

**FEDERAL FISCAL YEAR 2018
MONITORING REPORT
ON THE
ALASKA DIVISION OF VOCATIONAL
REHABILITATION
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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SECTION 1: THE FEDERAL MANDATE AND SCOPE OF THE REVIEW

A. Background

Section 107 of the Rehabilitation Act of 1973 (Rehabilitation 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 Rehabilitation Act to determine whether a vocational rehabilitation (VR) agency is complying substantially with the provisions of its State Plan under Section 101 of the Rehabilitation Act and with the evaluation standards and performance indicators established under Section 106 of the Rehabilitation Act 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 Rehabilitation 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 Alaska Department of Labor and Workforce Development, Division of Vocational Rehabilitation (DVR) in Federal fiscal year (FFY) 2018, 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, including those with significant and most significant 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 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 23, 2018 through April 27, 2018, is described in detail in the FFY 2018 Vocational Rehabilitation Program Monitoring and Technical Assistance Guide.

B. Review Team Participants

Members of the RSA review team included: April Trice, Sandy DeRobertis, and Ed West (Vocational Rehabilitation Program Unit); Andy Kerns (Data Collection and Analysis Unit); Joe Doney (Technical Assistance Unit); and Arseni Popov (Fiscal 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.

C. Acknowledgements

RSA wishes to express appreciation to the representatives of DVR 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 STATE VOCATIONAL REHABILITATION SERVICES PROGRAM

A. Purpose

Through this focus area, RSA assessed the achievement of employment outcomes, including the quality of those 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 below, along with any accompanying observations, recommendations, or findings, is based on a review of the programmatic data contained in Tables 1 through 9 found in Appendix A of this report. The data used in the analysis are those collected and reported by VR agencies based on Policy Directive 14-01, which was implemented prior to changes in reporting requirements in Section 101(a)(10) of the Rehabilitation Act made by WIOA, as well as the establishment in Title I of WIOA of common reporting requirements and performance indicators for all core programs in the workforce development system, including the VR program.

B. Analysis of the Performance of the VR Program

RSA reviewed DVR's performance for FFYs 2015, 2016, and 2017, with particular attention given to the number and quality of employment outcomes achieved by individuals with disabilities in the State. Additionally, the review addressed the number of individuals who were determined eligible for VR services and who received services through the VR program. The data used in this review were provided by DVR to RSA on the Quarterly Cumulative Caseload Report (RSA-113) and the Case Service Report (RSA-911).

The VR Process

Resources: Program Performance Data Table 1 Summary Statistics from RSA 113: FFYs 2015-2017; Program Performance Data Tables 2a, 2b, and 2c Agency Case Status Information, Exit Status, and Employment Outcomes—FFYs 2015–2017; and Program Performance Data Tables 3a, 3b, and 3c Source of Referral--FFYs 2015-2017

The VR Process: All Individuals

From FFY 2015 through FFY 2017, the total number of applicants decreased from 1,972 individuals to 1,730 individuals. Likewise, the total number of eligible individuals for VR services decreased from 1,973 to 1,602 individuals. Similarly, the number of individuals with an individualized plan for employment (IPE) who received services decreased from 2,201 individuals in FFY 2015, to 2,037 individuals in FFY 2017.

Of all individuals whose service records were closed during FFY 2015 through the first three quarters of FFY 2017, the percentage of individuals who exited from the VR system as applicants increased nominally from 12.7 percent, or 223 individuals, in FFY 2015, to 13.7 percent, or 240 individuals, in FFY 2016, and to 13.6 percent, or 168 individuals, at the close of the third quarter of FFY 2017. During the same time period, the percentage of individuals who

were eligible for VR services, but received no services, decreased from 27.2 percent, or 477 individuals, in FFY 2015, to 22.8 percent, or 400 individuals, in FFY 2016, and to 24.9 percent, or 306 individuals, at the close of the third quarter of FFY 2017.

The VR Process: Individuals under the age of 25

Of all individuals whose service records were closed during FFY 2015 through the first three quarters of FFY 2017, the percentage of those individuals under the age of 25 who exited from the VR system as applicants changed insignificantly from 8.5 percent, or 32 individuals, in FFY 2015, to 11.3 percent, or 39 individuals, in FFY 2016, and to 8.7 percent, or 25 individuals, at the close of the third quarter of FFY 2017. During the same time period, the percentage of individuals under the age of 25 who were eligible for VR services, but received no services, decreased from 31.3 percent, or 118 individuals, in FFY 2015, to 22.4 percent, or 77 individuals, in FFY 2016, and to 27.9 percent, or 80 individuals, at the close of the third quarter of FFY 2017.

Employment Outcomes

Resources: Program Performance Data Tables 2a, 2b, and 2c Case Status Information, Exit Status, and Employment Outcomes—FFYs 2015–2017

Employment Outcomes for All Individuals

The number of individuals who exited with employment outcomes decreased by 22, or 3.8 percent, from 576 individuals in FFY 2015, to 554 individuals in FFY 2016. The number of individuals who did not achieve employment and whose service records were closed increased from 398 individuals in FFY 2015, to 467 individuals in FFY 2016. Accordingly, DVR's employment rate decreased from 59.1 percent in FFY 2015, to 54.3 percent in FFY 2016.

During this period, the employment rate decreased for the following disability types:

- The employment rate for individuals with auditory and communicative impairments decreased from 81.4 percent to 69.8 percent;
- The employment rate for individuals with intellectual and learning disabilities decreased from 61.1 percent to 58.4 percent;
- The employment rate for individuals with psychosocial and psychological disorders decreased from 56.6 percent to 51.9 percent; and
- The employment rate for individuals served with physical impairments decreased from 54.5 percent to 49.8 percent.

The decrease in DVR's employment rate corresponds to an overall economic downturn within the State of Alaska, which began during FFY 2016. According to Local Area Unemployment Statistics produced by the Bureau of Labor Statistics, the unemployment rate in Alaska increased from 6.6 to 7.0 percent during FFY 2016 and continued to increase to 7.2 percent through three quarters of FFY 2017.

During FFY 2015 and FFY 2016, the average hourly earnings for individuals who achieved competitive employment outcomes remained constant at \$14.59 per hour and \$14.60 per hour,

respectively. Alaska's State minimum wage rate is \$9.84 an hour, which is greater than the Federal minimum wage of \$7.25.

Employment Outcomes for Individuals Under the Age of 25

The percentage of individuals under the age of 25 at exit who achieved employment outcomes increased from 32.4 percent in FFY 2015, to 33.1 percent in FFY 2016. Similarly, the number and percentage of individuals under the age of 25 at exit who did not achieve employment and whose service records were closed increased from 91 individuals, or 24.1 percent, in FFY 2015, to 101 individuals, or 29.4 percent, in FFY 2016. The employment rate decreased from 57.3 percent in FFY 2015, to 53.0 percent in FFY 2016.

During the period, the employment rate for individuals under the age of 25 decreased for the following disability types:

- The employment rate for individuals under the age of 25 with auditory and communicative impairments decreased from 70.0 percent to 60 percent;
- The employment rate for individuals under the age of 25 with intellectual and learning disabilities decreased from 61.2 percent to 53.4 percent; and
- The employment rate for individuals under the age of 25 with physical impairments decreased from 53.3 percent to 36.8 percent.

VR Services Provided

Resources: Program Performance Data Tables 7a, 7b, and 7c VR Services Provided—FFYs 2015–2017

VR Services: All Individuals

Of all individuals whose service records were closed, the percentage of individuals who received job search assistance decreased from 46.7 percent in FFY 2015, to 42.3 percent in FFY 2016. Similarly, the percentage of individuals who received job placement assistance decreased from 8.7 percent in FFY 2015, to 6.5 percent in FFY 2016. Of all individuals whose service records were closed during FFY 2015 through FFY 2016, the percentage of individuals who received occupational or vocational training decreased from 10.8 percent to 9.2 percent. Similarly, the percentage of individuals who received on-the-job training decreased from 2.2 percent to 1.3 percent.

VR Services: Individuals under the Age of 25

Of all individuals under the age of 25 whose service records were closed, the percentage of individuals who received bachelor's degree training decreased from 8.5 percent in FFY 2015, to 7.0 percent in FFY 2016, and the percentage of individuals who received junior or community college training decreased from 5.2 percent to 3.3 percent. However, the percentage of individuals who received occupational or vocational training increased from 3.3 percent in FFY 2015, to 6.0 percent in FFY 2016, and the percentage of individuals under age 25 who received job readiness training increased from 3.3 percent to 14.9 percent. DVR stated the increase in this

latter service is a result of the implementation of pre-employment transition services for students with disabilities.

For individuals under the age of 25 whose service records were closed, the percentage of individuals who received job search assistance decreased from 48.8 percent in FFY 2015, to 31.6 percent in FFY 2016. Similarly, the percentage of individuals who received job placement assistance decreased from 11.3 percent in FFY 2015, to 8.4 percent in FFY 2016. In addition, DVR reported that students and youth seek guidance through the University of Alaska's (Anchorage) Tapestry Program and Career Pathways. Last, students and youth residing in rural and remote communities continue to be unserved or underserved because the majority of these communities are only accessible by boat, airplane, or snow machine. DVR introduced entrepreneurship opportunities (e.g., Jobz Club and S'Cool) to meet the unique needs of this population.

Compliance with the Statutory Time Frame for Application to Eligibility Determination

Resources: Tables 5a, 5b, and 5c Number of Days from Application to Eligibility Determination—FFYs 2015–2017

The percentage of individuals served whose service records were closed and who were determined eligible within 60 days from the date of application decreased from 93.9 percent in FFY 2015, to 92 percent in FFY 2016. The percentage of individuals under the age of 25 who were determined eligible within 60 days from the date of application decreased from 96.7 percent in FFY 2015, to 93.2 percent in FFY 2016.

Compliance with the Statutory Time Frame from Eligibility Determination to IPE Development

Resources: Tables 6a, 6b, and 6c Number of Days from Eligibility Determination to IPE—FFYs 2015–2017

The percentage of individuals whose service records were closed and for whom an IPE was developed within 90 days decreased from 86.6 percent in FFY 2015, to 77.1 percent in FFY 2016. Similarly, the percentage of individuals under the age of 25 for whom an IPE was developed within 90 days decreased from 92.2 percent in FFY 2015, to 71.6 percent in FFY 2016. Prior to FFY 2014, DVR's time frame for IPE development was 180 days. Since that time, DVR has issued a Business Practice Review (BPR) that describes the 90-day IPE timeframe. In the event an IPE is not developed within the 90-day time frame, a time extension must be initiated by the VR counselor and approved by his or her supervisor. In addition, a case aging report is distributed to area supervisors to aid VR counselors in meeting the 90-day IPE requirement.

C. Internal Controls

The RSA review team assessed performance accountability in relation to the internal control requirements in 2 C.F.R. § 200.303. Internal controls mean a process, implemented by a non-Federal entity, designed to provide reasonable assurances regarding the achievement of objectives in the effectiveness and efficiency of operations, reliability of reporting for internal

and external use, and compliance with applicable laws and regulations. Internal controls are established and implemented as a measure of checks and balances to ensure proper expenditure of funds. Internal controls serve to safeguard assets and prevent fraud, waste, abuse, and mismanagement. They include methods and procedures the grantee uses to manage the day-to-day operations of grant-supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved.

Policies and Procedures

DVR has internal controls in place to review 15 percent of all agency open and closed case records on a semi-annual basis. Review reports were generated and used to inform and train staff. At the time of the review, DVR was in the process of updating its internal controls to reflect current processes. The review team provided technical assistance to DVR on the need to establish policies and procedures related to internal controls necessary for the verification of data in the RSA-911 as described in RSA PD-16-04.

The review team found that DVR case management policies were outdated and required review and updating. DVR informed RSA that it was reviewing the current policy manual with assistance from the Workforce Innovation Technical Assistance Center (WINTAC) and that updates to several policies were in process. Additionally, the review team found that procedures recorded in a technical manual required updating in conjunction with current policies.

RSA learned that DVR was actively working within its case management system to obtain quarterly reports for submission to RSA based on the recent changes to the RSA-911 Case Service Report. RSA data unit staff worked with DVR to extrapolate data and submit timely reports to RSA. DVR was not able to produce updated internal control policies or procedures for accurate data reporting as these were under revision.

Data Verification Review

The RSA review team randomly selected 30 service records for review to verify that the records contained documentation supporting data reported by the VR agency on the RSA-911 report. The results of that review are summarized in Appendix B.

RSA's review of 30 case service records closed between July 1 and September 30, 2017, indicated an overall 99 percent accuracy quality rating. 17 of 17 cases examined contained adequate documentation of the employment outcome and 29 of 30 cases contained adequate documentation of the date of IPE. All other data was accurately recorded in the case files reviewed.

D. Observations and Recommendations

RSA's review of the performance of DVR in this focus area resulted in the identification of the following observation and recommendations to improve performance.

2.1 Employment Rate

The employment rate for all individuals decreased from 59.1 percent in FFY 2015, to 54.3 percent in FFY 2016. During this same period, the employment rate for individuals under the age of 25 decreased from 57.3 percent in FFY 2015, to 53.0 percent in FFY 2016. In addition, from FFY 2015 to FFY 2016, the employment rate decreased for all individuals across disability types reviewed, with the exception of individuals with visual impairments. A similar trend was noted for individuals under the age of 25, with the exception of individuals under the age of 25 with visual impairments and psychosocial and psychological impairments.

Recommendations 2.1

RSA recommends that DVR:

- 2.1.1 Evaluate the decline in the employment rate, including variables related to the State's ongoing recession, as well as the decline in job placement assistance and job search assistance during this time;
- 2.1.2 Evaluate the provision of services and determine whether individuals are receiving the necessary services to achieve quality employment;
- 2.1.3 Develop measurable goals and strategies to address any barriers that may lead to individuals either exiting the program prior to employment or not achieving quality employment outcomes; and
- 2.1.4 Based on the results of implementing the strategies, develop and provide training to staff, assess the effect of these changes, and modify the strategies, if necessary.

Agency Response: DVR thanks RSA for these recommendations and will continue to evaluate the decline in employment rate and implement strategies to increase this rate. With the implementation of Common Performance Measures and the expiration of RSA's Standards and Indicators, there continues to be a steady decline in the employment rate. DVR will evaluate the provision of services to ensure individuals are receiving the necessary services required to achieve employment goals and will include improving the employment rate into DVR's 3 year strategic plan.

Request for Technical Assistance: None at this time.

E. Findings and Corrective Actions

RSA's review of the performance of DVR in this focus area resulted in the identification of the following finding and the corresponding corrective actions to improve performance.

2.1 Untimely Development of the IPE

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

Requirement: In accordance with 34 C.F.R. § 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 C.F.R. § 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 C.F.R. § 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 C.F.R. § 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: As part of the monitoring process, RSA analyzed the length of time it took for DVR to develop IPEs for individuals determined eligible for VR services. Data reported by DVR on the RSA-911 shows:

- DVR developed IPEs within 90 days following eligibility determination for 86.6 percent of individuals whose cases were closed in FFY 2015, and 77.1 percent for these individuals in FFY 2016; and
- DVR developed IPEs within 90 days following eligibility determination for 71.6 percent of individuals under the age of 25 whose cases were closed in FY 2016.

As previously stated, DVR's management team informed RSA that it had identified the untimely development of IPEs as a performance issue. Prior to FFY 2014, DVR's time frame for IPE development was 180 days. Since that time, DVR has issued a BPR that describes the 90-day IPE timeframe. In the event an IPE is not developed within the 90-day time frame, a time extension must be initiated by the VR counselor and approved by his or her supervisor. A case aging report is distributed to area supervisors to aid VR counselors in meeting the 90-day IPE requirement.

