

**FEDERAL FISCAL YEAR 2019
MONITORING REPORT
ON THE
NORTH DAKOTA
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 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 North Dakota (ND) Division of Vocational Rehabilitation (DVR) in Federal fiscal year (FFY) 2019, 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; and
- Identified strategies and corrective actions to improve program and fiscal performance related to the following focus areas:
 - Performance of the State Vocational Rehabilitation Services and State Supported Employment Services Programs;
 - Pre-Employment Transition Services for Students with Disabilities; and
 - Financial Management of the State Vocational Rehabilitation Services and State Supported Employment Services Programs.

The nature and scope of this review and the process by which RSA carried out its monitoring activities from March through May 2019 is described in detail in the State Vocational Rehabilitation Services and State Supported Employment Services Programs Federal Fiscal Year 2019 Monitoring and Technical Assistance Guide.

B. Review Team Participants

Members of the RSA review team included Terry Martin, Brian Miller, and James Billy (Technical Assistance Unit); April Trice (Vocational Rehabilitation Program Unit); David Miller (Fiscal Unit); and Yann-Yann Shieh (Data Collection and Analysis Unit).

C. Acknowledgements

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

SECTION 2: FOCUS AREA – PERFORMANCE OF THE STATE VOCATIONAL REHABILITATION SERVICES AND STATE SUPPORTED EMPLOYMENT SERVICES PROGRAMS

A. Purpose

Using this focus area, RSA assessed employment outcomes, including the quality of those outcomes, achieved by individuals with disabilities served in the VR program through the conduct of an analysis of VR program data. The analysis below, along with any accompanying findings and corrective actions, is based on a review of the programmatic data contained in Appendix A of this report. The data used in the analysis are those collected and reported by the VR agency.

B. Analysis of the Performance of the VR Program

VR Agency Profile

Resources: Appendix A—Tables 1, 2, and 3

For program year (PY) 2017, ND DVR reported 1,563 applicants and 1,410 individuals determined eligible for the VR program on the RSA-911 Case Service Report. In PY 2017, The disability groups reflecting the greatest numbers of participants served by ND DVR were individuals with cognitive disabilities (37.6 percent), individuals with psychological or psychosocial disabilities (33.4 percent), and individuals with physical disabilities (17.1 percent).

During PY 2017, 99.9 percent of individuals were determined eligible within 60 days from the date of their application.

In PY 2017, 84.8 percent of individuals had their Individualized Plans for Employment (IPE) developed within the required 90 days from the date of their eligibility determination. This percentage rose to 94.0 percent in PY 2018.

Five hundred-fourteen individuals who received services achieved competitive integrated employment in PY 2017. Of these, eight percent, or 41 individuals, exited with a supported employment outcome. When comparing these 514 individuals to the total number of individuals who exited the VR program with and without employment after receiving services, ND DVR's employment rate was 48.9 percent during that program year.

The VR Process

Resources: Appendix A—Tables 1, 2, 4, and 5

As reported on the RSA-113 Quarterly Cumulative Caseload Report, the total number of applicants decreased by 48 individuals, from 1,753 to 1,708, from FFY 2016 to FFY 2018. The total number of individuals determined eligible decreased by 375, from 2,009 individuals in FFY 2016, to 1,634 individuals in FFY 2018. ND DVR attributed this performance, in part, to North

Dakota's low unemployment rate (2.7 percent in 2017 and 2.6 percent in 2018), which decreased the need for individuals with disabilities to seek employment assistance and contributed to the decline in the number of individuals applying for VR services. During that period, the unemployment rate in the western portion of the State averaged 1.1 to 1.6 percent due largely to hiring in the oil and energy industries.

From FFY 2016 to FFY 2018, ND DVR was implementing an order of selection. However, all three priority categories were open during this time period, and no individuals were placed on a waiting list.

RSA and ND DVR discussed the need to further analyze the reasons for the decline in the number of VR applicants and eligible individuals; develop goals to increase the number of individuals who apply and are determined eligible for VR services; and develop strategies to engage and retain individuals from the time of application to the receipt of VR services.

Of the 1,925 individuals who exited the VR program in PY 2017, 414 individuals, or 21.5 percent, exited from various stages of the VR process prior to the development of an IPE. In ADDITION, 537 individuals, or 27.9 percent, exited the VR program after eligibility determination, but without an employment outcome.

