37 – 60 months	700	16.3%	741	17.3%	793	18.8%	19,177	13.0%
More than 5 years	387	9.0%	427	10.0%	486	11.5%	14,541	9.8%
Total served	4,307	100.0%	4,290	100.0%	4,222	100.0%	148,084	100.0%

Data source: RSA-911

Table 3.5.a MD-C Standard Occupational Classification (SOC) Codes for All Individuals Served with Employment Outcomes - FFYs 2014-2016

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Architecture and Engineering Occupations (17-0000)	5	.2%	6	.2%	11	.4%	577	.7%
Arts, Design, Entertainment, Sports, and Media (27-0000)	16	.6%	12	.5%	7	.3%	885	1.1%
Building and Grounds Cleaning and Maintenance (37-0000)	220	8.6%	179	7.0%	277	10.8%	6,923	8.4%
Business and Financial Operations Occupations (13-0000)	86	3.4%	75	2.9%	85	3.3%	1,248	1.5%
Community and Social Services Occupations (21-0000)	40	1.6%	58	2.3%	50	1.9%	2,300	2.8%
Computer and Mathematical Occupations (15-0000)	18	.7%	22	.9%	26	1.0%	874	1.1%
Constructive and Extraction Occupations (47-0000)	9	.4%	3	.1%	5	.2%	1,722	2.1%
Education, Training, and Library Occupations (25-0000)	31	1.2%	44	1.7%	50	1.9%	2,434	2.9%
Farming, Fishing, and Forestry Occupations (45-0000)	6	.2%	5	.2%	6	.2%	425	.5%
Food Preparation and Serving Related Occupations (35-0000)	162	6.4%	155	6.1%	187	7.3%	9,434	11.4%
Healthcare Practitioners and Technical Occupations (29-0000)	36	1.4%	41	1.6%	28	1.1%	2,238	2.7%
Healthcare Support Occupations (31-0000)	35	1.4%	45	1.8%	40	1.6%	2,722	3.3%
Homemaker*	117	4.6%	115	4.5%	44	1.7%	1,803	2.2%

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Installation, Maintenance, and Repair Occupations (49-0000)	1,093	42.9%	1,173	45.8%	971	37.9%	4,981	6.0%
Legal Occupations (23-0000)			3	.1%	3	.1%	191	.2%
Life, Physical, and Social Science Occupations (19-0000)	2	.1%	2	.1%	3	.1%	374	.5%
Management Occupations (11-0000)	24	.9%	24	.9%	18	.7%	2,050	2.5%
Military Specific Occupations (55-0000)							92	.1%
Office and Administrative Support Occupations (19-0000)	245	9.6%	229	8.9%	326	12.7%	15,218	18.4%
Personal Care and Service Occupations (39-0000)	74	2.9%	54	2.1%	48	1.9%	4,073	4.9%
Production Occupations (51-0000)	103	4.0%	88	3.4%	118	4.6%	6,888	8.3%
Protective Service Occupations (33-0000)	17	.7%	21	.8%	23	.9%	1,376	1.7%
Randolph-Sheppard vending facility clerk*							8	.0%
Randolph-Sheppard vending facility operator*	6	.2%	3	.1%	3	.1%	76	.1%
Sales and Related Occupations (41-0000)	135	5.3%	144	5.6%	168	6.5%	6,552	7.9%
Transportation and Material Moving Occupations (53-0000)	65	2.6%	58	2.3%	67	2.6%	7,284	8.8%
Unpaid Family Worker*					1	.0%	18	.0%
Total employment outcomes	2,545	100.0%	2,559	100.0%	2,565	100.0%	82,766	100.0%

Data source: RSA-911

Table 3.5.b MD-C Standard Occupational Classification (SOC) Codes Median Hourly Earnings for All Individuals Served with Employment Outcomes - FFYs 2014-2016

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Architecture and Engineering Occupations (17-0000)	\$20.70		\$26.73		\$31.73		\$19.00	
Arts, Design, Entertainment, Sports, and Media (27-0000)	\$12.75		\$12.39		\$14.00		\$12.03	
Building and Grounds Cleaning and Maintenance (37-0000)	\$9.00		\$9.00		\$9.81		\$9.00	
Business and Financial Operations Occupations (13-0000)	\$14.21		\$12.00		\$15.00		\$15.34	
Community and Social Services Occupations (21-0000)	\$12.40		\$12.20		\$11.75		\$13.50	
Computer and Mathematical Occupations (15-0000)	\$24.61		\$14.75		\$20.68		\$16.00	
Constructive and Extraction Occupations (47-0000)	\$15.00		\$16.40		\$12.00		\$12.70	
Education, Training, and Library Occupations (25-0000)	\$12.00		\$14.69		\$15.00		\$13.00	
Farming, Fishing, and Forestry Occupations (45-0000)	\$11.13		\$10.00		\$12.53		\$10.00	
Food Preparation and Serving Related Occupations (35-0000)	\$8.00		\$8.41		\$9.00		\$8.36	
Healthcare Practitioners and Technical Occupations (29-0000)	\$14.51		\$13.00		\$13.33		\$16.12	
Healthcare Support Occupations (31-0000)	\$10.00		\$11.00		\$11.00		\$10.43	
Homemaker*								

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Installation, Maintenance, and Repair Occupations (49-0000)	\$8.00		\$8.50		\$9.00		\$9.80	
Legal Occupations (23-0000)			\$14.43		\$25.33		\$17.00	
Life, Physical, and Social Science Occupations (19-0000)	\$48.20		\$17.25		\$13.00		\$15.00	
Management Occupations (11-0000)	\$17.65		\$17.40		\$19.94		\$15.00	
Military Specific Occupations (55-0000)							\$13.17	
Office and Administrative Support Occupations (19-0000)	\$10.00		\$10.00		\$10.00		\$10.00	
Personal Care and Service Occupations (39-0000)	\$8.83		\$9.50		\$9.52		\$9.00	
Production Occupations (51-0000)	\$9.00		\$9.50		\$9.00		\$10.00	
Protective Service Occupations (33-0000)	\$16.00		\$10.00		\$10.00		\$10.25	
Randolph-Sheppard vending facility clerk*							\$10.91	
Randolph-Sheppard vending facility operator*	\$7.89		\$12.65		\$15.00		\$12.68	
Sales and Related Occupations (41-0000)	\$8.00		\$8.50		\$9.50		\$9.00	
Transportation and Material Moving Occupations (53-0000)	\$9.63		\$9.50		\$10.23		\$10.00	
Unpaid Family Worker*								
Total employment outcomes	\$8.52		\$9.00		\$9.55		\$10.00	

Data source: RSA-911

Table 4.1 MD-C Case Status Information, Outcomes, and Quality Employment Measures for Individuals with Disabilities under Age 25 at Exit—FFYs 2014–2016

Individuals with Disabilities under Age 25 at Exit	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total cases closed	2,685		2,655		2,618		86,272	
Exited as an applicant	126	4.69%	121	4.56%	143	5.46%	10,776	12.49%
Exited during or after trial work experience/extended evaluation	12	0.45%	5	0.19%	13	0.50%	687	0.80%
Exited without employment after IPE, before services	264	9.83%	197	7.42%	239	9.13%	16,390	19.00%
Exited from order of selection waiting list	172	6.41%	31	1.17%	124	4.74%	972	1.13%
Exited without employment after eligibility, before IPE	722	26.89%	898	33.82%	674	25.74%	3,865	4.48%
Exited with employment	910	33.89%	925	34.84%	937	35.79%	29,391	34.07%
Exited without employment	479	17.84%	478	18.00%	488	18.64%	24,191	28.04%
Employment rate	65.51%		65.93%		65.75%		54.85%	
Supported employment outcomes	225	24.73%	191	20.65%	193	20.60%	3,965	13.49%
Competitive employment outcomes	867	95.27%	910	98.38%	937	100.00%	28,670	97.55%
Average hourly earnings for competitive employment outcomes	\$8.96		\$9.48		\$10.15		\$10.12	
Average hours worked per week for competitive employment outcomes	25.03		26.12		26.44		29.12	
Competitive employment outcomes at 35 or more hours per	176	19.34%	229	24.76%	250	26.68%	10,346	35.20%