Conclusion: As the performance data demonstrate, with the exception of FFY 2015 for individuals under the age of 25, DVR 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, DVR did not develop IPEs in a timely manner pursuant to 34 C.F.R. § 361.45(a)(1) and within the required 90-day period pursuant to 34 C.F.R. § 361.45(e).

Corrective Actions 2.1

RSA requires that DVR:

- 2.1.1 Comply with 34 C.F.R. §§ 361.45(a)(1) and (e) to ensure IPEs are developed within the 90- day Federal time frame from the date of eligibility determination, unless an extension of that time frame to a specific date is agreed to by the VR counselor and individual;
- 2.1.2 Assess and evaluate current procedures for tracking and monitoring counselor performance and efficient practices used by high performing VR counselors and supervisors to ensure timely IPE development, including the use of case management tools for, and supervisory review of, timely IPE development; and
- 2.1.3 Develop goals and strategies to improve VR counselor performance specific to timely IPE development.

Agency Response: DVR thanks RSA for ongoing technical assistance provided throughout the course of its monitoring activities. DVR agrees with RSA and has implemented strategies and delivered training to assist counselors in developing IPEs within 90 days. This includes the use of assessment and evaluation in rehabilitation planning efforts. Additionally, VR counselors have been instructed to use plan extensions if, despite all efforts, they are unable to develop a IPEs within the 90 day time period. Managers are provided reports showing percentages of cases with untimely IPEs in order to utilize this information for management purposes. Timeliness of IPEs will be a focus area for future case reviews to ensure compliance with 34 C.F.R. §§ 361.45(a)(1) and (e). The percentage of individuals for whom an IPE was developed within 90 days increased to 83.9 percent in FFY19 and average days to IPE was 74.3 days.

Request for Technical Assistance: None at this time.

F. Technical Assistance

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

RSA recommended that DVR update its internal controls that include the verification of required documentation in an individual's service record, in accordance with 34 C.F.R. § 361.47(a).

RSA provided technical assistance regarding the RSA 911 procedures required to ensure the consistency and accuracy of the SOC codes assigned by DVR's VR counselors for the competitive employment outcomes reported. A review of the SOC codes reported by DVR on the RSA 911, as summarized on Tables 8a/8c in Appendix C, indicates that "Installation, Maintenance and Repair," at 42.6 percent, was the most frequent occupational category secured for those consumers closed with an employment outcome in FY 2017. However, per the technical assistance provided, DVR documented that less than ten percent of the supported employment outcomes achieved for FFYs 2015-2017 were in "Installation, Maintenance and Repair." Consistent with the revised occupational code data provided in Appendix C for competitive supported employment outcomes, the three occupational categories most frequently represented by percentage of employment outcomes for FFYs 2015-2017 are food preparation and serving related occupations; office and administrative support occupations; and building and grounds cleaning and maintenance.

DVR did not request further technical assistance.

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

A. Purpose

The Rehabilitation Act, as amended by WIOA, places heightened emphasis on the provision of services, including pre-employment transition services under Section 113, to students and youth with disabilities to ensure they have meaningful opportunities to receive training and other VR 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. Through this focus area RSA assessed the VR agency's performance and technical assistance needs related to the provision of VR services, including transition services to students and youth with disabilities and pre-employment transition services to students with disabilities; and the employment outcomes achieved by these individuals.

B. Service Delivery Overview

The VR agency must consider various requirements under the Rehabilitation Act and its implementing regulations in designing the delivery of VR services, including pre-employment transition services and transition services. For example, pre-employment transition services provided under Section 113 of the Rehabilitation Act and 34 C.F.R. § 361.48(a) are available only to students with disabilities. However, transition services provided for the benefit of a group of individuals under Section 103(b)(7) of the Rehabilitation Act and 34 C.F.R. § 361.49(a)(7) may be provided to both students and youth with disabilities. Youth with disabilities who are not students may receive transition-related services identified in an IPE under Section 103(a) of the Rehabilitation Act but may not receive pre-employment transition services because these services are limited to students with disabilities. On the other hand, students with disabilities may receive pre-employment transition services with or without an IPE under Section 113 of the Rehabilitation Act or may receive pre-employment transition services and/or transition services under an IPE in accordance with Section 103(a)(15) of the Rehabilitation Act. A discussion of DVRs' service delivery system and implementation of VR services, including pre-employment transition services and transition services, follows.

Structure of Service Delivery

Transition services and pre-employment transition services are provided by VR counselors and community rehabilitation programs (CRP) throughout the State of Alaska. Students and youth can be referred to DVR by their teachers, transition coordinators, CRPs, family members, or representatives. Students and youth may also self-refer by contacting their local DVR office or completing a referral form. The agency's request forms include demographic information such as: a student's or youth's name; date of birth; contact information; and parent/guardian signature(s); and high school attended. The referral form also requests a copy of the student or youth's most recent Evaluation Summary and Eligibility Review (ESER) form, individualized education program (IEP), or 504 plan. DVR reported that one of its challenges includes receiving

untimely paperwork from applicants or their parents or representatives. The agency condensed its referral forms and information collection processes to alleviate the burden placed on students with disabilities and their families and representatives. Finally, transition services and pre-employment transition services are provided in group settings and on an individualized basis and are purchased under DVR's VR fee schedule.

DVR updated its website to include transition services and pre-employment transition services information and materials (i.e., Transition tools, referral forms, fact sheets, and an orientation to DVR video).

Outreach and Identification of Students and Youth

DVR ensures that all required activities as described in Section 113(b) of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(2) are made available to or arranged for students with disabilities statewide, including students who are potentially eligible for pre-employment transition services. In Alaska, students and youth residing in rural and remote communities continue to be unserved or underserved because the majority of these communities are only accessible by boat, airplane, or snow machine, which presents significant challenges in meeting the unique needs of this population. Although DVR has not made any changes to its outreach policy to include outreach to students and youth with disabilities, the agency assigns VR counselors to rural hubs and schools to streamline their referral processes and to provide transition services and pre-employment transition services statewide. VR counselors are also active in attending IEP meetings and conferences and participate on interagency workgroups.

DVR completed its WIOA State Plan and Comprehensive Statewide Needs Assessment (CSNA) in FFYs 2015 and 2016, respectively. Amendments to the WIOA State Plan were made and submitted to RSA for review in FFY 2018. Survey findings revealed that certain areas within the State of Alaska lack a sufficient number of CRPs to provide VR services, including transition services and pre-employment transition services for students and youth with disabilities. To address this need, the agency and the University of Alaska-Anchorage, which is currently seeking accreditation from the Association of Community Rehabilitation Educators (ACRE), provides ongoing training to CRPs and requires each program to complete a minimum of 40 hours of ACRE-accredited training. Findings also revealed that students and youth in rural and remote areas lack job opportunities in their communities, interpersonal and communication skills, and professionalism. Other barriers to employment included access to behavioral health services, housing, and transportation. The agency reported that it would continue to target all students and youth with disabilities by conducting outreach to statewide 504 coordinators, special education staff, alternative schools, and schools located in rural and remote areas.

Provision of Pre-Employment Transition Services

During the on-site visit, RSA and DVR discussed the provision of pre-employment transition services as described in the Rehabilitation Act. DVR provides pre-employment transition services to students with disabilities who are: (a) enrolled in secondary school (including a home school or other alternative secondary education program, postsecondary education program, or other recognized educational program and have not exited, graduated, or withdrawn from the

school setting), are at least 14 years of age but not older than 21; and (b) have a disability documented with an IEP, 504 plan, medical records, or ESER form.

DVR and its CRPs provide the five required activities described in Section 113(b) of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(2) in group settings and on an individual basis. These activities are made available to students in need of pre-employment transition services regardless of whether a student with disabilities has applied for VR services. In FFY 2017, 846 students with disabilities statewide received pre-employment transition services. RSA and DVR discussed the following five required activities and the types of services and activities provided to students with disabilities in the State of Alaska:

- Job Exploration Counseling—This required activity includes such services as administration of vocational interest inventories; discussion of labor market information in occupational handbooks and web-based career exploration activities (i.e., prepared by or made available by the U.S. Department of Labor (DOL); worksite visits; review of wage and hour information for occupations; job interview techniques; and job center tours;
- Work-Based Learning Experiences—Students participate in worksite tours and job shadowing experiences at community businesses to obtain first-hand knowledge of work settings, including duties, personnel, daily expectations of productivity/output, shifts, accommodations, compensation, unwritten rules of work, etc. In addition, students learn to display appropriate worksite behaviors and begin applying the knowledge and tools they have learned. They learn the importance of networking and begin to document resources identified within their networks;
- 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. Students also seek guidance and counseling through ¹the University of Alaska’s Tapestry Program in Anchorage; and Career Pathways;
- Workplace Readiness Training—This required activity includes soft skills and interpersonal skills training (e.g., time management, communication, problem-solving, teamwork), which is provided for students with disabilities through statewide ²transition camps, Jobz Club, and ³S’Cool Store activities; and
- Instruction in Self-Advocacy— This required activity includes benefits counseling (for Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI) recipients; planning and budgeting; Postsecondary self-advocacy training (e.g., speaking

¹ University of Alaska- Anchorage Tapestry Program- Students with disabilities participate in career exploration activities and postsecondary educational programs.

² Transition camps are provided for students with disabilities in rural school districts, residing in juvenile justice facilities, and foster care, to begin the process of transitioning from school to postsecondary education, or vocational training and community life.

³ S’Cool Store provides students with disabilities with an introduction to entrepreneurship and small business concepts, including how to develop a business plan.

to professors, working with disability support services); and advising students on how to request accommodations.

DVR and RSA reviewed the statutory and regulatory requirements related to the provision of the nine authorized activities as described in Section 113(c) of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(3). At the time of the on-site visit, DVR reported that it has expended a portion of its 15 percent reserve on the nine authorized activities. Activities included the conduct of staff conferences and trainings, and development of training materials.

DVR reported that it has cooperative arrangements with local school districts, Alaska's Department of Education and Early Development (DEED), and the University of Alaska Statewide System. DVR also works closely with Alaska's Department of Health and Social Services (Office of Children's Services and the Senior and Disability Services). DVR also participates in the Alaska Statewide Special Education Conference, an annual conference that attracts over 400 special education administrators, teachers, and paraprofessionals statewide. Agency staff also participate on the Interagency Transition Council and the State Vocational Rehabilitation Committee. Finally, VR counselors are active in attending IEP meetings and conferences and participate on interagency workgroups.

At the time of the review, DVR was revising its transition services and pre-employment transition services policies and procedures. In the interim, the agency had issued BPRs to staff, which provide guidance on how to carry out transition and pre-employment transition services activities. DVR planned to amend the Alaska Administrative Code to ensure compliance with WIOA and its regulations in this area.

Provision of Transition Services

VR counselors and CRPs work with students and youth to identify their interests and abilities, employment goals, and the services needed to achieve their employment goals. DVR fosters student and youth participation in education and training by promoting university or college tours and career exploration activities with collegiate advisors. Service-related activities include guidance and counseling, information and referral services, benefits counseling, job readiness training, transportation assistance (i.e., driver's license), vocational training, and job search and job placement assistance. Finally, DVR and RSA discussed the provision of group services available to students and youth who may not have applied for VR services under Section 103(b) of the Rehabilitation Act and 34 C.F.R. § 361.49(a)(7). DVR had not implemented group transition services at the time of the on-site monitoring visit.

State Educational Agency Agreement

DVR and DEED work collaboratively to provide transition services and pre-employment transition services to youth and students with disabilities. At the time of the on-site visit, DVR and DEED were finalizing the interagency agreement, pending review by DEED's Office of Legal Counsel. The interagency agreement includes the purpose of the interagency agreement; the roles and responsibilities, including financial responsibilities, of DVR and DEED; the personnel responsible for providing transition services and pre-employment transition services;

consultation and technical assistance; and Section 511 requirements. DVR currently participates in a joint intensive technical assistance agreement with the WINTAC, the Youth with Disabilities Technical Assistance Center, the National Technical Assistance Center on Transition, and Program Evaluation and Quality Assurance Technical Assistance Center. The technical assistance agreement outlines strategies to develop and implement local interagency agreements with school districts throughout the State of Alaska.

IPE Development for Students and Youth with Disabilities

As previously stated, the 90-day statutory time frame for youth under the age of 25 from eligibility determination to IPE development, for FFY 2015, FFY 2016, and the first three quarters of FFY 2017, was 92.2 percent, 71.6 percent, and 69.3 percent, respectively. Prior to FFY 2014, DVR's timeline for IPE development was 180 days. Since that time, DVR has issued a BPR that describes the 90-day IPE timeframe. Students and youth with disabilities who have been determined eligible for VR services must have an IPE within the 90-day statutory time requirement. In the event an IPE is not developed within the 90-day time frame, a time extension must be initiated by the VR counselor and approved by his or her supervisor. A case aging report is distributed to area supervisors to aid VR counselors in meeting the 90-day IPE requirement.

At the time of the on-site visit, DVR had not used projected vocational goals in the development of its IPEs. RSA provided technical assistance and encouraged the agency to consider using projected vocational goals to meet the needs of students and the 90-day IPE requirement.

C. Observations and Recommendations

RSA's review of DVR's performance in this focus area did not result in the identification of any observations and recommendations to improve performance.

D. Findings and Corrective Actions

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.

Finding 3.1 Policies Related to Transition Services, including Pre-Employment Transition Services, for Students and Youth with Disabilities

Issue: Has DVR updated its policies relating to the provision of transition services, including pre-employment transition services for students with disabilities, to align with the Rehabilitation Act, as amended by Title IV of WIOA.

Requirement: In accordance with Section 101(a)(6) of the Rehabilitation Act and 34 C.F.R.

§ 361.50(a), VR agencies are required to develop and maintain written policies covering the nature and scope of each VR service specified in 34 C.F.R. § 361.48 and the criteria under which each service is provided.

Pursuant to Section 101(a)(6) of the Rehabilitation Act, the written policies must ensure that the provision of services is based on the rehabilitation needs of each individual as identified in that

individual's IPE and is consistent with the individual's informed choice. The written policies may not establish any arbitrary limits on the nature and scope of vocational rehabilitation services to be provided to the individual to achieve an employment outcome. Lastly, the policies must be developed in accordance with provisions for out-of-state services, payment for services, duration of services, and authorization of services.

Analysis: At the time of the on-site review, DVR was revising its transition services and pre-employment transition services policies and procedures. The agency had issued BPRs to staff that provided guidance on how to carry out transition and pre-employment transition services activities while it continued to work toward finalizing its service policies. DVR planned to review and amend its policies and procedures and the Alaska Administrative Code to ensure compliance with WIOA and its implementing regulations.

Conclusion: In accordance with Section 101(a)(6) of the Rehabilitation Act and 34 C.F.R.

§ 361.50(a), VR agencies must develop and maintain written policies covering the nature and scope of each VR service and the criteria under which each service is provided as specified in Section 103 of the Rehabilitation Act and 34 C.F.R. § 361.48. RSA determined that DVR did not have adequate policies in place to ensure that the provision of VR services complied with statutory and regulatory requirements.

Corrective Actions 3.1

RSA requires that DVR:

- 3.1.1 Draft and execute policies related to the provision of pre-employment transition services and transition services to ensure that the provision of these services complies with statutory and regulatory requirements; and
- 3.1.2 Provide instruction to staff on new policies as drafted to reflect the requirements that address the provision of transition services, including pre-employment transition services, for students and youth with disabilities.