ND DVR noted that in addition to low unemployment rates throughout the State, the agency has been experiencing a high turnover rate for VR counselors and vision rehabilitation specialists. In 2016, the turnover rate was 39 percent of the 37 counselor positions. In 2018, the rate was 22 percent, or eight positions. Approximately 30 percent of the counseling staff has less than two years of experience. In addition to counseling position turnover, three of the eight regional administrators were new to their positions since 2017 at the time of the review.

VR Services

Resources: Appendix A—Tables 6 and 7

Of the 2,791 participants who received VR services in PY 2017, only 0.2 percent received graduate degree training; 6.6 percent received bachelor's degree training; and 4.3 percent received junior or community college training. Taken together, this totals 310 participants, or 11 percent. An additional 84 individuals (3.0 percent) received occupational or vocational training services. During the same period, ND DVR reported 720 measurable skill gains (MSG) earned, and 714 participants earning MSGs. In PY 2017, 258 postsecondary transcripts and report cards and 415 secondary diplomas were reported. The remaining types of MSGs reported were five for educational functioning level, three for training milestone, and 39 for skills progression.

Of the career services provided to participants in PY 2017, 1,573 participants, or 56.4 percent, received job search assistance, while 137 participants, or 4.9 percent, received job placement assistance.

In PY 2017, 141 participants, or 5.1 percent, received supported employment services; two youth with most significant disabilities, or 0.1 percent, received extended services; and 41 of the 514 participants who exited with employment achieved a supported employment outcome.

During the review, ND DVR communicated that the decrease in the availability of State extended services funding has affected ND DVR's ability to secure long-term funding to support individuals with most significant disabilities receiving supported employment services. ND DVR purchases supported employment and extended services from nineteen community rehabilitation programs (CRPs). All State agencies that purchase extended services are under the administrative control of the North Dakota Department of Human Services. During the 2017-2019 legislative session, all State agency department budgets were decreased by 10 percent. ND DVR noted that it has strong relationships with the nineteen providers of supported employment and extended services, as well as with the Behavioral Health Division, Aging Services, Medicaid, and county social service agencies.

In terms of other services provided to participants in PY 2017, 351 individuals, or 12.6 percent, received maintenance services; 285 individuals, or 10.2 percent, received transportation services; and 251 individuals, or 9.0 percent, received rehabilitation technology services.

Quality of Employment Outcomes

Resources: Appendix A—Tables 1, 4, 5, 6, 8, 9, and 10

During PY 2017, the median hourly earnings for individuals achieving a competitive employment outcome was \$12.00 per hour, and the median hours worked per week was 37 hours. Of the individuals who achieved employment, 63 individuals continued to receive Social Security Disability Insurance (SSDI) (12.3 percent), and 79 individuals received Supplemental Security Income (SSI) for the aged, blind or disabled (15.4 percent). Of the individuals achieving employment, 115 individuals maintained medical insurance coverage through Medicaid (22.4 percent) and 71 individuals through Medicare (13.8 percent). During the same period, 169 individuals, or 32.9 percent, had employer-provided medical coverage at exit.

The largest numbers of participants achieved employment in office and administrative support (88 individuals), food preparation and serving related occupations (59 individuals), and building and grounds cleaning and maintenance (41 individuals).

In PY 2017, the most frequently reported Standard Occupational Classification (SOC) codes for participants who achieved competitive integrated employment or supported employment included customer service representatives (28), janitors and cleaners (25), cashiers (20), dishwashers (19), and child care workers (19 participants).

Occupations with the highest median hourly earnings achieved by ND DVR participants included architecture and engineering (\$27.90), farming, fishing, and forestry (\$25.80), health care practitioners and technical occupations (\$22.70), and computer and mathematical occupations (\$17.00).

Pre-Employment Transition Services

Resources: Appendix A—Tables 11 and 12

Of the 2,582 students with disabilities reported by ND DVR in PY 2017, 1,321 individuals (51 percent) received a pre-employment transition service. During that period, 820 students with

disabilities who received a pre-employment transition service were potentially eligible and 501 students who received a pre-employment transition service applied for VR services.