Individuals with Disabilities under Age 25 at Exit	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
week								
Competitive employment outcomes meeting SGA	306	33.63%	379	40.97%	390	41.62%	14,616	49.73%
Competitive employment outcomes with employer-provided medical insurance							3,866	13.15%

Data source: RSA-911

Table 4.2. MD-C Select VR Services Provided for Individuals with Disabilities under Age 25 at Exit-FFYs 2014-2016

Training Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total number of individuals served	1,389		1,403		1,425		53,582	
College or university training	-	0.00%	-	0.00%	3	0.20%	852	1.60%
Four-year or university training	11	0.80%	15	1.10%	33	2.30%	5,289	9.90%
Junior or community college training	111	8.00%	102	7.30%	94	6.60%	4,482	8.40%
Occupational or vocational training	203	14.60%	213	15.20%	264	18.50%	5,067	9.50%
On-the-job training	3	0.20%	6	0.40%	13	0.90%	1,329	2.50%
Apprenticeship training	-	0.00%	6	0.40%	2	0.10%	42	0.10%
Basic academic remedial or literacy training	95	6.80%	124	8.80%	139	9.80%	1,198	2.20%
Job readiness training	322	23.20%	357	25.40%	393	27.60%	16,251	30.30%
Disability-related skills training	11	0.80%	22	1.60%	15	1.10%	1,272	2.40%
Miscellaneous training	118	8.50%	108	7.70%	85	6.00%	4,918	9.20%
Assessment	877	63.10%	875	62.40%	865	60.70%	29,430	54.90%
Diagnosis and treatment of impairment	380	27.40%	373	26.60%	358	25.10%	10,630	19.80%
Vocational rehab counseling and guidance	1,338	96.30%	1,394	99.40%	1,414	99.20%	36,168	67.50%
Job search assistance	715	51.50%	696	49.60%	700	49.10%	19,183	35.80%
Job placement assistance	163	11.70%	194	13.80%	234	16.40%	16,389	30.60%
On-the-job supports-short term	395	28.40%	465	33.10%	450	31.60%	7,651	14.30%
On-the-job supports-SE	164	11.80%	242	17.20%	227	15.90%	4,547	8.50%
Information and referral services	11	0.80%	37	2.60%	23	1.60%	14,113	26.30%
Benefits counseling	98	7.10%	130	9.30%	135	9.50%	1,974	3.70%
Customized employment services	-	0.00%	-	0.00%	-	0.00%	449	0.80%
Transportation	290	20.90%	310	22.10%	284	19.90%	15,830	29.50%
Maintenance	127	9.10%	229	16.30%	332	23.30%	10,436	19.50%

Training Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Rehabilitation technology	207	14.90%	225	16.00%	216	15.20%	3,781	7.10%
Reader services	1	0.10%	1	0.10%	-	0.00%	30	0.10%
Interpreter services	10	0.70%	19	1.40%	13	0.90%	607	1.10%
Personal attendant services	-	0.00%	1	0.10%	1	0.10%	84	0.20%
Technical assistance services	2	0.10%	1	0.10%	-	0.00%	254	0.50%
Other services	421	30.30%	329	23.40%	301	21.10%	9,840	18.40%

Data source: RSA-911

Table 4.3.a MD-C Outcomes by Type of Impairment for Individuals with Disabilities under Age 25 at Exit – FFYs 2014-2016

Type of Impairment	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Visual - Employment outcomes	20	2.20%	20	2.16%	19	2.03%	524	1.78%
Visual - Without employment outcomes	17	3.55%	11	2.30%	9	1.84%	535	2.21%
Auditory and Communicative - Employment outcomes	41	4.51%	56	6.05%	48	5.12%	1618	5.51%
Auditory and Communicative - Without employment outcomes	26	5.43%	28	5.86%	20	4.10%	1176	4.86%
Physical - Employment outcomes	32	3.52%	28	3.03%	48	5.12%	2339	7.96%
Physical - Without employment outcomes	33	6.89%	34	7.11%	44	9.02%	2054	8.49%
Intellectual and Learning disability - Employment outcomes	574	63.08%	545	58.92%	564	60.19%	18636	63.45%
Intellectual and Learning disability - Without employment outcomes	228	47.60%	240	50.21%	269	55.12%	14463	59.81%
Psychosocial and psychological - Employment outcomes	243	26.70%	276	29.84%	258	27.53%	6254	21.29%
Psychosocial and psychological - Without employment outcomes	175	36.53%	165	34.52%	146	29.92%	5954	24.62%
Total served - Employment outcomes	910	100.00%	925	100.00%	937	100.00%	29,371	100.00%
Total served - Without employment outcomes	479	100.00%	478	100.00%	488	100.00%	24,182	100.00%

Data source: RSA-911

Table 4.3.b MD-C All Individuals Served by Type of Impairment for Individuals with Disabilities under Age 25 at Exit – FFYs 2014-2016

Type of Impairment	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Visual - Individuals served	37	2.66%	31	2.21%	28	1.96%	1,059	1.98%
Auditory and Communicative - Individuals served	67	4.82%	84	5.99%	68	4.77%	2,794	5.22%
Physical - Individuals served	65	4.68%	62	4.42%	92	6.46%	4,393	8.20%
Intellectual and Learning disability - Individuals served	802	57.74%	785	55.95%	833	58.46%	33,099	61.81%
Psychosocial and psychological	418	30.09%	441	31.43%	404	28.35%	12,208	22.80%
Total individuals served	1,389	100.00%	1,403	100.00%	1,425	100.00%	53,553	100.00%

Data source: RSA-911

Table 4.3.c MD-C Employment Rate by Type of Impairment for Individuals with Disabilities under Age 25 at Exit – FFYs 2014-2016

Type of Impairment	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Visual - Employment rate	54.10%	64.50%	67.90%	49.48%	54.10%	64.50%	67.90%	49.48%
Auditory and Communicative - Employment rate	61.20%	66.70%	70.60%	57.91%	61.20%	66.70%	70.60%	57.91%
Physical - Employment rate	49.20%	45.20%	52.20%	53.24%	49.20%	45.20%	52.20%	53.24%
Intellectual and Learning disability - Employment rate	71.60%	69.40%	67.70%	56.30%	71.60%	69.40%	67.70%	56.30%
Psychosocial and psychological – Employment rate	58.10%	62.60%	63.90%	51.23%	58.10%	62.60%	63.90%	51.23%
Total served - Employment rate	65.50%	65.90%	65.80%	54.84%	65.50%	65.90%	65.80%	54.84%