Agency Response: DVR thanks RSA for onsite technical assistance provided regarding clarification of services to students with disabilities. DVR agrees with RSA and is awaiting upcoming guidance from RSA regarding Flexibility and Reduction of Burden actions before finalizing its Pre-Employment Transition Services policies to ensure students with disabilities are more fully supported in participating in the five required activities. Additionally, DVR continues to implement its Intensive Technical Assistance agreement with the Workforce Innovation Technical Assistance Center (WINTAC) and has provided training to all staff on Pre-Employment Transitions Services and transition services to youth with disabilities.

Request for Technical Assistance: None at this time.

E. Technical Assistance

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

Provision of Pre-Employment Transition Services

RSA clarified that the IPE with a projected post-school employment outcome should outline the services and activities that will guide the individual's career exploration. The projected post-school employment outcome facilitates the individual's exploration and identification of a vocational goal based upon his or her informed choice. It may be a specific goal or a broader goal. The projected goal may be amended during the career development process, and eventually it must be revised to a specific vocational goal once this process is completed.

RSA clarified that supporting documentation with respect to students with disabilities who are receiving pre-employment transition services prior to applying or being determined eligible for VR services may include a case note documenting counselor observation, review of school records, and statements of education staff.

SECTION 4: FOCUS AREA – STATE SUPPORTED EMPLOYMENT SERVICES PROGRAM

A. Purpose

WIOA made several significant changes to Title VI of the Rehabilitation Act that governs the Supported Employment program. The amendments to Title VI are consistent with those made throughout the Rehabilitation 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. Through this focus area RSA assessed the VR agency performance and technical assistance needs related to the provision of supported employment services to individuals with the most significant disabilities and extended services for youth with the most significant disabilities; and the employment outcomes achieved by these individuals.

B. Overview of Service Delivery and Performance of the Supported Employment Program Delivery of Supported Employment Services

DVR contracts with CRPs to provide intensive supported employment services through a “place and train” model until employment stability is achieved. The specific services provided include assessment, on-the-job supports, job coaching, and work adjustment. Due to the limited availability of funding for extended supported employment services, such as that provided through the Medicaid waiver program, DVR assists individuals to develop natural supports in the workplace.

Through its membership on the Governor’s Council on Disabilities and Special Education (GCDSE), DVR is expanding supported employment services for individuals with the most significant disabilities across Alaska. The GCDSE, in coordination with the University of Montana and the University of Alaska, has recruited and trained CRPs for DVR in rural and remote Alaska using a curriculum developed by the agency. In addition, DVR is facilitating improvements in the quality of services provided by the CRPs and other partners through participation on a statewide training team comprised of DVR staff, personnel from tribal community organizations, and job center staff. DVR has provided training to these partners related to the provision of assistive technology and disability issues.

Subminimum Wage Employment

Following the repeal of 8 Alaska Administrative Code (AAC) 15.120, that went into effect on February 16, 2018, Alaska employers are no longer allowed to pay less than minimum wage to workers who have disabilities.

Benefits Counseling

DVR’s VR counselors provide general benefits counseling and guidance to all individuals interested in pursuing supported employment. Comprehensive benefits counseling and guidance is likewise provided through CRPs to consumers employed in competitive supported

employment. For example, approximately half of the consumers employed in competitive supported employment in FFY 2017 received comprehensive benefits counseling and guidance. Topics covered in both general and comprehensive benefits counseling include:

- Reviewing the SSI program initiatives that allow recipients to work and retain benefits or to increase their level of work activity without the loss of SSI disability status or Medicaid, including the general (\$20) monthly exclusion, and the earned income (\$65) monthly exclusion;
- The Plan to Achieve Self Support (PASS) – Exclusion of income and other resources set aside to reach an approved work plan that will reduce or eliminate the consumer’s need for benefits provided under Social Security and SSI programs;
- The SSI Ticket to Work program assurance that as long as a beneficiary is “using a ticket” the Social Security Administration (SSA) will not initiate a continuing disability review to determine whether the beneficiary has medically improved and, therefore, is no longer considered disabled; and
- The process for expedited reinstatement of benefits without filing a new application for individuals whose SSI benefits ended because of earnings.

Performance of the Supported Employment Program

DVR provided revised competitive employment outcome data during the review that resulted in a corresponding increase in the percentage of consumers exiting with competitive supported employment outcomes. The revised number and percentage of competitive supported employment outcomes reported by DVR for FFY 2015, FFY 2016, and the first three quarters of FFY 2017, respectively, are 55 (98.2 percent), 55 (100 percent), and 43 (100 percent). A summary analysis of the performance of the Supported Employment program (see Appendix C), along with revised data provided by DVR, revealed the following information:

DVR reported 153 competitive employment outcomes in supported employment between October of 2014 and June of 2017, constituting 10.59 percent of the 1,445 individuals exiting with competitive employment outcomes during the period of review. DVR reported that this represents a substantial increase in both the number and percentage of supported employment outcomes achieved in comparison to its prior supported employment performance.

The percentage of supported employment outcomes reported as competitive employment closures by DVR rose from 98.2 percent in FFY 2015 to 100 percent in both FFY 2016 and FFY 2017. The average percentage of supported employment outcomes reported as competitive employment closures by combined VR agencies in FFY 2016 was 94.07 percent, 5.93 percentage points less than DVR achieved.

The four VR services most often provided to individuals in competitive supported employment during the first three quarters of FFY 2017, by order of frequency and percentage, are as follows:

- Vocational Rehabilitation Counseling and Guidance (100 percent);
- On-the-Job Supports – Supported Employment (83.7 percent);
- Assessment (67.4 percent);

- Benefits Counseling (51.2 percent); and
- Maintenance (47.5 percent).

Individuals whose cases were closed and who achieved competitive supported employment outcomes work relatively few hours. For example, those individuals in Alaska whose cases were closed after achieving competitive supported employment outcomes in FFY 2016 worked an average of 17.1 hours per week versus 23.23 hours for the combined agency average – or 5.13 hours (23 percent) less per week. Likewise, those individuals worked fewer hours than the Agency’s overall performance for competitive employment. The comparison is as follows per review of hours worked for all consumers closed with competitive employment outcomes:

- In FFY 2015, the average weekly hours worked by individuals with competitive supported employment outcomes was 17.7 hours, compared to the average of 31.4 hours worked by all individuals achieving competitive employment;
- In FFY 2016, the average weekly hours worked by individuals with competitive supported employment outcomes was 17.1 hours, compared to the average of 31.0 hours worked by all individuals achieving competitive employment; and
- In the first three quarters of FFY 2017, the average weekly hours worked by individuals with competitive supported employment outcomes was 15.8 hours, compared to the average of 30.8 hours worked by all individuals achieving competitive employment.

The average gross weekly earnings for individuals whose cases were closed by DVR and who achieved competitive supported employment outcomes in FFY 2016 was \$166.73, or 98.84 percent of \$168.69, the FFY 2016 standard SSI weekly cash benefit for individuals who live in their own house (Source: 2016 SSA Annual Report). DVR reported that the Agency’s heightened focus on both benefits counseling and life planning provides for informed choice by the vast majority of the Agency’s supported employment consumers who secure employment at an income level that is just below that which is permitted by SSA without losing their SSI disability status or Medicaid. Moving forward, DVR’s executive staff projected that SSI recipients currently employed in supported employment will gain the confidence and self-awareness to choose to move towards full-time employment.

C. Observations and Recommendations

RSA’s review of DVR’s performance in this focus area did not result in the identification of any observations and recommendations to improve performance.

D. Findings and Corrective Actions

RSA’s review of DVR’s performance in this focus area did not result in the identification of any findings and corrective actions to improve performance.

E. Technical Assistance

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

RSA reviewed DVR's draft of Alaska DVR CS 12.0, "Supported Employment Policy," in concert with Alaska DVR Policy Directive (PD) No. 2017.01, "Changes to the Supported Employment Fund Source," and an unnumbered 2017 PD, "Criteria for Selecting Fund Source." RSA provided technical assistance with respect to the Rehabilitation Act's 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 Rehabilitation Act and 34 C.F.R. § 363.4(a)(2)).

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.

DVR 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. Purpose

Through this focus area RSA assessed the fiscal accountability of the VR and Supported Employment programs to ensure that: funds are being used only for intended purposes; programs have sound internal controls and reliable reporting systems; available resources are maximized 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.

B. Overview and Analysis

During the on-site review, DVR staff described systems the agency uses to authorize, account for, and issue payment for VR and Supported Employment consumer services. RSA reviewed fiscal performance data from FFY 2015 through FFY 2017. Based on the fiscal data tables provided in Appendix A, the agency matched its grant award 100 percent in FFY 2015 through FFY 2017. In FFY 2015, DVR reported \$4,426,900 in match (\$1,510,709 in excess of match required per net award amount). In that FFY, the agency had \$1,220,043 in Federal award funds it matched but did not use; this amount was deobligated. In FFY 2016, DVR reported \$4,426,900 in match (\$1,613,848 in excess of match required per net award amount). In FFY 2017, DVR reported \$4,426,900 in match (\$1,528,048 in excess of match required per net award amount). The agency reported \$2,004,679 in carryover after the fourth quarter for FFY 2015 (18.61 percent of the award). However, the agency's carryover decreased in FFY 2016 to \$686,639 (6.61 percent of the award) and in FFY 2017 to \$76,040 (0.71 percent of the award).

In FFY 2015, DVR used 93.91 percent of its formula award and relinquished \$0. The original Federal formula award amount was \$10,174,845 and the agency received \$600,000 during reallocation, resulting in a net Federal award amount of \$10,774,845. In FFY 2016, DVR relinquished \$0 and received \$0 during reallocation. The original Federal formula award amount was \$10,393,765, and the net Federal award amount was also \$10,393,765. DVR used 100 percent of its formula award. In FFY 2017, DVR relinquished \$0. The original Federal formula award amount was \$10,403,513 and the agency received \$307,269 during reallocation, resulting in a net Federal award amount of \$10,710,782 and DVR use of 102.95 percent of its formula award.

C. Findings and Corrective Actions

RSA's review of DVR's performance in this focus area resulted in the identification of the following findings and the corresponding corrective actions to improve performance.

5.1 Internal Control Deficiencies

Issue: Does DVR maintain effective internal control over the Federal award to provide reasonable assurance that it is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award.

Requirement: A State VR agency must assure, in the VR services portion of the Unified or Combined State Plan, that it will employ methods of administration that ensure the proper and efficient administration of the VR program. These methods of administration (i.e., the agency's internal controls) must include procedures to ensure accurate data collection and financial accountability (34 C.F.R. § 361.12).

“Internal controls” means a process, implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of reporting for internal and external use; and
- Compliance with applicable laws and regulations (2 C.F.R. § 200.61).

Additionally, 2 C.F.R. § 200.303, among other things, requires a non-Federal entity to:

- Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission;
- Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards;
- Evaluate and monitor the non-Federal entity's compliance with statute, regulations and the terms and conditions of Federal awards; and
- Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

In accordance with the Uniform Guidance (2 C.F.R. § 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
- 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 its guidance “The Role of Internal Control, Documenting Internal Control, and Determining Allowability & Use of Funds,” the Department states that internal controls represent those processes by which an organization assures operational objectives are achieved efficiently, effectively, and with reliable, compliant reporting. Therefore, an internal control deficiency would exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or correct processes that might lead to non-compliance with Federal and State requirements.

A. Prior Approval Requirements Not Met

The Uniform Guidance at 2 C.F.R. § 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 C.F.R. § 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 C.F.R. § 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 C.F.R. 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, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) (2 C.F.R. 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 C.F.R. 200 subpart E).

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

The RSA Financial Management Specialist requested the agency's written processes that ensured the agency was meeting the prior approval requirements. DVR informed RSA that no such processes had been developed, and that the agency had no policies and procedures regarding prior approval, including procedure for identifying instances that require approval and the process for obtaining prior approval (2 C.F.R. § 200.407).

RSA determined that the agency was not in compliance with the prior approval requirements pursuant to the Uniform Guidance (2 C.F.R. § 200.407). The agency began the process of developing its policy for prior approval and provided RSA with the first prior approval request on May 8, 2018.

B. Inaccurate Financial Reporting

In accordance with the Uniform Guidance at 2 C.F.R. § 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 C.F.R. § 76.702 requires States to use fiscal control and fund accounting procedures that ensure proper disbursement of and accounting for Federal funds (see also 34 C.F.R. § 361.12).

RSA's review of DVR's SF-425 financial reports, for FFYs 2015 through 2017, identified the following issues.

- For FFY 2015, the agency drew down Federal funds from the Department's Grant Management System (G5) while it had unexpended program income remaining in the amount of \$352,803 out of \$1,048,698 in total program income for grant award number H126A150001 as reported for the period ending 09/30/2015. In accordance with 2 C.F.R. § 200.305(b)(5), "to the extent available, the non-Federal entity must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments."
- For FFY 2016, the agency had a G5 accounting correction for \$566,302.80 processed on June 8, 2016 for grant award H126A160001. However, DVR did not revise its fourth quarter SF-425 report for the period ending September 30, 2016 to reflect the change.
- For FFY 2017, in its annual RSA-2 report, DVR reported on line 2.B.2. – Private Community Rehabilitation Programs – \$2,612,167 and 2.B.4. – Other Private Vendors – \$863,971. This is significantly different from DVR's RSA-2 report for FFY 2016 (2.B.2. \$1,385,720 and 2.B.4 \$3,214,447) and FFY 2015 (2.B.2. \$1,442,402 and 2.B.4 \$2,929,570). DVR could provide no supporting documentation to verify the substantive changes in reporting. DVR's fiscal staff indicated they would analyze the reports and provide an explanation for this variance.

As a result, DVR did not satisfy the requirements in 34 C.F.R. § 361.12, 34 C.F.R. § 76.702, and 2 C.F.R. § 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 submission of the required financial reports.

C. Unallowable and Unallocable Costs

To be an allowable cost to the Federal award, costs must be necessary and reasonable for the performance of the Federal award and allocable (2 C.F.R. § 200.403). A cost is allocable to a Federal award if the goods or services involved are chargeable or assignable to that Federal award in accordance with relative benefits received (2 C.F.R. § 200.405).

DVR has a "Reimbursable Services Agreement" (agreement) under which VR funds are made available to other State agencies for services rendered. A FFY 2017 agreement involved funds paid by DVR to the Alaska Department of Labor & Workforce Development, Alaska Workforce Investment Board to provide "oversight and support for

planning and coordination of employment related programs.” The agreement, totaling \$117,600, included budgeted items for Personnel (\$88,200), Travel (\$9,400), Services (\$18,800), and Commodities (\$1,200).

RSA requested supporting documentation for these expenditures and the methodology used to determine the costs were allowable and allocable to the VR program in accordance with relative benefits received. DVR did not have documentation identifying the specific benefit to the VR program (e.g., what VR functions personnel being paid through the agreement were providing, how travel costs were determined to be for the direct benefit of the VR program, etc.). Without documentation of the specific VR services being provided under the agreement, DVR was unable to demonstrate whether the amount charged to VR was allowable and allocable. Additionally, DVR did not monitor the Alaska Department of Labor and Workforce Development after the payment of invoiced costs to ensure that all charges were allowable and allocable to the VR program.

In accordance with 2 C.F.R. § 200.302(b)(7), DVR must have “written procedures for determining the allowability of costs in accordance with Subpart E – Cost Principles of this part and the terms and conditions of the Federal award.” These written procedures should be part of the agency’s internal controls for ensuring compliance with Federal requirements.