Data source: RSA-911

Table 4.4.a MD-C Elapsed Time from Application to Eligibility for All Individuals for Individuals with Disabilities under Age 25 at Exit - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 60 days	2,272	89.20%	2,223	87.90%	2,212	89.85%	61,119	81.70%
61 – 90 days	135	5.30%	143	5.65%	122	4.96%	6,367	8.51%
91 – 120 days	80	3.14%	97	3.84%	74	3.01%	3,214	4.30%
121 – 180 days	35	1.37%	38	1.50%	22	0.89%	2,441	3.26%
181 – 365 days	17	0.67%	19	0.75%	24	0.97%	1,410	1.88%
More than 1 year	8	0.31%	9	0.36%	8	0.32%	258	0.34%
Total eligible	2,547		2,529		2,462		74,809	

Data source: RSA-911

Table 4.4.b MD-C Elapsed Time from Eligibility to IPE for Individuals with Disabilities under Age 25 at Exit – FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 3 months	995	71.63%	1,006	71.70%	971	68.14%	40,612	75.79%
4-6 months	190	13.68%	197	14.04%	220	15.44%	7,589	14.16%
7-9 months	66	4.75%	82	5.84%	76	5.33%	2,473	4.62%
10-12 months	46	3.31%	50	3.56%	58	4.07%	1,107	2.07%
More than 12 months	92	6.62%	68	4.85%	100	7.02%	1,801	3.36%
Total served	1,389		1,403		1,425		53,582	

Data source: RSA-911

Table 4.4.c MD-C Elapsed Time from IPE to Closure for Individuals with Disabilities under Age 25 at Exit Served – FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 3 months	40	2.88%	38	2.71%	37	2.60%	1,319	2.46%
4 – 6 months	112	8.06%	115	8.20%	88	6.18%	4,769	8.90%
7 – 9 months	141	10.15%	150	10.69%	135	9.47%	5,556	10.37%
10 – 12 months	120	8.64%	128	9.12%	92	6.46%	5,217	9.74%
13 - 24 months	411	29.59%	331	23.59%	382	26.81%	14,948	27.90%
25 – 36 months	232	16.70%	244	17.39%	251	17.61%	8,479	15.82%
37 – 60 months	230	16.56%	289	20.60%	311	21.82%	8,846	16.51%
More than 5 years	103	7.42%	108	7.70%	129	9.05%	4,448	8.30%
More than 10 years	-	0.00%		0.00%		0.00%		0.00%
Total served	1,389		1,403		1,425		53,582	

Data source: RSA-911

Table 4.5.a MD-C Standard Occupational Classification (SOC) Codes for Individuals with Disabilities Under Age 25 at Exit with Employment Outcomes - FFYs 2014-2016

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Architecture and Engineering Occupations (17-0000)	1	0.11%	1	0.11%	2	0.21%	172	0.59%
Arts, Design, Entertainment, Sports, and Media (27-0000)	3	0.33%	1	0.11%	2	0.21%	287	0.98%
Building and Grounds Cleaning and Maintenance (37-0000)	53	5.82%	52	5.62%	76	8.11%	2,125	7.23%
Business and Financial Operations Occupations (13-0000)	27	2.97%	30	3.24%	33	3.52%	275	0.94%
Community and Social Services Occupations (21-0000)	6	0.66%	8	0.86%	7	0.75%	293	1.00%
Computer and Mathematical Occupations (15-0000)	3	0.33%	3	0.32%	5	0.53%	235	0.80%
Constructive and Extraction Occupations (47-0000)	2	0.22%		0.00%	2	0.21%	518	1.76%
Education, Training, and Library Occupations (25-0000)	4	0.44%	12	1.30%	10	1.07%	562	1.91%
Farming, Fishing, and Forestry Occupations (45-0000)	2	0.22%	2	0.22%	3	0.32%	172	0.59%
Food Preparation and Serving Related Occupations (35-0000)	63	6.92%	58	6.27%	54	5.76%	4,862	16.55%
Healthcare Practitioners and Technical Occupations (29-0000)	8	0.88%	10	1.08%	5	0.53%	612	2.08%
Healthcare Support Occupations (31-0000)	6	0.66%	14	1.51%	13	1.39%	956	3.25%
Homemaker*	5	0.55%	4	0.43%		0.00%	50	0.17%

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Installation, Maintenance, and Repair Occupations (49-0000)	547	60.11%	599	64.76%	515	54.96%	2,183	7.43%
Legal Occupations (23-0000)		0.00%		0.00%	1	0.11%	22	0.07%
Life, Physical, and Social Science Occupations (19-0000)		0.00%	1	0.11%	1	0.11%	115	0.39%
Management Occupations (11-0000)	1	0.11%	3	0.32%	3	0.32%	360	1.23%
Military Specific Occupations (55-0000)		0.00%		0.00%		0.00%	48	0.16%
Office and Administrative Support Occupations (19-0000)	53	5.82%	36	3.89%	81	8.64%	5,594	19.04%
Personal Care and Service Occupations (39-0000)	31	3.41%	23	2.49%	19	2.03%	1,665	5.67%
Production Occupations (51-0000)	32	3.52%	18	1.95%	27	2.88%	2,625	8.94%
Protective Service Occupations (33-0000)	2	0.22%	9	0.97%	10	1.07%	420	1.43%
Randolph-Sheppard vending facility clerk*		0.00%		0.00%		0.00%	1	0.00%
Randolph-Sheppard vending facility operator*	1	0.11%		0.00%		0.00%	1	0.00%
Sales and Related Occupations (41-0000)	46	5.05%	32	3.46%	52	5.55%	2,856	9.72%
Transportation and Material Moving Occupations (53-0000)	14	1.54%	9	0.97%	16	1.71%	2,367	8.06%
Unpaid Family Worker*		0.00%		0.00%		0.00%	2	0.01%
Total employment outcomes	910		925		937		29,378	

Data source: RSA-911

Table 4.5.b MD-C Standard Occupational Classification (SOC) Codes Median Hourly Earnings for Individuals with Disabilities under Age 25 at Exit with Employment Outcomes - FFYs 2014-2016

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Architecture and Engineering Occupations (17-0000)	\$12.00		\$14.00		\$14.99		\$16.08	
Arts, Design, Entertainment, Sports, and Media (27-0000)	\$9.52		\$8.90		\$11.63		\$11.00	
Building and Grounds Cleaning and Maintenance (37-0000)	\$8.50		\$9.75		\$10.00		\$8.60	
Business and Financial Operations Occupations (13-0000)	\$12.00		\$10.00		\$12.00		\$12.00	
Community and Social Services Occupations (21-0000)	\$11.61		\$11.73		\$17.30		\$12.25	
Computer and Mathematical Occupations (15-0000)	\$26.45		\$12.50		\$12.00		\$13.00	
Constructive and Extraction Occupations (47-0000)	\$13.25				\$13.00		\$11.00	
Education, Training, and Library Occupations (25-0000)	\$12.50		\$10.53		\$13.56		\$11.26	
Farming, Fishing, and Forestry Occupations (45-0000)	\$9.75		\$9.38		\$13.80		\$10.00	
Food Preparation and Serving Related Occupations (35-0000)	\$7.75		\$8.26		\$9.00		\$8.27	
Healthcare Practitioners and Technical Occupations (29-0000)	\$11.43		\$12.88		\$14.70		\$12.00	
Healthcare Support Occupations (31-0000)	\$10.00		\$10.26		\$10.53		\$10.00	
Homemaker*								

SOC	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Installation, Maintenance, and Repair Occupations (49-0000)	\$8.00		\$8.40		\$9.00		\$9.00	
Legal Occupations (23-0000)			\$14.50		\$17.30		\$13.04	
Life, Physical, and Social Science Occupations (19-0000)			\$15.88		\$13.00		\$13.50	
Management Occupations (11-0000)	\$28.85		\$8.87		\$13.51		\$13.00	
Military Specific Occupations (55-0000)							\$12.00	
Office and Administrative Support Occupations (19-0000)	\$8.08		\$9.00		\$9.00		\$9.00	
Personal Care and Service Occupations (39-0000)	\$8.00		\$9.02		\$8.75		\$8.75	
Production Occupations (51-0000)	\$8.50		\$10.00		\$9.00		\$9.76	
Protective Service Occupations (33-0000)	\$9.25		\$8.41		\$10.00		\$10.00	
Randolph-Sheppard vending facility clerk*							\$8.00	
Randolph-Sheppard vending facility operator*	\$12.08						\$8.25	
Sales and Related Occupations (41-0000)	\$8.00		\$9.00		\$9.00		\$9.00	
Transportation and Material Moving Occupations (53-0000)	\$9.00		\$1.00		\$9.76		\$9.00	
Unpaid Family Worker*								
Total employment outcomes	\$8.00		\$8.50		\$9.25		\$9.00	

Data source: RSA-911

Table 4.6. MD-C Source of Referral for Individuals with Disabilities under Age 25 at Exit with Employment Outcomes – FFYs 2014-2016

Referral Sources	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
American Indian VR Services Program		0.00%		0.00%		0.00%	41	0.05%
Centers for Independent Living		0.00%		0.00%		0.00%	71	0.08%
Child Protective Services		0.00%		0.00%	1	0.04%	106	0.12%
CRPs	208	7.75%	106	3.99%	50	1.91%	3,047	3.54%
Consumer Organizations or Advocacy Groups		0.00%	6	0.23%	7	0.27%	178	0.21%
Educational Institutions (elementary/secondary)	1,248	46.48%	1,380	51.98%	1,334	50.95%	45,619	52.96%
Educational Institutions (post-secondary)	102	3.80%	17	0.64%	22	0.84%	3,034	3.52%
Employers		0.00%		0.00%		0.00%	53	0.06%
Faith Based Organizations		0.00%		0.00%	1	0.04%	64	0.07%
Family/Friends	6	0.22%	57	2.15%	126	4.81%	4,041	4.69%
Intellectual and Developmental Disabilities Providers	8	0.30%	13	0.49%	23	0.88%	1,652	1.92%
Medical Health Provider (Public or Private)	57	2.12%	38	1.43%	23	0.88%	1,896	2.20%
Mental Health Provider (Public or Private)	1	0.04%	6	0.23%	10	0.38%	1,936	2.25%
One-stop Employment/Training Centers	11	0.41%	555	20.90%	554	21.16%	1,054	1.22%
Other Sources	463	17.24%		0.00%		0.00%	6,099	7.08%
Other State Agencies	3	0.11%	6	0.23%	14	0.53%	636	0.74%
Other VR State Agencies		0.00%		0.00%		0.00%	261	0.30%
Public Housing Authority		0.00%		0.00%		0.00%	15	0.02%

Referral Sources	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Self-referral	551	20.52%	363	13.67%	299	11.42%	14,829	17.21%
Social Security Administration (Disability Determination Service or District office)	9	0.34%	3	0.11%	1	0.04%	328	0.38%
State Department of Correction/Juvenile Justice	1	0.04%		0.00%	4	0.15%	522	0.61%
State Employment Service Agency		0.00%	1	0.04%	1	0.04%	67	0.08%
Veteran's Administration		0.00%		0.00%		0.00%	13	0.02%
Welfare Agency (State or local government)	17	0.63%	104	3.92%	148	5.65%	555	0.64%
Worker's Compensation		0.00%		0.00%		0.00%	28	0.03%

Data source: RSA-911

Table 4.7. MD-C Reason for Closures for Individuals with Disabilities under Age 25 at Exit with Employment Outcomes FFYs 2014-2016

Reason for Closure	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Achieved employment outcome	910	34.56%	925	35.17%	937	36.08%	29,393	35.55%
Unable to locate or contact	385	14.62%	254	9.66%	224	8.63%	18,723	22.65%
Transportation not feasible or available	2	0.08%	1	0.04%		0.00%	114	0.14%
Does not require VR services	6	0.23%	7	0.27%	28	1.08%	579	0.70%
Extended services not available	3	0.11%	3	0.11%	2	0.08%	87	0.11%
All other reasons	79	3.00%	93	3.54%	108	4.16%	6,857	8.29%
Extended employment		0.00%		0.00%		0.00%	62	0.07%
Individual in institution, other than a prison or jail	11	0.42%	6	0.23%	7	0.27%	179	0.22%
Individual is incarcerated in a prison or jail	6	0.23%	29	1.10%	14	0.54%	390	0.47%
Disability too significant to benefit from VR services	15	0.57%	10	0.38%	15	0.58%	501	0.61%
No longer interested in receiving services or further services	1,212	46.03%	1,298	49.35%	1,255	48.32%	25,623	30.99%
Death	4	0.15%	4	0.15%	7	0.27%	168	0.20%

Data source: RSA-911

Table 5.1.a MD-C Supported Employment Outcomes for All Individuals with Disabilities - FFYs 2014-2016

All Individuals with Disabilities with Supported Employment Outcomes	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Supported employment outcomes	701	27.54%	647	25.28%	683	26.63%	9,673	11.67%
Average hourly earnings for supported employment outcomes	\$ 8.72		\$ 9.29		\$ 9.68		\$9.07	
Average hours worked per week for supported employment outcomes	21.21		22.65		22.71		22.48	
Competitive employment outcomes	669	95.44%	642	99.23%	683	100.00%	9099	94.07%
Average hourly earnings for competitive supported employment outcomes	\$ 8.82		\$ 9.31		\$ 9.68		9.3	
Average hours worked per week for competitive supported employment outcomes	21.36		22.67		22.71		22.23	
Competitive supported employment outcomes at 35 or more hours per week	76	10.84%	91	14.06%	88	12.88%	1335	13.80%
Competitive supported employment outcomes meeting SGA	146	20.83%	180	27.82%	193	28.26%	2276	23.53%
Competitive supported employment outcomes with employer- provided medical insurance		0.00%		0.00%		0.00%	338	3.49%

Data source: RSA-911

Table 5.1.b MD-C Supported Employment Outcomes for All Individuals with Disabilities under Age 25 at Exit - FFYs 2014-2016

All Individuals with Disabilities with Supported Employment Outcomes	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Supported employment outcomes	225	24.73%	191	20.65%	193	20.60%	3,965	13.49%
Average hourly earnings for supported employment outcomes	8.35		8.9		9.38		8.77	
Average hours worked per week for supported employment outcomes	19.86		21.89		21.67		21.92	
Competitive employment outcomes	208	92.44%	190	99.48%	193	100.00%	3750	94.58%
Average hourly earnings for competitive supported employment outcomes	\$8.51		\$8.91		\$9.38		\$8.94	
Average hours worked per week for competitive supported employment outcomes	20.21		21.87		21.67		21.75	
Competitive supported employment outcomes at 35 or more hours per week	16	7.11%	20	10.47%	19	9.84%	489	12.33%
Competitive supported employment outcomes meeting SGA	39	17.33%	48	25.13%	50	25.91%	821	20.71%
Competitive supported employment outcomes with employer- provided medical insurance							215	5.42%

Data source: RSA-911

Table 5.2.a. MD-C Select VR and Supported Employment Services Provided to All Individuals with Disabilities with Supported Employment Outcomes - FFYs 2014 -2016