Conclusion: DVR does not maintain effective internal controls over the Federal award that provide reasonable assurances that the non-Federal entity is managing its award in compliance with Federal statutes, regulations, and the terms and conditions of the award, as required by 34 C.F.R. § 361.12 and 2 C.F.R. § 200.303. Specific internal control areas of deficiency include documentation of control activities to ensure prior approval is obtained when required, the submission of accurate financial reports, and determining the allowability and allocability of costs.

While these control deficiencies suggest elevated risk to DVR’s effectiveness and efficiency of operations, reliability of reporting, and compliance with applicable laws and regulations, the risk will be greatly reduced through management’s development of internal controls at a level of detail necessary to address the complexity of its systems. The corrective action steps listed below will support DVR in developing its ability to correct processes that have led to this finding.

Corrective Actions 5.1

RSA requires that DVR:

- 5.1.1 Within 90 days after the issuance of the final monitoring report, develop and submit prior approval internal control processes to RSA for review. Within 30 days after RSA review of prior approval internal controls, implement internal control processes and demonstrate compliance.
- 5.1.2 Within 90 days after the issuance of the final monitoring report, develop and submit internal controls to ensure that financial reports (e.g., RSA-2 and SF-425) are accurate, complete, and timely, and that program income requirements are met. Within 30 days after

RSA review of the internal controls, DVR must implement the internal controls. Additionally, DVR must, in cooperation with the RSA financial management specialist, accurately and timely identify all Federal financial reports that require revisions.

- 5.1.3 Within 90 days after the issuance of the final monitoring report, develop and submit internal controls so that costs charged to the VR award are allowable and allocable. Within 30 days after RSA review of the internal controls, DVR must implement the internal controls and revise any agreements, as necessary, to ensure compliance.

Agency Response: DVR agrees and thanks RSA for the technical assistance provided regarding processes for obtaining prior approval and completion of SF-425 and RSA-2 financial reports. DVR is looking forward to continued technical assistance from RSA regarding development of internal controls to ensure compliance with Federal statutes, regulations, and terms and conditions of awards. DVR has developed an Internal Control Team that is tasked with developing internal controls specific to data validation and to include fiscal internal controls. DVR will work with the Alaska Department of Labor and Workforce Development to provide documentation of specific costs charged to the VR award through the Reimbursable Services Agreement with the Alaska Department of Labor & Workforce Development, Alaska Workforce Investment Board to determine if the costs are allowable and allocable, including determining the relative benefit to the VR program and developing a system for monitoring such costs.

Request for Technical Assistance: Yes. DVR requests continued technical assistance from RSA's financial management specialist to ensure compliance with 34 C.F.R. § 361.12 and 2 C.F.R. § 200.303.

D. Technical Assistance

During the course of monitoring activities, RSA provided technical assistance to DVR regarding prior approval requirements and completion of SF-425 financial reports and the RSA-2 report.

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

A. Purpose

The Departments of Education and Labor issued the Workforce Innovation and Opportunity Act (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 Title I of WIOA. These joint regulations apply to all core programs of the workforce development system established by Title I of WIOA and the joint regulations are incorporated into the VR program regulations through Subparts D, E, and F of 34 C.F.R. Part 361.

WIOA strengthens the alignment of the public workforce development system's six core programs through unified strategic planning requirements, common performance accountability measures, and requirements governing the one-stop delivery system. 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.

In FFY 2018, the Employment and Training Administration in the U.S. Department of Labor, the Office of Career, Technical, and Adult Education, and RSA developed the "WIOA Shared Monitoring Guide." RSA incorporated its content into the FFY 2018 monitoring of the VR program in this focus area. RSA assessed the VR agency's progress and compliance in the implementation of the Joint WIOA Final Rule through this focus area.

B. Implementation of WIOA Joint Final Rule

This focus area consists of the following topical areas: WIOA Partnership; Governance; One-Stop Operations; and Performance Accountability. To gather information pertinent to these topics, RSA staff reviewed a variety of documents including the Program Year (PY) 2016 Unified or Combined State Plan; Memoranda of Understanding (MOUs) including the One-Stop Center Operating Budget and Infrastructure Funding Agreement (IFA) related to the one-stop service delivery system; and other supporting documentation related to the four topical areas.

WIOA Partnership

WIOA requires States and local areas to enhance coordination and partnerships with local entities and supportive service agencies for strengthened service delivery, including through Unified/Combined State Plans. Beyond the partnerships reflected in the Governance and One-Stop Operations sections of this focus area, Federal partners thought it was important for Federal agencies to inquire about the broader partnership activities occurring to implement many of the approaches called for within WIOA, such as career pathways and sector strategies. These require robust relationships across programs and with businesses, economic development, education, and training institutions, including community colleges and career and technical education local entities and supportive service agencies. Exploring how these activities are led and sustained may be useful in assessing how these initiatives are progressing within a State.

As a single-area State, in accordance with 20 C.F.R. § 679.270, Alaska has one local workforce area that encompasses the entire State. Operationally, Alaska has established six economic regions, which the State uses to collect and analyze labor market information and inform its planning. The Alaska Department of Labor and Workforce Development (DOLWD) serves as the lead agency responsible for the collection and reporting of the annual statewide performance report and implementing the WIOA Combined State Plan.

Alaska operates 15 American Job Centers (AJCs) throughout the State, and DVR is co-located in five of these (two in Anchorage and one each in Fairbanks, the Mat-Su Valley, and Juneau). DVR also operates five satellite VR offices in smaller or rural areas (Eagle River, Kenai, Kodiak, Sitka, and Ketchikan). Additionally, DVR has identified five rural hubs to which VR counselors travel two to three times per year (Bethel, Nome, Kotzebue, Barrow, and Dillingham). DVR partners with the Tribal Vocational Rehabilitation programs, as well as local AJCs and schools located in these rural hubs. DVR reported excellent working relationships with core partners in all AJCs across satellite offices.

DVR is working with the AJCs' Business Development Team to develop and track contacts, services, and training provided to employers. The effectiveness in serving employers measure has been determined, and DVR is working with the State WIOA core partners to combine data for reporting. In addition, DVR is working with the State WIOA partners to identify those individuals who are co-enrolled in other core programs.

DVR has a Business Employment Services Team (BEST) that is tasked with providing employers four core services as outlined in WIOA. These include training and technical assistance, creating opportunities for placement, network development, and linking to financial support.

Governance

State Workforce Development Boards (SWDBs) and Local Workforce Development Boards (LWDBs), which should include representation from all six core programs, including the VR program, set strategy and policies for an aligned workforce development system that partners with the education continuum, economic development, human services, and businesses. The VR representative on the SWDB must be an individual who has optimum policy making authority for the VR program, and each LWDB is required to have at least one representative from programs carried out under Title I of the Rehabilitation Act of 1973 (other than Section 112 or Part C of that Title).

SWDB

As the Alaska Governor's lead workforce policy entity, the Alaska Workforce Investment Board (AWIB) reviews statewide programs and policies to ensure Alaska's workforce development system is useful, accessible, and understandable to all customers. AWIB members are appointed by the Governor and the AWIB operates according to Alaska statutory requirements and Board bylaws. Organizationally, the AWIB is housed within DOLWD. The AWIB develops a statewide workforce development policy framework and drives coordination and collaboration among programs and agencies.

DVR, which administers the VR program – one of the core workforce development programs – that is authorized under the Rehabilitation Act, as amended by Title IV of WIOA, is housed in the DOLWD, which also houses other core partners in the workforce development system that are authorized under Titles I and III of WIOA. The Alaska DOLWD is overseen by a Commissioner, with each of the programs housed within that Department administered by a director specific to that program.

During RSA’s on-site monitoring of the VR program, RSA learned that DVR is represented on the AWIB by the Commissioner of DOLWD, who also represents other core programs, namely the Adult, Dislocated Worker, Youth, and Wagner-Peyser Employment Services programs.

One-Stop Operations

The one-stop delivery system brings together workforce development, educational, and other human resource services in a seamless customer-focused service delivery network that enhances access to services and improves long-term employment outcomes for individuals receiving assistance. One-stop partners administer separately funded programs as a set of integrated streamlined services to customers.

The Alaska WIOA core programs are delivered through 15 AJCs located throughout the State, 10 VR offices, five of which are co-located with the AJCs, 10 WIOA Youth Program sub-recipients, and 15 Adult Basic Education sub-recipients. DVR reported all workforce partners work together to ensure that participants are co-enrolled to receive other appropriate services. DVR program staff are trained to refer customers to the programs and resources that best fit their needs.

Because Alaska is a single-area State, the State should have one MOU for the one-stop service delivery system. State partners drafted a MOU and IFA and DVR leadership reviewed them however, both the MOU and IFA were not finalized or executed at the time of the review.

RSA learned the State’s AJCs developed a comprehensive approach to ensure accessibility and inclusion of all customers, including those with disabilities, to all facilities, programs, and services. Physical and programmatic accessibility are continuously evaluated with an annual Americans with Disabilities Act (ADA) assessment, and continuous improvement strategies are planned and implemented when needed. Alaska employed an ADA Coordinator who ensures accessibility of State offices for both the public and employees. The “Alaska Job Center Universal Access for Customers with Disabilities” policy played a vital role in establishing the working-level framework for outlining and improving the accessibility, capacity, and accountability of AJCs to serve customers with disabilities. The policy covered both physical and programmatic accessibility within AJCs and outlined the assistive technologies available and provided staff training.

DVR reported that the WIOA core partners collaborated to develop policies, procedures, and best practices to facilitate the integration of services to ensure job seekers’ needs were being met and referrals to other resources were successful. DOLWD encouraged co-enrollment across the State’s AJCs to coordinate cohesive and consistent services that complement and strengthen the services offered by each individual program. Local management teams, representing partner

agencies at the AJCs, collaborated to ensure that services provided in each locality were coordinated and non-duplicative. These teams also addressed customer flow, shared resources, co-enrollment, special initiatives, programs, and area workforce needs.

All AJCs, as reported by DVR, used common, universal design with printed materials in all accessible formats. All posters, flyers, brochures, etc. used common principles throughout the design. The outreach and marketing materials developed for distribution from the AJCs to partners, job seekers, and employers contained notice of the availability of auxiliary aids and services for needed accommodations to access programs and services, and each AJC location employed appropriate signage identifying the services available to customers.

Performance Accountability

Section 116 of WIOA establishes performance accountability indicators and performance reporting requirements to assess the effectiveness of States and local areas in achieving positive outcomes for individuals served in the workforce development system. WIOA requires that these requirements apply across all six core programs, with a few exceptions. RSA reviewed the VR agency's progress and implementation of performance accountability measures and data sharing and matching requirements.

Alaska DOLWD is the lead agency responsible for the collection and reporting of the annual statewide performance report. DOLWD is the State's lead workforce agency charged with implementing the WIOA State Plan. DOLWD planned to procure a new online labor exchange and case management system to enhance user experience, co-locate data, and provide a single sign-on between the Wagner-Peyser, Adult, Dislocated Worker, Youth and Unemployment Insurance programs. This will allow individual core partner programs under Titles I, III, IV and Unemployment Insurance to enter core information into one system, rather than in three separate systems, when applying for various programs and benefits. Qualified partners that deliver services for youth, adults, dislocated workers, veterans, or persons with disabilities will be trained by job centers to determine participant eligibility and perform related case management tasks to WIOA standards in the new online labor exchange system.

For the accountability measures that involve quarterly wages and percentages, RSA learned that DVR has a data sharing agreement with DOLWD's Unemployment Insurance to procure the data and has reported percentages and State wage data for adults and youth. DVR uses its case management system to generate quarterly RSA-911 reports that in turn generate data for the WIOA Annual Performance report, which DVR shares with DOLWD.

DVR began collecting data on the six performance accountability indicators under Section 116 of WIOA on July 1, 2017. DVR has not used its data to predict its future performance on any of the six performance indicators until baseline targets have been established. As DVR is still accumulating baseline data, all indicators are marked as "To Be Determined" in Appendix C of the Alaska Combined State Plan, per DOLWD instructions. However, DVR is unsure of how DOLWD is combining these data with data from the other workforce partners in Alaska to develop and submit the required Effectiveness in Serving Employers component of the WIOA annual performance report.

DVR stated it is experiencing difficulty in obtaining Federal employee wage data, resulting in the reporting of lower percentages of participants employed and wage data targets following exit from the VR program. Additionally, DVR reported that it is proving difficult to obtain the accountability measures involving education and credentialing. DVR is currently working to establish a relationship with educational institutions that will allow for sharing the schooling/credentialing data, but little progress had been made at the time of the review. DVR was investigating how to obtain that data from additional sources. However, DVR reported that the level of detail that is required by WIOA imposes a burden of additional staff time to provide the data. Even when these data can be obtained, the work involved in collection and entering into the reporting system would be extremely burdensome, according to DVR. In addition, DVR is working with its WIOA partners to match participants between programs to show which participants were participating in other DOLWD core programs.

At the time of the on-site visit, Alaska had selected its two measures for effectiveness in serving employers, the retention and penetration rates. For VR specific standards, In accordance with RSA Technical Assistance Circular (TAC) 17-01, *Performance Accountability Guidance for Workforce Innovation and Opportunity Act Title I, Title II, Title III, and Title IV Core Programs*, States must select two of three approaches while participating in a pilot program to measure the effectiveness in serving employers. DVR reported that it was working with the State WIOA partners to combine data for reporting. However, the AWIB indicated that data collection and reporting activities were being implemented, but Alaska was not producing a report to the Federal Departments of Education and Labor as required under Section 116(d)(2) of WIOA and 34 C.F.R. § 361.160.

C. Observations and Recommendations

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

D. Findings and Corrective Actions

RSA's review of the performance of DVR in this focus area resulted in the identification of the following finding and the corresponding corrective actions to improve performance.

6.1: One-Stop Service Delivery System Memoranda of Understanding and Infrastructure Funding Agreements

Issue: Has DVR executed MOUs, including IFAs, with the LWDB and other one-stop partners satisfying 34 C.F.R. § 361.420 and 34 C.F.R. § 361.500, as well as policy guidance issued jointly by the U.S. Departments of Education and Labor.

Requirement: The DSU has sole responsibility for the VR program's participation as a partner in the one-stop service delivery system (34 C.F.R. §§ 361.13(c)(1)(v) and 361.13(c)(2)). As a required one-stop partner pursuant to 34 C.F.R. § 361.420, the DSU must:

- Provide access to the VR program through the one-stop delivery system, in addition to any other appropriate locations;

- Use a portion of its funds, consistent with the Rehabilitation Act, as amended by WIOA, and with Federal cost principles in 2 C.F.R. parts 200 and 3474 (requiring, among other things, that costs are allowable, reasonable, necessary, and allocable), to
 - Provide applicable career services; and
 - Work collaboratively with the State Board and LWDBs to establish and maintain the one-stop delivery system. This includes jointly funding the one-stop infrastructure through partner contributions that are based upon:
 - A reasonable cost allocation methodology by which infrastructure costs are charged to each partner based on proportionate use and relative benefit received;
 - Federal cost principles; and
 - Any local administrative cost requirements in the Federal law authorizing the partner's program. (This is further described in 34 C.F.R. § 361.700.)
- Enter into an MOU with the LWDBs relating to the operation of the one-stop delivery system that meets the requirements of 34 C.F.R. § 361.500(b);
- Participate in the operation of the one-stop delivery system consistent with the terms of the MOU, requirements of authorizing laws, the Federal cost principles, and all other applicable legal requirements; and
- Provide representation on the State Board and LWDBs as required and participate in Board committees as needed.

Pursuant to 34 C.F.R. § 361.500(a), the MOU is the product of local discussion and negotiation. It is an agreement developed and executed between the LWDB and the one-stop partners, with the agreement of the chief elected official and the one-stop partners, relating to the operation of the one-stop delivery system in the local area. In accordance with 34 C.F.R. § 361.500(b), each MOU must contain:

- A description of services to be provided through the one-stop delivery system, including the manner in which the services will be coordinated and delivered through the system;
- Agreement on funding the costs of the services and the operating costs of the system, including:
 - Funding of infrastructure costs of one-stop centers in accordance with 34 C.F.R. §§ 361.700 through 361.755; and
 - Funding of the shared services and operating costs of the one-stop delivery system described in 34 C.F.R. § 361.760;
- Methods for referring individuals between the one-stop operators and partners for appropriate services and activities;
- Methods to ensure that the needs of workers, youth, and individuals with barriers to employment, including individuals with disabilities, are addressed in providing access to services, including access to technology and materials that are available through the one-stop delivery system;
- The duration of the MOU and procedures for amending it; and
- Assurances that each MOU will be reviewed, and if substantial changes have occurred, renewed, not less than once every 3-year period to ensure appropriate funding and delivery of services.

The MOU may contain any other provisions agreed to by the parties that are consistent with Title I of WIOA, the authorizing statutes and regulations of one-stop partner programs, and the implementing regulations of WIOA (34 C.F.R. § 361.500(c)). When fully executed, the MOU must contain the signatures of the LWDB, one-stop partners, the chief elected official(s), and the time period in which the agreement is effective. The MOU must be updated not less than every 3 years to reflect any changes in the signatory official of the Board, one-stop partners, and chief elected officials, or one-stop infrastructure funding (34 C.F.R. § 361.500(d)). If a one-stop partner appeal to the State regarding infrastructure costs, using the process described in § 361.750, results in a change to the one-stop partner's infrastructure cost contributions, the MOU must be updated to reflect the final one-stop partner infrastructure cost contributions (34 C.F.R. § 361.500(e)).

The U.S. Departments of Education and Labor (the Departments) provided extensive guidance regarding the operation of the one-stop service delivery system and the funding of its infrastructure costs in the joint regulations (Federal Register notice 81 FR 55791), published August 19, 2016. On December 27, 2016, the Departments published a set of frequently asked questions related to the one-stop service delivery system. In this guidance, the Departments indicated that in order to have MOUs in place for PY 2017, which began on July 1, 2017, LWDBs and one-stop partners must enter into MOUs that align with the requirements of WIOA, except for the final IFA, by June 30, 2017. The Departments also indicated that the U.S. Department of Labor (DOL) used its transition authority in Section 503(b) of WIOA to extend the implementation date of the final IFAs for PY 2017. With this extension, final IFAs were to be in place no later than January 1, 2018. However, the Departments explained that Governors had the discretion to require local areas to enter into final IFAs at any time between July 1, 2017, and January 1, 2018. During the extension period, local areas were allowed to use existing funding agreements in place for PY 2016, with any such modifications as the partners may have agreed to, to fund infrastructure costs in the local area. On January 18, 2017, the Departments issued formal policy guidance, which RSA published as technical assistance circulars: RSA-TAC-17-02 and RSA-TAC-17-03. In RSA-TAC-17-02, the Departments reiterated the extended IFA deadline of January 1, 2018.

Analysis: Because Alaska is a single-area State, it has established one local workforce area. The State partners drafted an MOU for this local workforce area and DVR leadership reviewed it. However, the MOU has not been finalized or executed in Alaska. RSA reviewed the draft MOU and provided technical assistance to DVR regarding the requirements of the MOU for the one-stop delivery system, specifically related to funding the costs of the services and the operating costs of the system as defined in 34 C.F.R. § 361.500(b)(2). DVR agrees that the MOU and IFA need to be finalized and executed.

While on-site, RSA met with AWIB and Alaska DOLWD and confirmed that the MOU and IFA were not finalized. Core partners agreed that the draft MOU was acceptable, but the document was not finalized or executed.

Conclusion: As explained in this analysis, at the time of the on-site monitoring review DVR did not meet the joint one-stop requirements regarding the development and implementation of MOUs and final IFAs with each local workforce area in the State, as required by 34 C.F.R.

§§ 361.420 and 361.500. At the time of the on-site visit, the State had not fully executed the required MOU and had not developed and implemented a final IFA in Alaska.

Corrective Actions 6.1

RSA requires that DVR:

- 6.1.1 Finalize the MOU for the State’s local workforce area in accordance with 34 C.F.R. § 361.500; and
- 6.1.2 Finalize the IFA for the State’s local workforce area in accordance with 34 C.F.R. §§ 361.700 through 361.755.

Agency Response: DVR thanks RSA for technical assistance provided regarding DVR representation on the Alaska Workforce Investment Board, the Performance Accountability, and One Stop Operations. DVR and the Alaska Workforce Investment Board finalized and executed the required MOU in September of 2018 and finalized the IFA in August of 2018. DVR did provide both the MOU and IFA to RSA in July 2019, for review. Additionally, the Director of DVR will be appointed to the Alaska Workforce Investment Board to ensure appropriate representation of the VR program.

Request for Technical Assistance: None at this time.

E. Technical Assistance

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

Governance:

During RSA’s on-site monitoring of the VR program, RSA learned that DVR is represented on the AWIB by the Commissioner of the Alaska DOLWD, who also represents other core workforce partner programs, namely the Adult, Dislocated Worker, Youth, and Wagner-Peyser Employment Services programs. Section 101(b)(1)(C)(iii)(I)(aa) of WIOA requires that the AWIB be comprised of, among others, representatives from “the lead State officials with primary responsibility for the core programs” (see also 20 C.F.R. § 679.110(b)(3)(iii)(A)(1)). The preamble to the final regulations explains further that 20 C.F.R. § 679.110(b)(3)(iii)(A)(1)(i) through (iii) were modified for purposes of the final regulations to make clear that the Title IV VR program must be represented by a single, unique representative, whereas one representative (e.g., the Commissioner of the Alaska DOLWD) may represent the Adult, Dislocated Worker, Youth, and Wagner-Peyser Employment Services programs (see 81 FR 56072, 56074 (Aug. 19, 2016)).

This policy position by the U.S. Department of Labor (DOL), as expressed in the preamble to the final regulations, is consistent with 20 C.F.R. § 679.110(e), which requires that State Board members representing core programs, such as the VR program, be individuals who have optimum policy-making authority for the core program that they represent. Pursuant to 20 C.F.R.

§ 679.120(a):

“(a) A representative with “optimum policy-making authority” is an individual who can reasonably be expected to speak affirmatively on behalf of the entity he or she represents and to commit that entity to a chosen course of action.”

The director of DVR is the only individual who would have optimum policy-making authority for the VR program, as described in 20 C.F.R. § 679.120(a). Such position is consistent with 34 C.F.R. § 361.13(c)(1), which specify certain functions that are the sole responsibility of the VR agency, including development and implementation of policies, allocation and expenditure of VR funds, and participation as a partner in the workforce development system. This includes the VR program’s participation on the AWIB pursuant to 20 C.F.R. § 679.110(b)(3)(iii)(A)(1)(iii) and 20 C.F.R. § 679.120(a). The VR program director does not have the authority to delegate this authority to another entity or individual (34 C.F.R. § 361.13(c)(2)). In other words, the DVR director does not have the authority to delegate to the Commissioner of the Alaska DOLWD the authority to represent the VR program on the AWIB. Therefore, the AWIB has not complied with Section 101(b) of WIOA and 20 C.F.R. § 679.110(b)(3)(iii)(A)(1)(iii) of its implementing regulations by having the Commissioner of the Alaska DOLWD represent the VR program on the AWIB. After consultation with DOL on this matter, we recommend that Alaska revise its AWIB composition by appointing the DVR director to the State board to represent the VR program. As such, this VR program representative would be in addition to the representatives of the other core partners. Enforcement of this matter falls under the jurisdiction of DOL.

Performance Accountability

RSA provided technical assistance to DVR on Section 116(d)(2) of WIOA and 34 C.F.R.

§ 361.160, the Annual Statewide Performance Report Template. This report must be submitted to the Departments of Education and Labor using aggregated data collected by each of the six core programs and reported by the State’s designated reporting core partner.

DVR requested further technical assistance in complying with this WIOA regulation.

One-Stop Operations

RSA and DVR discussed the differences and requirements for shared costs defined at 34 C.F.R. § 361.760 and infrastructure costs defined in 34 C.F.R. § 361.700. Infrastructure costs are non-personnel costs that are necessary for the general operation of the one-stop facility. Shared costs are “additional costs relating to the operation of the one-stop delivery system. These other costs must include applicable career services and may include other costs, including shared services. Shared services’ costs may include the costs of shared services that are authorized for and may be commonly provided through the one-stop partner programs to any individual, such as initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, referrals to other one-stop partners, and business services. Shared operating costs may also include shared costs of the local areas’ functions. Contributions to the additional costs related to operation of the one-stop delivery system may be cash, non-cash, or third-party in-kind contributions, consistent with how these are described in 34 C.F.R. § 361.720(c). Shared

costs must be allocated according to the proportion of benefit received by each of the partners, consistent with the Federal law authorizing the partner's program, and consistent with all other applicable legal requirements, including Federal cost principles in 2 C.F.R. part 200 (or any corresponding similar regulation or ruling) requiring that costs are allowable, reasonable, necessary, and allocable. Any shared costs agreed upon by the one-stop partners must be included in the MOU.

At the time of the on-site visit, DVR was developing shared cost agreements and provided RSA with the rationale to be contained in the draft infrastructure funding agreements and the DOLWD at a one-stop facility. RSA and the agency reviewed the contract agreement and determined that these expenditures fall within the requirements of shared services and shared costs in 34 C.F.R. § 361.760(b); therefore, these costs must be allocated according to the proportion of benefit received by each of the partners, consistent with the Federal law authorizing the partner's program, and consistent with all other applicable legal requirements.

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 (Quarterly Cumulative Caseload Report), the RSA-911 (Case Service Report), and SF-425 (Federal Financial Report). 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 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 1. Alaska Combined Agency Summary Statistics from RSA 113: FFYs 2015-2017

Row	Performance category	2015	2016	2017
1	Number of total applicants	1,972	1,846	1,730
2	Number of total eligible individuals	1,973	1,699	1,602
3	Agency implementing order of selection (Yes/No)	No	No	No
4	Percent eligible of individuals had IPE who received no services	24.3	23.5	25.1
5	Number of individuals in plan receiving services	2,201	2,191	2,037

Data source: RSA-113

Table 2a. Alaska Combined Agency Case Status Information, Exit Status, and Employment Outcomes for All Individuals at Closure-FFYs 2015-2017

Row	Performance category	2015 Number	2015 Percent	2016 Number	2016 Percent	2017* Number	2017 Percent
1	Exited as applicants	223	12.7	240	13.7	168	13.6
2	Exited from trial work experience	78	4.5	91	5.2	57	4.6
3	Exited with employment	576	32.9	554	31.6	333	27.1
4	Exited without employment	398	22.7	467	26.7	367	29.8
5	Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	477	27.2	400	22.8	306	24.9
6	Employment rate*		59.1		54.3		47.6
7	Competitive employment outcomes	563	97.7	546	98.6	324	97.3
8	Average hourly earnings for competitive employment outcomes**	\$14.59		\$14.60		\$14.83	
9	Average hours worked for competitive employment outcomes	31.4		31		30.8	
10	Median hourly earnings for competitive employment outcomes	\$13.00		\$12.50		\$12.38	
11	Median hours worked for competitive employment outcomes	37		37		36.5	
12	Quarterly median earnings for competitive employment outcomes***	\$5,343.00		\$5,219.50		\$5,200.00	
13	Competitive employment outcomes meeting SGA	411	73.0	384	70.3	222	68.5
14	Competitive employment outcomes with employer-provided medical insurance	138	24.5	123	22.5	76	23.5

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*Using RSA-911: Total number of individuals who exited with employment divided by total number of individuals who received services multiplied by 100.

**Using RSA-911: Sum of the Weekly Wage at Closure / sum of the Hours Worked in a Week at Closure for individuals achieving a competitive employment outcome.

***Using RSA-911: Weekly earnings at closure (Data Element 197) multiplied by hours worked in a week at closure (Data Element 198) for individuals who achieved a competitive employment outcome multiplied by 13. Then the values are listed in order, from the lowest to the highest value. The value in the middle of this list is the median quarterly earnings, so there is the same quantity of numbers above the median number as there is below the median number.

Table 2b. Alaska Combined Agency Case Status Information, Exit Status, and Employment Outcomes for Individuals below Age 25 at Closure -FFYs 2015-2017

Row	Performance category	2015 Number	2015 Percent	2016 Number	2016 Percent	2017* Number	2017 Percent
1	Exited as applicants	32	8.5	39	11.3	25	8.7
2	Exited from trial work experience	14	3.7	13	3.8	8	2.8
3	Exited with employment	122	32.4	114	33.1	76	26.5
4	Exited without employment	91	24.1	101	29.4	98	34.1
5	Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	118	31.3	77	22.4	80	27.9
6	Employment rate*		57.3		53.0		43.7
7	Competitive employment outcomes	121	99.2	113	99.1	73	96.1
8	Average hourly earnings for competitive employment outcomes**	\$11.60		\$11.51		\$11.73	
9	Average hours worked for competitive employment outcomes	26.9		26.3		26.2	
10	Median hourly earnings for competitive employment outcomes	\$10.25		\$10.00		\$10.50	
11	Median hours worked for competitive employment outcomes	25		25		22	
12	Quarterly median earnings for competitive employment outcomes***	\$3,510.00		\$3,549.00		\$3,250.00	
13	Competitive employment outcomes meeting SGA	70	57.9	60	53.1	34	46.6
14	Competitive employment outcomes with employer-provided medical insurance	15	12.4	11	9.7	12	16.4

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*Using RSA-911: Total number of individuals who exited with employment divided by total number of individuals who received services multiplied by 100.

**Using RSA-911: Sum of the Weekly Wage at Closure / sum of the Hours Worked in a Week at Closure for individuals achieving a competitive employment outcome.

***Using RSA-911: Weekly earnings at closure (Data Element 197) multiplied by hours worked in a week at closure (Data Element 198) for individuals who achieved a competitive employment outcome multiplied by 13. Then the values are listed in order, from the lowest to the highest value. The value in the middle of this list is the median quarterly earnings, so there is the same quantity of numbers above the median number as there is below the median number.

Table 2c. Alaska Combined Agency Case Status Information, Exit Status, and Employment Outcomes for Individuals Age 25 and Older at Closure -FFYs 2015-2017

Row	Performance category	2015 Number	2015 Percent	2016 Number	2016 Percent	2017* Number	2017 Percent
1	Exited as applicants	191	13.9	201	14.3	143	15.1
2	Exited from trial work experience	64	4.7	78	5.5	49	5.2
3	Exited with employment	454	33.0	440	31.3	257	27.2
4	Exited without employment	307	22.3	366	26.0	269	28.5
5	Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	359	26.1	323	22.9	226	23.9
6	Employment rate*		59.7		54.6		48.9
7	Competitive employment outcomes	442	97.4	433	98.4	251	97.7
8	Average hourly earnings for competitive employment outcomes**	\$15.41		\$15.41		\$15.73	
9	Average hours worked for competitive employment outcomes	32.6		32.2		32.1	
10	Median hourly earnings for competitive employment outcomes	\$14.00		\$14.00		\$13.50	
11	Median hours worked for competitive employment outcomes	40		40		40	
12	Quarterly median earnings for competitive employment outcomes***	\$6,240.00		\$6,240.00		\$6,240.00	
13	Competitive employment outcomes meeting SGA	341	77.1	324	74.8	188	74.9
14	Competitive employment outcomes with employer-provided medical insurance	123	27.8	112	25.9	64	25.5

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*Using RSA-911: Total number of individuals who exited with employment divided by total number of individuals who received services multiplied by 100.