Training Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total number of individuals served	701		647		683		9673	
College or university training	0	0.00%	0	0.00%	0	0.00%	32	0.30%
Four-year or university training	0	0.00%	1	0.20%	0	0.00%	116	1.20%
Junior or community college training	16	2.30%	11	1.70%	12	1.80%	124	1.30%
Occupational or vocational training	37	5.30%	45	7.00%	39	5.70%	423	4.40%
On-the-job training	3	0.40%	1	0.20%	2	0.30%	239	2.50%
Apprenticeship training	0	0.00%	0	0.00%	0	0.00%	7	0.10%
Basic academic remedial or literacy training	10	1.40%	15	2.30%	24	3.50%	78	0.80%
Job readiness training	43	6.10%	47	7.30%	47	6.90%	1,928	19.90%
Disability-related skills training	2	0.30%	2	0.30%	1	0.10%	153	1.60%
Miscellaneous training	20	2.90%	11	1.70%	14	2.00%	804	8.30%
Assessment	198	28.20%	189	29.20%	182	26.60%	5,992	61.90%
Diagnosis and treatment of impairment	88	12.60%	64	9.90%	50	7.30%	1,987	20.50%
Vocational rehab counseling and guidance	671	95.70%	646	99.80%	682	99.90%	6,718	69.50%
Job search assistance	523	74.60%	507	78.40%	520	76.10%	4,766	49.30%
Job placement assistance	81	11.60%	70	10.80%	64	9.40%	4,358	45.10%
On-the-job supports-short term	184	26.20%	75	11.60%	66	9.70%	2,911	30.10%
On-the-job supports-SE	428	61.10%	508	78.50%	569	83.30%	6,821	70.50%
Information and referral services	3	0.40%	16	2.50%	19	2.80%	2,005	20.70%
Benefits counseling	136	19.40%	103	15.90%	131	19.20%	1,233	12.70%
Customized employment services	0	0.00%	0	0.00%	0	0.00%	98	1.00%
Transportation	140	20.00%	136	21.00%	121	17.70%	2,769	28.60%

Training Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Maintenance	109	15.50%	217	33.50%	251	36.70%	2,324	24.00%
Rehabilitation technology	33	4.70%	38	5.90%	33	4.80%	568	5.90%
Reader services	0	0.00%	1	0.20%	0	0.00%	1	0.00%
Interpreter services	0	0.00%	2	0.30%	0	0.00%	89	0.90%
Personal attendant services	0	0.00%	0	0.00%	0	0.00%	11	0.10%
Technical assistance services	0	0.00%	0	0.00%	0	0.00%	28	0.30%
Other services	227	32.40%	128	19.80%	94	13.80%	1,674	17.30%

Data source: RSA-911

Table 5.2.b. MD-C Select VR and Supported Employment Services Provided to Individuals with Disabilities with Supported Employment Outcomes under Age 25 at Exit-FFYs 2014-2016

Training Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Total number of individuals served	225		191		193		3,965	
College or university training	0	0.00%	0	0.00%	0	0.00%	15	0.40%
Four-year or university training	0	0.00%	0	0.00%	0	0.00%	51	1.30%
Junior or community college training	4	1.80%	2	1.00%	5	2.60%	69	1.70%
Occupational or vocational training	12	5.30%	16	8.40%	13	6.70%	183	4.60%
On-the-job training	0	0.00%	1	0.50%	0	0.00%	122	3.10%
Apprenticeship training	0	0.00%	0	0.00%	0	0.00%	4	0.10%
Basic academic remedial or literacy training	6	2.70%	8	4.20%	17	8.80%	55	1.40%
Job readiness training	28	12.40%	31	16.20%	38	19.70%	1,154	29.10%
Disability-related skills training	0	0.00%	2	1.00%	0	0.00%	80	2.00%
Miscellaneous training	16	7.10%	6	3.10%	10	5.20%	438	11.00%
Assessment	83	36.90%	88	46.10%	77	39.90%	2,653	66.90%
Diagnosis and treatment of impairment	44	19.60%	27	14.10%	26	13.50%	751	18.90%
Vocational rehab counseling and guidance	212	94.20%	191	100.00%	192	99.50%	2,785	70.20%
Job search assistance	138	61.30%	138	72.30%	133	68.90%	1,857	46.80%
Job placement assistance	28	12.40%	28	14.70%	20	10.40%	1,794	45.20%
On-the-job supports-short term	72	32.00%	38	19.90%	29	15.00%	1,310	33.00%
On-the-job supports-SE	110	48.90%	130	68.10%	139	72.00%	2,742	69.20%
Information and referral services	2	0.90%	4	2.10%	5	2.60%	883	22.30%
Benefits counseling	39	17.30%	30	15.70%	33	17.10%	451	11.40%
Customized employment services	0	0.00%	0	0.00%	0	0.00%	40	1.00%
Transportation	37	16.40%	34	17.80%	36	18.70%	1,120	28.20%

Training Services	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
Maintenance	30	13.30%	52	27.20%	65	33.70%	834	21.00%
Rehabilitation technology	19	8.40%	20	10.50%	22	11.40%	208	5.20%
Reader services	0	0.00%	0	0.00%	0	0.00%	1	0.00%
Interpreter services	0	0.00%	2	1.00%	0	0.00%	37	0.90%
Personal attendant services	0	0.00%	0	0.00%	0	0.00%	5	0.10%
Technical assistance services	0	0.00%	0	0.00%	0	0.00%	10	0.30%
Other services	70	31.10%	35	18.30%	32	16.60%	715	18.00%

Data source: RSA-911

Table 5.3.a MD-C Elapsed Time from Application to Eligibility for All Individuals for Individuals with Disabilities Who Achieved Supported Employment Outcomes - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 60 days	674	96.15%	631	97.53%	650	95.17%	8,277	85.57%
61 – 90 days	11	1.57%	6	0.93%	12	1.76%	633	6.54%
91 – 120 days	6	0.86%	6	0.93%	10	1.46%	291	3.01%
121 – 180 days	5	0.71%	1	0.15%	5	0.73%	250	2.58%
181 – 365 days	4	0.57%	3	0.46%	4	0.59%	169	1.75%
More than 1 year	1	0.14%		0.00%	2	0.29%	53	0.55%
Total SE	701		647		683		9,673	

Data source: RSA-911

Table 5.3.b MD-C Elapsed Time from Application to Eligibility for Individuals with Disabilities Who Achieved Supported Employment Outcomes under Age 25 at Exit - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 60 days	214	95.11%	184	96.34%	182	94.30%	3,284	82.82%
61 – 90 days	4	1.78%	2	1.05%	2	1.04%	292	7.36%
91 – 120 days	2	0.89%	4	2.09%	1	0.52%	149	3.76%
121 – 180 days	3	1.33%	1	0.52%	4	2.07%	125	3.15%
181 – 365 days	1	0.44%		0.00%	4	2.07%	87	2.19%
More than 1 year	1	0.44%		0.00%		0.00%	28	0.71%
Total SE	225		191		193		3,965	

Data source: RSA-911

Table 5.4.a MD-C Elapsed Time from Eligibility to IPE for Individuals with Disabilities Who Achieved Supported Employment Outcomes - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 3 months	614	87.59%	564	87.17%	586	85.80%	7,647	79.06%
4-6 months	45	6.42%	39	6.03%	58	8.49%	1,137	11.75%
7-9 months	11	1.57%	18	2.78%	14	2.05%	406	4.20%
10-12 months	11	1.57%	9	1.39%	5	0.73%	185	1.91%
More than 12 months	20	2.85%	17	2.63%	20	2.93%	298	3.08%
Total SE	701		647		683		9,673	