**Using RSA-911: Sum of the Weekly Wage at Closure / sum of the Hours Worked in a Week at Closure for individuals achieving a competitive employment outcome.

***Using RSA-911: Weekly earnings at closure (Data Element 197) multiplied by hours worked in a week at closure (Data Element 198) for individuals who achieved a competitive employment outcome multiplied by 13. Then the values are listed in order, from the lowest to the highest value. The value in the middle of this list is the median quarterly earnings, so there is the same quantity of numbers above the median number as there is below the median number.

Table 3a. Alaska Combined Agency Source of Referral for All Individuals at Closure-FFYs 2015-2017

Row	Source of Referral	2015 Percent	2016 Percent	2017* Percent
1	Educational Institutions (elementary/secondary)	8.9	7.6	8.5
2	Educational Institutions (postsecondary)	1.8	1.9	2.7
3	Medical Health Provider (Public or Private)	4.3	4.0	2.9
4	Welfare Agency (State or local government)	1.7	1.9	1.1
5	Community Rehabilitation Programs	5.5	5.5	5.7
6	Social Security Administration (Disability Determination Service or District office)	1.4	1.2	2.3
7	One-stop Employment/Training Centers	3.9	4.1	2.9
8	Self-referral	21.4	21.3	17.8
9	Other Sources	16.4	13.6	12.2
10	American Indian VR Services Program	2.1	2.7	3.2
11	Centers for Independent Living	0.0	0.0	0.0
12	Child Protective Services	0.2	0.5	0.7
13	Consumer Organizations or Advocacy Groups	0.5	0.6	0.4
14	Employers	0.9	0.7	0.6
15	Faith Based Organizations	0.3	0.3	0.8
16	Family/Friends	13.1	15.6	16.7
17	Intellectual and Developmental Disabilities Providers	1.4	1.5	2.1
18	Mental Health Provider (Public or Private)	4.3	5.1	6.5
19	Public Housing Authority	0.2	0.1	0.2
20	State Department of Correction/Juvenile Justice	3.4	3.0	3.5
21	State Employment Service Agency	1.4	2.0	2.2
22	Veteran's Administration	2.2	1.8	2.4
23	Worker's Compensation	0.6	0.6	0.6
24	Other State Agencies	3.4	3.4	3.4
25	Other VR State Agencies	0.4	0.7	0.3
26	Total Identified Referral Sources	100.0	100.0	100.0
27	Other Referral Sources (unknown)	0.0	0.0	0.0

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 3b. Alaska Combined Agency Source of Referral for Individuals below Age 25 at Closure -FFYs 2015-2017

Row	Source of Referral	2015 Percent	2016 Percent	2017 Percent
1	Educational Institutions (elementary/secondary)	37.1	36.6	34.5
2	Educational Institutions (postsecondary)	3.4	4.1	7.7
3	Medical Health Provider (Public or Private)	1.6	0.3	1.4
4	Welfare Agency (State or local government)	0.3	0.3	0.3
5	Community Rehabilitation Programs	4.8	5.8	4.5
6	Social Security Administration (Disability Determination Service or District office)	1.6	1.5	0.3
7	One-stop Employment/Training Centers	0.3	1.7	0.3
8	Self-referral	10.9	8.4	4.5
9	Other Sources	13.8	9.9	9.4
10	American Indian VR Services Program	1.3	3.2	3.5
11	Centers for Independent Living	0.0	0.0	0.0
12	Child Protective Services	0.5	0.9	1.0
13	Consumer Organizations or Advocacy Groups	0.5	0.3	0.3
14	Employers	0.3	0.9	0.3
15	Faith Based Organizations	0.0	0.0	0.7
16	Family/Friends	12.2	16.0	19.2
17	Intellectual and Developmental Disabilities Providers	1.9	2.3	2.4
18	Mental Health Provider (Public or Private)	4.0	4.1	5.6
19	Public Housing Authority	0.0	0.0	0.3
20	State Department of Correction/Juvenile Justice	4.0	2.0	1.7
21	State Employment Service Agency	0	0.3	0.7
22	Veteran's Administration	0	0.3	0
23	Worker's Compensation	0	0	0
24	Other State Agencies	1.1	0.9	1.0
25	Other VR State Agencies	0.5	0.3	0
26	Total Identified Referral Sources	100.0	100.0	100.0
27	Other Referral Sources	0.0	0.0	0.0

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 3c. Alaska Combined Agency Source of Referral for Individuals Age 25 and Older at Closure -FFYs 2015-2017

Row	Source of Referral	2015 Percent	2016 Percent	2017 Percent
1	Educational Institutions (elementary/secondary)	1.2	0.6	0.6
2	Educational Institutions (postsecondary)	1.4	1.4	1.2
3	Medical Health Provider (Public or Private)	5.1	4.9	3.4
4	Welfare Agency (State or local government)	2.1	2.3	1.4
5	Community Rehabilitation Programs	5.7	5.4	6.0
6	Social Security Administration (Disability Determination Service or District office)	1.3	1.1	2.9
7	One-stop Employment/Training Centers	4.9	4.6	3.7
8	Self-referral	24.3	24.4	21.8
9	Other Sources	17.2	14.6	13.0
10	American Indian VR Services Program	2.3	2.6	3.2
11	Centers for Independent Living	0.0	0.0	0.0
12	Child Protective Services	0.1	0.4	0.6
13	Consumer Organizations or Advocacy Groups	0.5	0.6	0.4
14	Employers	1.1	0.7	0.7
15	Faith Based Organizations	0.4	0.4	0.8
16	Family/Friends	13.3	15.6	15.9
17	Intellectual and Developmental Disabilities Providers	1.3	1.3	2.0
18	Mental Health Provider (Public or Private)	4.4	5.4	6.8
19	Public Housing Authority	0.3	0.1	0.2
20	State Department of Correction/Juvenile Justice	3.3	3.3	4.0
21	State Employment Service Agency	1.7	2.4	2.6
22	Veteran's Administration	2.8	2.2	3.2
23	Worker's Compensation	0.7	0.8	0.8
24	Other State Agencies	4.1	4.1	4.1
25	Other VR State Agencies	0.4	0.9	0.4
26	Total Identified Referral Sources	100.0	100.0	100.0
27	Other Referral Sources	0.0	0.0	0.0

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 4a. Alaska Combined Agency Outcomes by Disability Type for All Individuals at Closure who had received services - FFYs 2015-2017

Row	Disability Type	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Visual - Individuals served	39	4.0	34	3.3	23	3.3
2	Visual - Employment rate		61.5		64.7		39.1
3	Auditory and Communicative - Individuals served	70	7.2	63	6.2	33	4.7
4	Auditory and Communicative - Employment rate		81.4		69.8		69.7
5	Physical - Individuals served	265	27.2	287	28.1	200	28.6
6	Physical - Employment rate		54.5		49.8		42.0
7	Intellectual and Learning disability - Individuals served	234	24.0	219	21.4	160	22.9
8	Intellectual and Learning disability - Employment rate		61.1		58.4		51.9
9	Psychosocial and psychological- Individuals served	366	37.6	418	40.9	284	40.6
10	Psychosocial and psychological- Employment rate		56.6		51.9		47.2

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 4b. Alaska Combined Agency Outcomes by Disability Type for Individuals below Age 25 at Closure who had received services - FFYs 2015-2017

Row	Disability Type	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Visual - Individuals served	3	1.4	5	2.3	5	2.9
2	Visual - Employment rate		33.3		60.0		40.0
3	Auditory and Communicative - Individuals served	10	4.7	20	9.3	5	2.9
4	Auditory and Communicative - Employment rate		70.0		60.0		40.0
5	Physical - Individuals served	15	7.0	19	8.8	11	6.3
6	Physical - Employment rate		53.3		36.8		36.4
7	Intellectual and Learning disability - Individuals served	121	56.8	116	54.0	96	55.2
8	Intellectual and Learning disability - Employment rate		61.2		53.4		49.0
9	Psychosocial and psychological- Individuals served	64	30.0	55	25.6	57	32.8
10	Psychosocial and psychological- Employment rate		50.0		54.5		36.8

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 4c. Alaska Combined Agency Outcomes by Disability Type for Individuals Age 25 and Older at Closure who had received services - FFYs 2015-2017

Row	Disability Type	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Visual - Individuals served	36	4.7	29	3.6	18	3.4
2	Visual - Employment rate		63.9		65.5		38.9
3	Auditory and Communicative - Individuals served	60	7.9	43	5.3	28	5.3
4	Auditory and Communicative - Employment rate		83.3		74.4		75.0
5	Physical - Individuals served	250	32.9	268	33.3	189	35.9
6	Physical - Employment rate		54.8		50.7		42.3
7	Intellectual and Learning disability - Individuals served	113	14.8	103	12.8	64	12.2
8	Intellectual and Learning disability - Employment rate		61.1		64.1		56.3
9	Psychosocial and psychological- Individuals served	302	39.7	363	45.0	227	43.2
10	Psychosocial and psychological- Employment rate		57.9		51.5		49.8

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 5a. Alaska Combined Agency Number of Days from Application to Eligibility Determination for All Individuals at Closure for individuals for whom an eligibility determination was made - FFYs 2015-2017

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017* Number	2017* Percent
0 – 60 days	1,362	93.9	1,307	92.0	915	91.0
More than 60 days	89	6.1	114	8.0	91	9.0
Total eligible	1,451		1,421		1,006	

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 5b. Alaska Combined Agency Number of Days from Application to Eligibility Determination for Individuals below Age 25 at Closure for individuals for whom an eligibility determination was made - FFYs 2015-2017

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 60 days	320	96.7	272	93.2	239	94.1
More than 60 days	11	3.3	20	6.8	15	5.9
Total eligible	331		292		254	

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 5c. Alaska Combined Agency Number of Days from Application to Eligibility Determination for Individuals Age 25 and Older at Closure for individuals for whom an eligibility determination was made - FFYs 2015-2017

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 60 days	1,042	93.0	1,035	91.7	676	89.9
More than 60 days	78	7.0	94	8.3	76	10.1
Total eligible	1,120		1,129		752	

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 6a. Alaska Combined Agency Number of Days from Eligibility* Determination to IPE for All Individuals Served at Closure- FFYs 2015-2017

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 90 days	233	86.6	548	77.1	433	72.4
More than 90 days	36	13.4	163	22.9	165	27.6
Total served	269		711		598	

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*Eligibility occurred on or after July 22, 2014

Table 6b. Alaska Combined Agency Number of Days from Eligibility* Determination to IPE for Individuals Served below Age 25 at Closure- FFYs 2015-2017

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 90 days	47	92.2	106	71.6	106	69.3
More than 90 days	4	7.8	42	28.4	47	30.7
Total served	51		148		153	

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*Eligibility occurred on or after July 22, 2014

Table 6c. Alaska Combined Agency Number of Days from Eligibility* Determination to IPE for Individuals Served Age 25 and Older at Closure- FFYs 2015-2017

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 90 days	186	85.3	442	78.5	327	73.5
More than 90 days	32	14.7	121	21.5	118	26.5
Total served	218		563		445	

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*Eligibility occurred on or after July 22, 2014

Table 7a. Alaska Combined Agency VR Services Provided for All Individuals Served* at Closure – FFYs 2015-2017

Row	Services Provided**	2015 Percent	2016 Percent	2017 Percent
1	Training- Graduate degree training	0.2	0.2	0.9
2	Training- Bachelor degree training	8.0	7.8	7.4
3	Training- Junior or community college training	3.1	3.6	4.9
4	Training- Occupational or vocational training	10.8	9.2	6.0
5	Training- On-the-job training	2.2	1.3	1.4
6	Training- Apprenticeship training	0.2	0.4	0.3
7	Training- Basic academic remedial or literacy training	0.6	0.7	0.4
8	Training- Job readiness training	3.4	5.1	7.4
9	Training- Disability-related skills training	1.6	1.7	2.7
10	Training- Miscellaneous training	9.3	8.4	7.9
11	Career- Assessment	83.3	85.9	84.3
12	Career- Diagnosis and treatment of impairment	15.9	11.9	8.6
13	Career- Vocational rehab counseling and guidance	100.0	99.9	99.7
14	Career- Job search assistance	46.7	42.3	35.3
15	Career- Job placement assistance	8.7	6.5	4.6
16	Career- On-the-job supports-short term	13.4	11.7	9.0
17	Career- On-the-job supports-SE	5.6	4.9	6.0
18	Career- Information and referral services	36.7	39.3	41.0
19	Career- Benefits counseling	22.4	19.4	19.1
20	Career- Customized employment services	0.1	0.0	0.1
21	Other services- Transportation	46.2	41.6	35.3
22	Other services- Maintenance	47.5	41.1	36.0
23	Other services- Rehabilitation technology	23.8	22.9	20.3
24	Other services- Reader services	0.2	0.6	0.4
25	Other services- Interpreter services	1.3	1.4	0.9
26	Other services- Personal attendant services	0.2	0.1	0.0
27	Other services- Technical assistance services	3.2	4.0	4.1
28	Other services- Other services	33.2	28.8	27.0

Data source: RSA-911. Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*For individuals who were determined eligible, placed on an IPE, and received a service under the IPE.

** VR Services include both those provided and purchased by the VR agency as well as those provided by comparable service providers

Table 7b. Alaska Combined Agency VR Services Provided for Individuals Served* below Age 25 at Closure- FFYs 2015-2017

Row	Services Provided**	2015 Percent	2016 Percent	2017 Percent
1	Training- Graduate degree training	0.0	0.0	0.0
2	Training- Bachelor degree training	8.5	7.0	5.2
3	Training- Junior or community college training	5.2	3.3	7.5
4	Training- Occupational or vocational training	3.3	6.0	2.3
5	Training- On-the-job training	1.4	1.4	1.7
6	Training- Apprenticeship training	0.5	0.0	0.0
7	Training- Basic academic remedial or literacy training	0.9	0.5	0.6
8	Training- Job readiness training	3.3	14.9	19.0
9	Training- Disability-related skills training	0.5	1.9	2.9
10	Training- Miscellaneous training	14.6	11.2	7.5
11	Career- Assessment	80.3	82.8	83.9
12	Career- Diagnosis and treatment of impairment	5.6	4.7	1.7
13	Career- Vocational rehab counseling and guidance	100.0	99.5	99.4
14	Career- Job search assistance	48.8	31.6	30.5
15	Career- Job placement assistance	11.3	8.4	2.9
16	Career- On-the-job supports-short term	23.9	15.8	10.9
17	Career- On-the-job supports-SE	13.6	11.2	11.5
18	Career- Information and referral services	36.2	37.7	32.8
19	Career- Benefits counseling	29.1	20.9	17.8
20	Career- Customized employment services	0.5	0.0	0.6
21	Other services- Transportation	29.6	31.2	18.4
22	Other services- Maintenance	39.0	34.9	30.5
23	Other services- Rehabilitation technology	10.8	12.1	10.3
24	Other services- Reader services	0.0	0.5	0.6
25	Other services- Interpreter services	0.9	1.9	0.6
26	Other services- Personal attendant services	0.0	0.0	0.0
27	Other services- Technical assistance services	0.0	0.0	0.6
28	Other services- Other services	23.5	16.7	14.9

Data source: RSA-911. Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*For individuals who were determined eligible, placed on an IPE, and received a service under the IPE.