Data source: RSA-911

Table 5.4.b MD-C Elapsed Time from Eligibility for IPE for Individuals with Disabilities Who Achieved Supported Employment Outcomes under Age 25 at Exit - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 3 months	156	69.33%	138	72.25%	133	68.91%	3,004	75.76%
4-6 months	24	10.67%	13	6.81%	25	12.95%	556	14.02%
7-9 months	7	3.11%	10	5.24%	9	4.66%	190	4.79%
10-12 months	8	3.56%	8	4.19%	3	1.55%	85	2.14%
More than 12 months	17	7.56%	16	8.38%	14	7.25%	130	3.28%
Total SE	225		191		193		3,965	

Data source: RSA-911

Table 5.5.a MD-C Elapsed Time from IPE to Closure for All Individuals with Disabilities Who Achieved Supported Employment Outcomes- FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 3 months	57	8.13%	61	9.43%	55	8.05%	246	2.54%
4 – 6 months	163	23.25%	118	18.24%	169	24.74%	1,555	16.08%
7 – 9 months	105	14.98%	89	13.76%	88	12.88%	1,713	17.71%
10 – 12 months	61	8.70%	68	10.51%	67	9.81%	1,251	12.93%
13 - 24 months	175	24.96%	167	25.81%	146	21.38%	2,558	26.44%
25 – 36 months	65	9.27%	69	10.66%	68	9.96%	1,024	10.59%
37 – 60 months	57	8.13%	56	8.66%	66	9.66%	911	9.42%
More than 5 years	18	2.57%	19	2.94%	24	3.51%	415	4.29%
More than 10 years		0.00%		0.00%		0.00%		0.00%
Total SE	701		647		683		9,673	

Data source: RSA-911

Table 5.5.b MD-C Elapsed Time from IPE to Closure for All Individuals with Disabilities under Age 25 at Exit Served Who Achieved Supported Employment Outcomes - FFYs 2014-2016

Elapsed Time	2014 Number	2014 Percent	2015 Number	2015 Percent	2016 Number	2016 Percent	2016 National Agency Type Number	2016 National Agency Type Percent
0 – 3 months	15	6.67%	10	5.24%	15	7.77%	65	1.64%
4 – 6 months	37	16.44%	27	14.14%	32	16.58%	464	11.70%
7 – 9 months	26	11.56%	27	14.14%	21	10.88%	612	15.44%
10 – 12 months	19	8.44%	17	8.90%	13	6.74%	472	11.90%
13 - 24 months	69	30.67%	52	27.23%	44	22.80%	1,134	28.60%
25 – 36 months	32	14.22%	24	12.57%	27	13.99%	549	13.85%
37 – 60 months	20	8.89%	30	15.71%	33	17.10%	526	13.27%
More than 5 years	7	3.11%	4	2.09%	8	4.15%	143	3.61%
More than 10 years		0.00%		0.00%		0.00%		0.00%
Total SE	225		191		193		3,965	

Data source: RSA-911

Table 6.1 MD-C Resources and Expenditures—FFYs 2014–2016

VR Resources and Expenditures	2014	2015	2016*
Total program expenditures	\$60,054,817	\$50,670,279	\$21,005,874
Federal expenditures	\$47,262,531	\$37,811,493	\$8,208,588
State agency expenditures (4 th quarter)	\$12,792,893	\$12,862,246	\$12,797,286
State agency expenditures (latest/final)	\$12,792,286	\$12,858,786	\$12,797,286
Federal formula award amount	\$39,553,773	\$39,892,974	\$41,899,699
MOE penalty from prior year	\$0	\$0	\$5,186
Federal award amount relinquished during reallocation	\$0	\$0	\$0
Federal award amount received during reallocation	\$7,708,758	\$0	\$0
Federal funds transferred from State VR agency	\$0	\$0	\$0
Federal funds transferred to State VR agency	\$0	\$0	\$0
Federal award amount (net)	\$47,262,531	\$39,892,974	\$41,894,513
Federal award funds deobligated	\$0	\$0	\$0
Federal award funds used	\$47,262,531	\$39,892,974	\$41,894,513
Percent of formula award amount used	119.49%	100.00%	99.99%
Federal award funds matched but not used	\$0	\$0	\$0

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

Table 6.2 MD-C Non-Federal Share and Maintenance of Effort—FFYs 2014–2016

Non-Federal Share (Match) and Maintenance of Effort (MOE)	2014	2015	2016*
Match required per net award amount	\$12,791,511	\$10,796,955	\$11,338,667
Match provided (actual)	\$12,792,286	\$12,858,786	\$12,797,286
Match difference**	-\$775	-\$2,061,831	-\$1,458,619
Federal funds matched (actual)	\$47,265,395	\$47,511,101	\$47,283,869
Percent Federal funds matched	100.01%	119.10%	112.86%
Match from State appropriation			
Percent match from State appropriation	0.00%	0.00%	0.00%
Match from Third-Party Cooperative Arrangements (TPCA)			
Percent match from TPCAs	0.00%	0.00%	0.00%
Match from Randolph-Sheppard program			
Percent match from Randolph-Sheppard Program	0.00%	0.00%	0.00%
Match from interagency transfers			
Percent match from interagency transfers	0.00%	0.00%	0.00%
Match from other sources			
Percent match from other sources	0.00%	0.00%	0.00%
MOE required	\$12,791,511	\$12,863,972	\$12,792,286
MOE: Establishment/construction expenditures	\$0	\$0	\$0
MOE actual	\$12,792,286	\$12,858,786	\$12,797,286
MOE difference**	-\$775	\$5,186	-\$5,000

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

** A positive amount indicates a deficit. A negative amount indicates a surplus.

Table 6.3 MD-C Program Income and Carryover—FFYs 2014–2016

Program Income and Carryover	2014	2015	2016*
Program income received	\$4,653,695	\$5,252,841	\$5,263,729
Program income disbursed	\$4,653,695	\$5,252,841	\$5,263,729
Program income transferred	\$501,441	\$559,326	\$697,680
Program income used for VR program	\$4,152,254	\$4,693,515	\$4,566,049
Federal grant amount matched	\$47,262,531	\$39,892,974	\$41,894,513
Federal expenditures and unobligated funds 9/30	\$8,336,940	\$2,735,224	\$8,208,588
Carryover amount	\$36,301,641	\$34,029,121	\$9,320,402
Carryover as percent of award	76.81%	85.30%	22.25%

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

Table 6.4 MD-C RSA-2 Expenditures—FFYs 2014–2016*

RSA-2 Expenditures	2014	2015	2016
Total expenditures	\$59,186,777	\$58,145,321	\$60,835,590
Administrative costs	\$22,779,228	\$18,442,585	\$22,561,485
Administration as Percent expenditures	38.49%	31.72%	37.09%
Purchased services expenditures	\$16,893,778	\$17,752,534	\$19,608,949
Purchased services as a percent of expenditures	28.54%	30.53%	32.23%
Services to groups	\$0	\$0	\$0
Services to groups percentage	0.00%	0.00%	0.00%

*Expenditures for RSA-2 data represent current FFY expenditures and carryover from prior FFY. Therefore, these figures may differ from the expenditures in Tables 6.1, 6.2, and 6.3 which are from SF-425 reports.

APPENDIX B: DOCUMENTATION REVIEW RESULTS

Data Element	Number with required documentation	Number without required documentation	Percent with required documentation	Percent without required documentation
Date of Application	11	19	37%	0%
Date of Eligibility Determination	25	5	83%	17%
Date of IPE	22	8	73%	27%
Start Date of Employment in Primary Occupation at Exit or Closure	3	1	75%	25%
Weekly Earnings at Exit or Closure	4	0	100%	0%
Employment Status at Exit or Closure	4	0	100%	0%
Type of Exit or Closure	30	0	100%	0%
Date of Exit or Closure	30	0	100%	0%

Summary	Number (of 30)	Percent (of 30)
Files with all required documentation	0	0%
Files with documentation for four or data elements examined	30	100%
Files with no required documentation	0	0%

APPENDIX C: AGENCY RESPONSE

A. Overview

This appendix contains DORS' responses to recommendations and corrective actions identified in the monitoring, along with DORS' requests for technical assistance to address them, and RSA's responses, as appropriate.

For corrective actions to improve program and fiscal performance, as well as to improve administration of the VR program, DORS must develop a corrective action plan for RSA's review and approval that includes specific steps the agency will take to complete each corrective action, the timetable for completing those steps, and the methods the agency will use to evaluate whether the corrective action has been resolved. RSA anticipates that the corrective action plan can be developed and submitted online using the RSA website at rsa.ed.gov within 45 days from the issuance of this report. RSA is available to provide technical assistance to enable DORS to develop the plan and undertake the corrective actions.

For recommendations to improve program and fiscal performance as well as to improve administration of the VR program, DORS will report to the review team, on a quarterly basis, progress on the implementation of recommendations.

B. Agency Responses

Recommendations

2.1 Individuals Who Exited from the VR Program

2.1.1 Collaborate with the WINTAC to identify strategies for providing effective guidance and counseling and information and referral services during the order of selection waiting list period;

2.1.2 Develop targeted information and resources for individuals assigned to the waiting list that would be of benefit to them, could address potential barriers to employment, or could assist with their immediate employment needs;

2.1.3 Explore workforce partner services and referral partner resources and their capacities to provide services to individuals assigned to the waiting list; and

2.1.4 Provide individuals assigned to the waiting list with realistic time frames before services can be delivered under an IPE.

Agency Response: DORS provides updated waiting list information on the DORS website. However, due to continuous referrals of individuals determined eligible in Disability Priority Category 1 and frequent staffing changes resulting from vacancies and the abolishment of positions, DORS has found it challenging to provide consumers a realistic timeframe before they can receive services under an IPE. DORS will continue to provide information to individuals placed on the waiting list regarding services available through the American Job Centers (AJC), and will consider these recommendations in future planning and collaboration with the AJC and other workforce partners.

Technical Assistance: DORS does not request technical assistance.

2.2 Achievement of High Quality Employment Outcomes

2.2.1 Amend the current comprehensive statewide needs assessment (CSNA) to determine the incidence of impairment types in Maryland to assess whether the agency is underserving individuals with the targeted impairments;

2.2.2 Identify barriers and opportunities to expanding the provision of services to individuals with differing types of disabilities and the types of services provided to them;

2.2.3 Evaluate whether the services currently provided adequately address the needs of those individuals; and

2.2.4 Develop outreach strategies to expand participation in the VR program of individuals with differing types of disabilities.

Agency Response: The 2016 CSNA addresses the prevalence of targeted impairment types. DORS will make any necessary changes in the State Plan amendments in FFY 2018, as stated on page 47 of the 2016 CSNA report. During the previous three years, DORS has taken several measures to incentivize CRPs to provide job placement services for individuals with targeted impairments or specific barriers to employment, which often make finding high quality employment more difficult. DORS has also approved several vendors of Rehabilitation Communication Services (RCS), who are all proficient in ASL and who provide job placement and job coaching for individuals who are deaf and hard of hearing, and DORS is developing a pilot to explore a similar service delivery model for individuals with blindness. However, as long as DORS operates under an Order of Selection for services, certain specific disability populations, as well as certain services typically provided to those who are most significantly disabled will be predominant in the data. Expanded outreach activities may increase participation of individuals with various disabilities, but it may also result in more people added to the waiting list and an increase the Agency's average time from eligibility determination to IPE.

Technical Assistance: DORS does not request technical assistance.

2.3 Internal Controls

2.3.1 Modify the internal control process for the case service record to improve the accuracy and validity of reported data, for example by, increasing the frequency of internal reviews and the sample size of cases reviewed; and

2.3.2 Provide additional training to counseling staff on service record documentation requirements.

Agency Response: DORS will consider these recommendations during future revisions to its case record review process. All counseling and supervisory staff will be trained on any new or revised documentation procedures.

Technical Assistance: DORS does not request technical assistance.

3.1 Individuals Under the Age of 25 Exiting the VR System

- 3.1.1 Conduct surveys or use other methods to identify the barriers or factors related to the exit of individuals with disabilities under age 25 from the VR program prior to the provision of services and the achievement of employment;
- 3.1.2 Continue to distribute the Number of Days in Eligible Status report to VR counselors and develop performance action plans, if necessary;
- 3.1.3 Engage students and youth with disabilities in the group transition process as described in section 103(b)(7) of the Act and 34 CFR §361.49(a)(7) until they can receive services under an IPE; and
- 3.1.4 Collaborate with independent living centers or other CRPs to determine whether needed services similar to individualized VR services could be provided by these partners while students and youth are assigned to an order of selection waiting list.

Agency Response: DORS will consider these recommendations during future planning. For instance, there may be several reasons why individuals under age 25, many of whom are eligible for DDA-funded services, exit DORS prior to services or employment. For this reason, DDA and DORS have already begun preparations to hold a focus group with DDA/DORS providers to identify contributing factors. DORS and DDA then plan to include possible solutions in the updated DDA/DORS MOU. DORS understands that it has the option to provide transition services in group situations as described in section 103(b)(7) of the Act and 34 CFR §361.49(a)(7). DORS does this to the extent that it finds feasible, by involving students and youth with disabilities, including those who may already be on the DORS waiting list, in presentations to groups at high schools and community transition events.

Technical Assistance: DORS does not request technical assistance.

3.2 VR Services Provided to Individuals with Disabilities Under Age 25

- 3.2.1 Identify and assess barriers or factors that are preventing VR counselors from developing college and on-the-job training IPEs and develop measurable goals and strategies to increase the agency's performance in this area;
- 3.2.2 Conduct case reviews to determine if IPE goals and services, including employment goals, are aligned with the labor market demands and trends in the State of Maryland;
- 3.2.3 Provide data and information to VR counselors to ensure they are aware of labor market demands and trends; and
- 3.2.4 Consider joint training activities with the Maryland Department of Labor, Licensing and Regulations (DLLR) to ensure VR counselors and staff are aware of job-driven and high-demand employment opportunities.

Agency Response: DORS will consider these recommendations in future planning. Currently, DORS is exploring use of Career Index Plus to increase staff use of labor market information at key intervals in the rehabilitation process. DORS Business Service Representatives also currently provide Labor Market Information to DORS counselors to assist with alignment of IPE goals with labor market demands, and DORS and DLLR (the Labor Agency) have already increased collaboration on joint webinars and conferences.

Technical Assistance: DORS does not request technical assistance.

3.3 Employment Outcomes for Individuals with Psychosocial and Psychological Disabilities under Age 25

3.3.1 Identify and assess barriers limiting employment outcomes for individuals with psychosocial and psychological disabilities under age 25 and develop strategies to improve performance in this area; and

3.3.2 Develop and implement a plan to enhance VR counselor skills to assist individuals with psychosocial and psychological disabilities.