** VR Services include those provided and purchased by the VR agency.

Table 7c. Alaska Combined Agency VR Services Provided for Individuals Served* Age 25 and Older at Closure - FFYs 2015-2017

Row	Services Provided**	2015 Percent	2016 Percent	2017 Percent
1	Training- Graduate degree training	0.3	0.2	1.1
2	Training- Bachelor degree training	7.9	8.1	8.2
3	Training- Junior or community college training	2.5	3.7	4.0
4	Training- Occupational or vocational training	12.9	10.0	7.2
5	Training- On-the-job training	2.4	1.2	1.3
6	Training- Apprenticeship training	0.1	0.5	0.4
7	Training- Basic academic remedial or literacy training	0.5	0.7	0.4
8	Training- Job readiness training	3.4	2.5	3.6
9	Training- Disability-related skills training	2.0	1.6	2.7
10	Training- Miscellaneous training	7.9	7.7	8.0
11	Career- Assessment	84.1	86.7	84.4
12	Career- Diagnosis and treatment of impairment	18.8	13.8	10.8
13	Career- Vocational rehab counseling and guidance	100.0	100.0	99.8
14	Career- Job search assistance	46.1	45.2	36.9
15	Career- Job placement assistance	8.0	6.0	5.1
16	Career- On-the-job supports-short term	10.5	10.5	8.4
17	Career- On-the-job supports-SE	3.4	3.2	4.2
18	Career- Information and referral services	36.8	39.7	43.7
19	Career- Benefits counseling	20.5	19.0	19.6
20	Career- Customized employment services	0.0	0.0	0.0
21	Other services- Transportation	50.9	44.4	40.9
22	Other services- Maintenance	49.9	42.8	37.8
23	Other services- Rehabilitation technology	27.5	25.8	23.6
24	Other services- Reader services	0.3	0.6	0.4
25	Other services- Interpreter services	1.4	1.2	1.0
26	Other services- Personal attendant services	0.3	0.1	0.0
27	Other services- Technical assistance services	4.1	5.1	5.3
28	Other services- Other services	35.9	32.0	31.0

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*For individuals who were determined eligible, placed on an IPE, and received a service under the IPE.

** VR Services include those provided and purchased by the VR agency.

Table 8a. Alaska Combined Agency Standard Occupational Classification (SOC) Codes Percentages of Employment Outcomes and Median Hourly Earnings for All Individuals Who Achieved Competitive Employment Outcomes at Closure - FFYs 2015-2017

Row	SOC for Competitive Integrated Employment Outcomes	2015 Percent	2015 Median Hourly Wage	2016 Percent	2016 Median Hourly Wage	2017 Percent	2017 Median Hourly Wage
1	Architecture and Engineering Occupations	0.7	\$22.38	0.9	\$26.81	0.0	\$0.00
2	Arts, Design, Entertainment, Sports, and Media	0.7	\$12.12	0.4	\$24.62	0.3	\$25.00
3	Building and Grounds Cleaning and Maintenance	3.2	\$10.39	4.6	\$12.00	2.2	\$12.00
4	Business and Financial Operations Occupations	0.2	\$16.50	0.5	\$9.00	0.6	\$35.43
5	Community and Social Services Occupations	3.0	\$15.00	2.9	\$15.82	4.0	\$14.50
6	Computer and Mathematical Occupations	1.2	\$20.78	1.8	\$19.32	1.5	\$21.00
7	Constructive and Extraction Occupations	2.3	\$16.00	1.8	\$22.05	2.2	\$20.00
8	Education, Training, and Library Occupations	0.9	\$19.60	2.9	\$17.19	1.5	\$17.00
9	Farming, Fishing, and Forestry Occupations	0.4	\$17.38	0.2	\$11.08	0.9	\$19.71
10	Food Preparation and Serving Related Occupations	5.2	\$11.17	3.5	\$13.00	5.9	\$12.00
11	Healthcare Practitioners and Technical Occupations	3.7	\$15.00	2.0	\$31.13	4.0	\$24.30
12	Healthcare Support Occupations	2.1	\$15.00	1.5	\$16.50	1.2	\$18.25
13	Installation, Maintenance, and Repair Occupations	32.1	\$10.25	35.9	\$10.77	42.6	\$11.00
14	Legal Occupations	0.0	\$0.00	0.5	\$19.00	0.0	\$0.00
15	Life, Physical, and Social Science Occupations	0.9	\$16.00	2.0	\$15.50	1.9	\$18.20
16	Management Occupations	2.8	\$23.33	2.2	\$20.03	1.9	\$16.50
17	Military Specific Occupations	0.0	\$0.00	0.0	\$0.00	0.3	\$15.00
18	Office and Administrative Support Occupations	14.9	\$15.00	13.2	\$12.02	12.3	\$14.21
19	Personal Care and Service Occupations	3.4	\$10.86	3.1	\$11.50	1.5	\$10.75
20	Production Occupations	7.5	\$16.00	8.1	\$16.28	6.8	\$15.30
21	Protective Service Occupations	1.2	\$17.00	0.2	\$12.60	0.6	\$16.82
22	Randolph-Sheppard vending facility clerk*	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
23	Randolph-Sheppard vending facility operator*	0.4	\$12.69	0.0	\$0.00	0.0	\$0.00
24	Sales and Related Occupations	4.6	\$11.25	5.9	\$11.16	3.4	\$12.00
25	Transportation and Material Moving Occupations	8.5	\$15.00	5.9	\$15.20	4.3	\$15.09
26	Total competitive employment outcomes		\$13.00		\$12.50		\$12.38

Data source: RSA-911. Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*RSA specific occupational classifications

Table 8b. Alaska Combined Agency Standard Occupational Classification (SOC) Codes Percentages of Employment Outcomes and Median Hourly Earnings for Individuals below Age 25 Who Achieved Competitive Employment Outcomes at Closure - FFYs 2015-2017

Row	SOC for Competitive Integrated Employment Outcomes	2015 Percent	2015 Median Hourly Wage	2016 Percent	2016 Median Hourly Wage	2017 Percent	2017 Median Hourly Wage
1	Architecture and Engineering Occupations	0.8	\$25.00	0.9	\$26.81	0.0	\$0.00
2	Arts, Design, Entertainment, Sports, and Media	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
3	Building and Grounds Cleaning and Maintenance	5.0	\$10.06	2.7	\$9.75	0.0	\$0.00
4	Business and Financial Operations Occupations	0.8	\$16.50	0.0	\$0.00	0.0	\$0.00
5	Community and Social Services Occupations	2.5	\$10.00	0.0	\$0.00	1.4	\$12.00
6	Computer and Mathematical Occupations	0.0	\$0.00	0.9	\$20.00	0.0	\$0.00
7	Constructive and Extraction Occupations	0.8	\$18.00	0.0	\$0.00	1.4	\$15.00
8	Education, Training, and Library Occupations	0.0	\$0.00	0.9	\$18.00	0.0	\$0.00
9	Farming, Fishing, and Forestry Occupations	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
10	Food Preparation and Serving Related Occupations	9.9	\$13.45	2.7	\$11.58	6.8	\$10.52
11	Healthcare Practitioners and Technical Occupations	4.1	\$14.03	1.8	\$29.03	4.1	\$14.00
12	Healthcare Support Occupations	0.0	\$0.00	1.8	\$12.15	2.7	\$14.25
13	Installation, Maintenance, and Repair Occupations	48.8	\$10.00	61.9	\$10.00	61.6	\$10.00
14	Legal Occupations	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
15	Life, Physical, and Social Science Occupations	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
16	Management Occupations	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
17	Military Specific Occupations	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
18	Office and Administrative Support Occupations	7.4	\$12.00	7.1	\$9.88	4.1	\$10.00
19	Personal Care and Service Occupations	5.0	\$10.75	6.2	\$10.00	4.1	\$10.75
20	Production Occupations	5.0	\$15.10	4.4	\$16.28	8.2	\$10.00
21	Protective Service Occupations	0.8	\$10.60	0.0	\$0.00	0.0	\$0.00
22	Randolph-Sheppard vending facility clerk*	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
23	Randolph-Sheppard vending facility operator*	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
24	Sales and Related Occupations	3.3	\$10.63	7.1	\$10.28	4.1	\$10.50
25	Transportation and Material Moving Occupations	5.8	\$9.26	1.8	\$12.00	1.4	\$15.00
26	Total competitive employment outcomes		\$10.25		\$10.00		\$10.50

Data source: RSA-911. Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*RSA specific occupational classifications

Table 8c. Alaska Combined Agency Standard Occupational Classification (SOC) Codes Percentages of Employment Outcomes and Median Hourly Earnings for Individuals Age 25 and Older Who Achieved Competitive Employment Outcomes at Closure- FFYs 2015-2017

Row	SOC for Competitive Integrated Employment Outcomes	2015 Percent	2015 Median Hourly Wage	2016 Percent	2016 Median Hourly Wage	2017 Percent	2017 Median Hourly Wage
1	Architecture and Engineering Occupations	0.7	\$19.76	0.9	\$24.50	0.0	\$0.00
2	Arts, Design, Entertainment, Sports, and Media	0.9	\$12.12	0.5	\$24.62	0.4	\$25.00
3	Building and Grounds Cleaning and Maintenance	2.7	\$11.13	5.1	\$12.38	2.8	\$12.00
4	Business and Financial Operations Occupations	0.0	\$0.00	0.7	\$9.00	0.8	\$35.43
5	Community and Social Services Occupations	3.2	\$15.00	3.7	\$15.82	4.8	\$14.80
6	Computer and Mathematical Occupations	1.6	\$20.78	2.1	\$18.63	2.0	\$21.00
7	Constructive and Extraction Occupations	2.7	\$15.50	2.3	\$22.05	2.4	\$20.00
8	Education, Training, and Library Occupations	1.1	\$19.60	3.5	\$16.38	2.0	\$17.00
9	Farming, Fishing, and Forestry Occupations	0.5	\$17.38	0.2	\$11.08	1.2	\$19.71
10	Food Preparation and Serving Related Occupations	3.8	\$11.00	3.7	\$13.00	5.6	\$12.00
11	Healthcare Practitioners and Technical Occupations	3.6	\$16.63	2.1	\$31.13	4.0	\$24.65
12	Healthcare Support Occupations	2.7	\$15.00	1.4	\$18.00	0.8	\$21.50
13	Installation, Maintenance, and Repair Occupations	27.6	\$10.51	29.1	\$11.51	37.1	\$11.00
14	Legal Occupations	0.0	\$0.00	0.7	\$19.00	0.0	\$0.00
15	Life, Physical, and Social Science Occupations	1.1	\$16.00	2.5	\$15.50	2.4	\$18.20
16	Management Occupations	3.6	\$23.33	2.8	\$20.03	2.4	\$16.50
17	Military Specific Occupations	0.0	\$0.00	0.0	\$0.00	0.4	\$15.00
18	Office and Administrative Support Occupations	17.0	\$15.10	14.8	\$13.50	14.7	\$14.50
19	Personal Care and Service Occupations	2.9	\$10.86	2.3	\$13.00	0.8	\$22.49
20	Production Occupations	8.1	\$16.00	9.0	\$16.28	6.4	\$20.00
21	Protective Service Occupations	1.4	\$17.50	0.2	\$12.60	0.8	\$16.82
22	Randolph-Sheppard vending facility clerk*	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
23	Randolph-Sheppard vending facility operator*	0.5	\$12.69	0.0	\$0.00	0.0	\$0.00
24	Sales and Related Occupations	5.0	\$11.37	5.5	\$11.16	3.2	\$12.50
25	Transportation and Material Moving Occupations	9.3	\$15.50	6.9	\$15.87	5.2	\$15.18
26	Total competitive employment outcomes		\$14.00		\$14.00		\$13.50

Data source: RSA-911. Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data.

FFY 15-16 show Oct. – Sept. data.
 *RSA specific occupational classifications

Table 9a. Alaska Combined Agency Reason for Exit for All Individuals Who Did Not Achieve an Employment Outcome at Closure- FFYs 2015-2017

Row	Reason for Closure	2015 Number	2015 Percent	2016 Number	2016 Percent	2017* Number	2017* Percent
1	Unable to locate or contact	395	33.6	372	31.1	266	29.6
2	Disability too significant to benefit from VR services - ineligible	5	0.4	7	0.6		0.0
3	No longer interested in receiving services or further services	489	41.6	481	40.2	370	41.2
4	Death	5	0.4	7	0.6	11	1.2
5	Transferred to another agency		0.0	2	0.2	2	0.2
6	No disabling condition – ineligible	14	1.2	8	0.7	11	1.2
7	No impediment to employment - ineligible	6	0.5	16	1.3	17	1.9
8	Transportation not feasible or available	1	0.1		0.0		0.0
9	Does not require VR services - ineligible	7	0.6	22	1.8	10	1.1
10	All other reasons	190	16.2	227	18.9	177	19.7
11	Extended employment		0.0		0.0		0.0
12	Individual in institution other than a prison or jail	51	4.3	45	3.8	22	2.4
13	Individual is incarcerated in a prison or jail	9	0.8	9	0.8	5	0.6

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 9b. Alaska Combined Agency Reason for Exit for Individuals below Age 25 Who Did Not Achieve an Employment Outcome at Closure - FFYs 2015-2017

Row	Reason for Closure	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Unable to locate or contact	111	43.5	80	34.8	80	37.9
2	Disability too significant to benefit from VR services - ineligible	1	0.4	2	0.9		0.0
3	No longer interested in receiving services or further services	104	40.8	100	43.5	93	44.1
4	Death	1	0.4		0.0		0.0
5	Transferred to another agency		0.0	1	0.4	2	0.9
6	No disabling condition - ineligible	1	0.4	1	0.4	1	0.5
7	No impediment to employment - ineligible	1	0.4	1	0.4	3	1.4
8	Transportation not feasible or available		0.0		0.0		0.0
9	Does not require VR services - ineligible		0.0	1	0.4		0.0
10	All other reasons	27	10.6	40	17.4	23	10.9
11	Extended employment		0.0		0.0		0.0
12	Individual in institution other than a prison or jail	7	2.7	2	0.9		0.0
13	Individual is incarcerated in a prison or jail	1	0.4	1	0.4	4	1.9

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 9c. Alaska Combined Agency Reason for Exit for Individuals Age 25 and Older Who Did Not Achieve an Employment Outcome at Closure - FFYs 2015-2017

Row	Reason for Closure	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Unable to locate or contact	284	30.8	291	30.1	186	27.1
2	Disability too significant to benefit from VR services - ineligible	4	0.4	5	0.5		0.0
3	No longer interested in receiving services or further services	385	41.8	381	39.4	277	40.3
4	Death	4	0.4	7	0.7	11	1.6
5	Transferred to another agency		0.0	1	0.1		0.0
6	No disabling condition - ineligible	13	1.4	7	0.7	10	1.5
7	No impediment to employment - ineligible	5	0.5	15	1.6	14	2.0
8	Transportation not feasible or available	1	0.1		0.0		0.0
9	Does not require VR services - ineligible	7	0.8	21	2.2	10	1.5
10	All other reasons	163	17.7	187	19.3	154	22.4
11	Extended employment		0.0		0.0		0.0
12	Individual in institution other than a prison or jail	44	4.8	43	4.4	22	3.2
13	Individual is incarcerated in a prison or jail	8	0.9	8	0.8	1	0.1