Agency Response: DORS will consider these recommendations in future planning and discussions with the BHA regarding strategic collaboration when working with students and youth with disabilities.

Technical Assistance: DORS does not request technical assistance.

4.1 Individuals Who Require Job Coaching Services but Do Not Have Identified Funders for Extended Services at IPE Development.

4.1.1 Cease using the term non-supported employment job coaching given that job coaching is indistinguishable whether these services are provided to individuals in supported employment or to individuals with significant disabilities not in supported employment; and

4.1.2 Develop IPEs for eligible individuals, per 34 CFR §361.42(a), who, because of the nature and severity of their disabilities, require supported employment services and extended services after the transition from support funded by DORS, in accordance with 34 CFR §361.46(b)(3), and who, though not having an extended service funder identified at the point of IPE development, have a reasonable basis to expect that extended services funded by an employer, a private nonprofit organization, a State agency, or any other appropriate resource, including natural supports, will become available for the individual before the individual transitions from support funded by DORS.

Agency Response: In response to recommendation 4.1.1, DORS will discontinue using the term “non-supported employment job coaching” in favor of using a more universal term to describe job coaching services provided for individuals who do not require supported employment services but who, after employment placement, require short-term job supports in order to stabilize the placement and enhance job retention.

In response to recommendation 4.1.2, DORS has sought from WINTAC technical assistance related to documenting, at the time of IPE development, the “reasonable basis” for expecting extended services funding or natural supports to be available when the individual is ready to transition from support funded by DORS.

Technical Assistance: DORS has requested technical assistance from the WINTAC, regarding these recommendations, as well as regarding customized employment.

Corrective Actions to Improve Performance

2.1. Untimely Development of the IPE

Corrective Action 2.1.1: DORS must take the steps necessary to ensure that the IPEs for adults and youth are developed in a timely manner and within the established timeframe, pursuant to Section 101(a)(9)(A) of the Act and 34 CFR §361.45(e).

Agency Response: DORS concurs and will work with RSA to develop a corrective action plan. DORS thanks RSA for acknowledging on page 10, under “Service Record Review”, that the 30 case records selected for review were obtained from three caseloads between two districts, and that one of the assigned counselors was terminated due to job performance. DORS also wishes to note that 21 of the 30 cases selected had application dates earlier than FY 14, ranging as far back as 2002, with the median date being 3/2012. Thus, the record review was neither a representative nor a current sample of the Agency’s current performance.

Technical Assistance: DORS does not request technical assistance.

4.1 Funding of Extended Services

Corrective Action Steps: DORS must –

4.1.1 Finalize the Agency’s extended services policy in a timely manner which is consistent with 34 CFR §361.5(c)(19), including:

- C) Excluding from DORS’ final extended services policy, in a manner consistent with the Agency’s current draft policy, the provisions from the Agency’s published extended services policy that permit funding extended services for adults (25 and above); and
- D) Adding, consistent with the Agency’s current draft policy, provisions that permit funding extended services for youth (24 and under);

4.1.2 Finalize a post-employment policy in a timely manner that is consistent with 34 CFR §361.5(c)(41), including:

- B) Excluding from DORS’ final post-employment policy –
 - iii. Funding of comprehensive and complex post-employment services for all individuals;
 - iv. Post-employment services for all adults (ages 25 and above) who have not achieved stability in their work setting for a minimum of 90 days after transitioning to extended services funded by another provider; and

4.1.3 Revise all cooperative agreements, including those with DDA and BHA, to be consistent with the finalized extended services and post-employment policies.

Agency Response: DORS agrees and will work with RSA to finalize the corrective action plan. Note: DORS began taking corrective action shortly after the on-site monitoring visit. On May 24, 2017, DORS held a meeting for all staff and community rehabilitation providers who serve individuals with an acquired brain injury (ABI). The purpose of the meeting was to inform all attendees that DORS would be discontinuing the ABI Program, effective June 30, 2017, and that DORS will no longer use Post-Employment Service plans to provide funding for extended supported employment services for adults with ABI who do not have a commitment of funding for extended supported employment services. DORS communicated this change in a letter to all

programs providing services to individuals with Acquired Brain Injury, dated May 19, 2017, and provided a copy of this letter to the RSA monitoring team.

Technical Assistance: DORS does not request technical assistance.

5.1 Prior Approval Requirements Not Met

Corrective Action Steps 5.1.1: RSA requires that DORS develop and implement a written internal control process, including a monitoring component, to ensure ongoing compliance with the prior approval requirements.

Agency Response: DORS has submitted a draft policy to RSA, and RSA appears to have accepted this policy. In addition, administrative equipment purchases require the approval of the Director of Administration and Financial Services. However, in DORS' opinion, there are conflicts between the requirement for prior approval and DORS authority to include and provide services on a client IPE based on the needs of the client. Therefore, before any final policies and procedures can be implemented, DORS will need guidance in how RSA wishes DORS to handle apparent conflicts between 2 CFR§ 200 and 34 CFR§ 361 regulations. Below are two examples of such conflicts:

2 CFR§ 200.439 vs 34 CFR§ 361.48(b)

DORS under the authority of §361.48(b) frequently purchases equipment for clients that exceeds the \$5,000 threshold, such as assistive technology or equipment for self-employment. However, 2 CFR§ 200.439 does not distinguish between purchasing equipment in accordance with a Client's Individual Plan for Employment (IPE) or the purchase of equipment that is considered administrative in nature. Because of this lack of distinction, this clearly puts RSA in the middle of having to approve the inclusion of equipment on an individuals' IPE.

2 CFR§ 200.456 vs 34 CFR§ 361.48(b) 6, 7, & 8

2 CFR§ 200.75 defines Participant Support costs as direct cost of items such as stipends, or subsistence allowances, travel allowances and registration fees paid to or on behalf of participants or trainees in connection with conferences or training projects. According to

2 CFR§ 200.456 these costs require prior approval. This conflict puts the State VR agencies in a position of having to request prior approval from RSA every time Vocational Training, Maintenance, or Transportation is included on clients' IPEs. Again, this puts RSA in the middle of having to approve services prior to the inclusion on an individual's IPE.

RSA Response: RSA recognizes that implementation of the prior approval requirements can be difficult for VR agencies. However, RSA does not have the authority to waive the prior approval requirements in the Uniform Guidance. Therefore, this finding remains unchanged.

Technical Assistance: DORS requests official guidance/technical assistance on prior approval.

5.2 Maintenance of Effort Deficit

Corrective Action Steps 5.2.1: RSA will address this issue under a separate cover letter to DORS.

Agency Response: DORS agrees.

Technical Assistance: DORS does not request technical assistance.

5.3 Inaccurate Financial Reporting

Corrective Action Steps: DORS must

5.3.1 revise the affected SF-425 financial reports (namely, H126A140027 – final, H126A150027 – final, and H126A160027 – annual) to correct identified reporting errors; and

5.3.2 ensure the implementation of internal controls to ensure that:

- dates on receipts of deposit are accurate and staff is following procedures consistently when reviewing work orders;
- journal entries are accurate to minimize wrongful balances and reversed entries;
- financial reports are accurate, complete and submitted timely; and
- fiscal staff is adequately trained and capable of continued implementation of internal control processes in the event of staffing changes.

Agency Response: DORS agrees and will make the necessary corrections

Technical Assistance: DORS does not request technical assistance at this time, and will contact RSA for technical assistance, as needed.