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

Table 6.1 Alaska-Combined (AK-C) VR Resources and Expenditures—FFYs 2015–2017*

VR Resources and Expenditures	2015	2016	2017*
Total program expenditures	\$13,981,702	\$14,455,917	\$13,043,889
Federal expenditures	\$9,554,802	\$10,029,017	\$8,616,989
State agency expenditures (4 th quarter)	\$4,426,900	\$4,426,900	\$4,426,900
State agency expenditures (latest/final)	\$4,426,900	\$4,426,900	\$4,426,900
Federal formula award amount	\$10,174,845	\$10,393,765	\$10,403,513
MOE penalty from prior year	\$0	\$0	\$0
Federal award amount relinquished during reallocation	\$0	\$0	\$0
Federal award amount received during reallocation	\$600,000	\$0	\$307,269
Federal funds transferred from State VR agency	\$0	\$0	\$0
Federal funds transferred to State VR agency	\$0	\$0	\$0
Federal award amount (net)	\$10,774,845	\$10,393,765	\$10,710,782
Federal award funds deobligated	\$1,220,043	\$0	\$0
Federal award funds used	\$9,554,802	\$10,393,765	\$10,710,782
Percent of formula award amount used	93.91%	100.00%	102.95%
Federal award funds matched but not used	\$1,220,043	\$0	\$0

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

Table 6.1 Alaska-Combined - VR Resources and Expenditures—Descriptions, Sources and Formulas

VR Resources and Expenditures	Source/Formula
Total program expenditures	The sum of the Federal and non-Federal expenditures. Source/Formula: Table 6.1: Federal expenditures plus State expenditures (latest/final)
Federal expenditures	The cumulative amount of disbursements from Federal funds. Source/Formula: SF-425 line 10e from latest/final report
State expenditures (4 th quarter)	The cumulative amount of disbursements and unliquidated obligations from State funds through September 30 th of the award period. Source/Formula: SF-425 line 10j from 4 th quarter report
State expenditures (latest/final)	The cumulative amount of disbursements and unliquidated obligations from State funds as reported on the agency's latest or final SF-425 report. Final reports do not include unliquidated obligations. Source/Formula: SF-425 line 10j from latest/final report
Federal formula award amount	The amount of the Federal funds available to the agency based on the formula mandated in the Rehabilitation Act. Formula/Source: Federal formula award calculation
MOE penalty from prior year	The amount of the Maintenance of Effort (MOE) deficit from the previous FFY which resulted in a MOE penalty against the current FFY. Source/Formula: Table 6.2: MOE difference from prior year
Federal award amount relinquished during reallotment	Amount of Federal award voluntarily relinquished through the reallotment process. Formula/Source: RSA-692
Federal award received during reallotment	Amount of funds received through the reallotment process. Source/Formula: RSA-692
Federal funds transferred from State VR agency	Amount of award funds transferred from State VR agencies (Blind to General or General to Blind). Formula/Source: Agency transfer request documentation
Federal funds transferred to State VR agency	Amount of award funds transferred to State VR agencies (Blind to General or General to Blind). Formula/Source: Agency transfer request documentation
Federal award amount (net)	Federal award amount available after accounting for adjustments to award (e.g., MOE penalties, relinquishment, reallotment and transfers). Formula/Source: Federal formula award calculation, RSA-692, agency documentation, SF-425: Federal formula calculation minus MOE penalty minus funds relinquished in reallotment plus funds received in reallotment plus funds transferred from agency minus funds transferred to agency
Federal award funds deobligated	Federal award funds deobligated at the request of the agency or as part of the award closeout process. These funds may include matched or unmatched Federal funds. Source/Formula: Agency deobligation request documentation, G5 closeout reports
Federal award funds used	Amount of Federal award funds expended. Source/Formula: Federal formula calculation, RSA-692, agency documentation, SF-425 lesser of the 4 th quarter or latest/final: Federal award amount (net) (calculation above) minus Federal award funds deobligated
Percent Federal formula award used	Percent of Federal formula award funds used. Source/Formula: Federal award funds used (calculation above) divided by Federal formula award amount

VR Resources and Expenditures	Source/Formula
Federal award funds matched but not used	This represents unused Federal award funds for which the agency provided match. Source/Formula: Table 6.2 Federal award funds matched (actual) minus Table 6.1 Federal award funds used

Table 6.2 Alaska-Combined (AK-C) Non-Federal Share and Maintenance of Effort—FFYs 2015–2017*

Non-Federal Share (Match) and Maintenance of Effort (MOE)	2015	2016	2017*
Match required per net award amount	\$2,916,191	\$2,813,052	\$2,898,852
Match provided (actual)	\$4,426,900	\$4,426,900	\$4,426,900
Match difference**	-\$1,510,709	-\$1,613,848	-\$1,528,048
Federal funds matched (actual)	\$10,774,845	\$10,393,765	\$10,710,782
Percent Federal funds matched	100.00%	100.00%	100.00%
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	\$0	\$4,426,900	\$4,426,900
MOE: Establishment/construction expenditures	\$0	\$0	\$0
MOE actual	\$4,426,900	\$4,426,900	\$4,426,900
MOE difference**	-\$4,426,900	\$0	\$0

* 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 6.2 Alaska-Combined - Non-Federal Share and Maintenance of Effort—Descriptions, Sources and Formulas

Non-Federal Share (Match) and Maintenance of Effort (MOE)	Source/Formula
Match required per net award amount	Non-Federal funds required based upon the net amount of the Federal award. Source/Formula: (Table 6.1 Federal award amount net divided by 0.787) multiplied by 0.213
Match provided (actual)	Amount of match (non-Federal share) provided, by the agency. Source/Formula: SF-425 line 10j lesser of the 4 th quarter or latest/final
Match difference**	The difference between match required to access the net Federal award funds and the actual amount of match provided by agency. Source/Formula: SF-425 lesser of the 4 th quarter or latest/final: ((Federal formula award amount divided by 0.787) multiplied by 0.213) minus SF-425 line 10j
Federal funds matched (actual)	Total amount of Federal funds the agency was able to match based upon the non-Federal share reported. The maximum amount of Federal funds the agency can access is limited to the Federal grant award amount. Source/Formula: (Match provided actual divided by .213) multiplied by .787
Percent of Federal funds matched	Percent of Federal funds matched. Source/Formula: Federal funds matched divided by Federal award amount net
Match from State appropriation	Match amount from State appropriation. Source/Formula: Data provided by State
Percent match from State appropriation	Match amount from State appropriation expressed as a percentage of total match provided. Source/Formula: Match from State appropriation divided by SF-425 line 10j
Match from TPCAs	Match amount from Third-Party Cooperative Arrangements (TPCAs). Source/Formula: Data provided by State
Percent match from TPCAs	Match amount from Third-Party Cooperative Arrangements (TPCAs) expressed as a percentage of total match provided. Source/Formula: Match from TPCAs divided by SF-425 line 10j
Match from Randolph-Sheppard program	Match amount from Randolph-Sheppard program. Source/Formula: Data provided by State
Percent match from Randolph-Sheppard Program	Match amount from Randolph-Sheppard program expressed as a percentage of total match provided. Source/Formula: Match from Randolph-Sheppard Program divided by SF-425 line 10j
Match from interagency transfers	Match amount from interagency transfers. Source/Formula: Data provided by State
Percent match from interagency transfers	Match amount from interagency transfers expressed as a percentage of total match provided. Source/Formula: Match from interagency transfers divided by SF-425 line 10j

Non-Federal Share (Match) and Maintenance of Effort (MOE)	Source/Formula
Match from other sources	Match amount from all sources of match not previously listed. Source/Formula: Data provided by State
Percent match from other sources	Match amount from all other sources expressed as a percentage of total match provided. Source/Formula: Match from other sources divided by SF-425 line 10j
Maintenance of Effort (MOE) required	Maintenance of effort (MOE) is the level of non-Federal expenditures, minus establishment/construction expenditures for CRPs, established by the State's non-Federal expenditures two years prior, i.e. Recipient Share of Expenditures. Source/Formula: (For FFY two year prior) SF-425 4 th quarter or latest/final report: line 10j minus line 12a. If non-Federal share is added in the prior carryover year, the additional amount is added to the MOE required. If an agency increases their Establishment/Construction expenditures in the prior carryover year, the increase is deducted from the FFY's total non-Federal share for MOE purposes.
MOE: Establishment / construction expenditures	Non-Federal share of expenditures for construction of facilities for community rehabilitation program (CRP) purposes and the establishment of facilities for community rehabilitation purposes. Source/Formula: SF-425 latest/final report: line 12a
MOE actual	Non-Federal share provided by agency minus establishment/construction expenditures for CRPs. Source/Formula: SF-425: Match provided actual minus establishment/construction expenditures. NOTE: If non-Federal share is added in the prior carryover year, the additional amount is added to the MOE actual. If an agency increases their Establishment/Construction expenditures in the prior carryover year, the increase is deducted from the FFY's total non-Federal share for MOE purposes.
MOE difference**	The difference between MOE required and the actual MOE provided. Source/Formula: MOE required minus MOE actual

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

Table 6.3 Alaska-Combined (AK-C) Program Income and Carryover—FFYs 2015–2017*

Program Income and Carryover	2015	2016	2017*
Program income received	\$1,048,698	\$1,035,167	\$806,842
Program income disbursed	\$1,048,698	\$1,035,167	\$806,842
Program income transferred	\$0	\$0	\$0
Program income used for VR program	\$1,048,698	\$1,035,167	\$806,842
Federal grant amount matched	\$10,774,845	\$10,393,765	\$10,710,782
Federal expenditures 9/30	\$5,103,370	\$5,818,173	\$8,616,989
Federal unliquidated obligations 9/30	\$3,666,796	\$3,888,953	\$2,017,753
Carryover amount	\$2,004,679	\$686,639	\$76,040
Carryover as percent of award	18.61%	6.61%	0.71%

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

Table 6.3 Alaska-Combined - Program Income and Carryover—Descriptions, Sources and Formulas

Program Income and Carryover	Source/Formula
Program income received	Total amount of Federal program income received by the grantee. Source/Formula: SF-425 latest/final line 10l
Program income disbursed	Amount of Federal program income disbursed, including transfers. Source/Formula: SF-425 latest/final: line 10m plus line 10n
Program income transferred	Amount of Federal program income transferred to other allowable programs. Source/Formula: SF-425 latest/final: line 12e plus line 12f plus line 12g plus line 12h
Program income used for VR program	Amount of Federal program income utilized for the VR program. Source/Formula: SF-425 latest/final: Program income expended minus program income transferred
Federal grant amount matched	Federal funds an agency is able to draw down based upon on reported non-Federal share not to exceed net award amount. Source/Formula: Table 6.2 Federal funds matched actual
Federal expenditures 9/30	Federal funds expended by 9/30 of the FFY of appropriation. This does not include unliquidated obligations. Source/Formula: SF-425 4 th quarter: line 10e
Federal unliquidated obligations 9/30	The unliquidated amount of Federal funds matched that the grantee did not liquidated by 9/30 of the FFY of appropriation Source/Formula: SF-425 4 th quarter: line 10f
Carryover amount	The unobligated amount of Federal funds matched that the grantee did not obligate by 9/30 of the FFY of appropriation. Carryover amounts do not include any unliquidated Federal obligations as of 9/30. Source/Formula: SF-425 4 th quarter: line 10h
Carryover as percent of award	Amount of carryover expressed as a percentage of total Federal funds available. Source/Formula: SF-425 latest/final: Carryover amount divided by Federal net award amount.

Table 6.4 Alaska-Combined (AK-C) RSA-2 Expenditures—FFYs 2015–2017*

RSA-2 Expenditures	2015	2016	2017
Total expenditures	\$16,923,050	\$15,589,175	\$13,983,599
Administrative costs	\$6,892,007	\$2,524,333	\$2,328,047
Administration as Percent expenditures	40.73%	16.19%	16.65%
Purchased services expenditures	\$4,817,060	\$5,000,520	\$3,979,611
Purchased services as a Percent expenditures	28.46%	32.08%	28.46%
Services to groups	\$122,514	\$189,731	\$0
Services to groups percentage	0.72%	1.22%	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.

Table 6.4 Alaska-Combined - RSA-2 Expenditures—Descriptions, Sources and Formulas*

RSA-2 Expenditures	Sources/Formula
Total expenditures	All expenditures from Federal, State and other rehabilitation funds (including VR, supported employment, program income, and carryover from previous FFY). This includes unliquidated obligations. Source: RSA-2: Schedule 1.4
Administrative costs	Total amount expended on administrative costs under the VR program. Source/Formula: RSA-2: Schedule 1.1
Administration as percent of expenditures	Administrative costs expressed as a percentage of all expenditures. Source/Formula: Administrative costs divided by total expenditures
Purchased services expenditures	Expenditures made for services purchased by the agency. Source/Formula: RSA-2: Schedule 1.2.B
Purchased services as a percent of expenditures	Purchased services expressed as a percentage of total expenditures. Source/Formula: Purchased services expenditures divided by total expenditures
Services to groups	Expenditures made by the agency for the provision of VR services for the benefit of groups of individuals with disabilities. Source/Formula: RSA-2: Schedule 1.3
Services to groups percentage	Services to groups expressed as a percentage of total expenditures. Source/Formula: Services to groups divided by total expenditures

*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: DATA VERIFICATION RESULTS

Data Element	Number with required documentation	Number without required documentation	Percent with required documentation	Percent without required documentation
Date of Application	30	0	100	0
Date of Eligibility Determination	30	0	100	0
Date of IPE	29	1	97	3
Start Date of Employment in Primary Occupation at Exit or Closure	17	0	100	0
Weekly Earnings at Exit or Closure	17	0	100	0
Employment Status at Exit or Closure	17	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	29	97
Files with documentation for four or more data elements examined	17	57
Files with no required documentation	0	0

APPENDIX C: SUPPORTED EMPLOYMENT PROGRAM PROFILE

Summary Statistics – Supported Employment Outcomes						
Performance category	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
Supported employment (SE) outcomes	56		55		43	
Competitive employment outcomes	53	94.6%	54	98.2%	40	93.0%
Median hourly earnings for competitive employment outcomes	\$9.53		\$9.75		\$10.00	
Average hours worked for competitive employment outcomes	17.7		17.1		15.8	

Data source: RSA-911

Note: FFY 2017 data is not comparable with other FFY data. FFY 2017 shows Oct. – June data. FFY 15-16 show Oct. – Sept. data.

*Using RSA-911: Total number of individuals who exited with supported employment outcomes divided by total number of individuals who exited with an employment outcome multiplied by 100.

**Using RSA-911: Total number of individuals who exited with competitive supported employment divided by total number of individuals who exited with supported employment outcomes multiplied by 100.

Top Five Services Provided to Individuals in Competitive Supported Employment	
Services Provided	2017 Percent
Vocational rehab counseling and guidance	100
On-the-job supports-SE	83.7
Assessment	67.4
Benefits Counseling	51.2
Maintenance	34.9

Data source: RSA-911

Note: FFY 17 contains closed case data from October 1, 2016 to June 30, 2017.

Top Five Occupations by Percentages of Employment Outcomes with Median Hourly Earnings for All Individuals Who Achieved Competitive Supported Employment Outcomes at Closure for FFY 17		
SOC Code	2017 Percent	2017 Median Hourly Wage
Installation, Maintenance, and Repair Occupations	85.0	\$10.00
Food Preparation and Serving Related Occupations	5.0	\$10.64
Production Occupations	5.0	\$9.76
Office and Administrative Support Occupations	2.5	\$9.83
Personal Care and Service Occupations	2.5	\$9.75

Data source: RSA-911

Note: FFY 17 contains closed case data from October 1, 2016 to June 30, 2017.