Of the 1,760 individuals who applied to the VR program in FY 2017, 501 individuals were students with disabilities. RSA and ND DVR discussed focused outreach to students receiving pre-employment transition services and the development of strategies to increase the number of students with disabilities who apply for VR services.

Of the 7,611 pre-employment transition services provided in PY 2017, the greatest percentage of services were instruction in self-advocacy (24.5 percent), counseling on enrollment opportunities in postsecondary education and transition programs (23.3 percent), workplace readiness training (20.1 percent), and job exploration counseling (19.9 percent). The smallest percentage of pre-employment transition services provided was work-based learning experiences (12.2 percent) during the same period.

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 expenditures 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

As part of the monitoring review process, RSA requested documentation from ND DVR outlining policies and procedures related to the case service record; reporting on the RSA-911; and internal control process (e.g., ensuring data accuracy, reliability, and timely submission), along with a case file description used by agency staff to organize case files and supporting documentation. ND DVR also provided RSA with its Internal Control Policy Quality Information Manual for the RSA-911 and the documentation for the case management information system presently in use. The manual provides detailed process descriptions, system activity prompts, and data entry guidance.

During the review, ND DVR described the process for conducting service record reviews to ensure data accuracy and compliance. A sample of service records in all eight regional offices is reviewed at least every two years. In these reviews, a 20 percent sample is stratified by caseload with a minimum of five cases selected. ND DVR regional administrators are required to review annually a minimum of 10 percent of each caseload, including both open and closed cases.

Additionally, RSA reviewed the following documents: Required Hard Copy VR File Documentation, VR Case File Format, Required Documentation – VR Case, North Dakota Vocational Rehabilitation Case Review Guide, and the previously mentioned Internal Control

Policy Quality Information Manual for the RSA-911. Through the review and analysis of these documents, RSA was able to determine that internal controls are in place to ensure data accuracy and documentation.

D. Findings and Corrective Actions

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

E. Technical Assistance

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

- RSA provided technical assistance to ND DVR on how data in the monitoring tables were calculated, including an explanation of the formula used for these calculations. For example, RSA explained how it calculates the percentage of IPEs Developed within the required time standard.
- RSA explained its methods for calculating potentially Eligible Students with Disabilities who Received a Pre-Employment Transition Service.
- RSA provided technical assistance to ND DVR on the Percentage of Timely Eligibility Determination Extensions, including how trial work factors into this measure.
- RSA and ND DVR discussed strategies to reduce the decline in the number of VR applicants and eligible individuals and increase the number of individuals who apply and are determined eligible for VR services.
- RSA and ND DVR discussed strategies to engage and retain individuals from the time of application to the receipt of VR services in order to improve the agency's employment rate.

SECTION 3: FOCUS AREA –PRE-EMPLOYMENT TRANSITION SERVICES FOR STUDENTS WITH DISABILITIES

A. Purpose

The Rehabilitation Act, as amended by Title IV of WIOA, places heightened emphasis on the provision of services, including pre-employment transition services under Section 113, to students 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 vocational rehabilitation services, such as transition services. Through this focus area the RSA review team assessed the VR agency's performance and technical assistance needs related to the provision of pre-employment transition services to students with disabilities.

B. Implementation of Pre-Employment Transition Services

The VR agency must consider various requirements in providing or arranging for the provision of pre-employment transition services for students with disabilities under Section 113 of the Rehabilitation Act and 34 C.F.R. § 361.48(a). Students with disabilities may receive pre-employment transition services as either potentially eligible or eligible individuals for the VR program. A discussion of ND DVR's service delivery system and implementation of pre-employment transition services follows.

Structure of Service Delivery

Pre-employment transition services are provided by VR counselors and CRPs to students with disabilities between the ages of 14 and 21 who are potentially eligible and eligible for VR services. Students can be referred to ND DVR by their special education teachers, Section 504 coordinators, guidance counselors, family members, or can be self-referred. Students are also referred from independent living centers and social service programs. To streamline the pre-employment transition services process, the agency developed an ND DVR Potentially Eligible Data Collection Tool, which includes demographic information such as: (a) the student's name, (b) date of birth, (c) current grade, (d) school currently attended, (e) expected graduation date, (f) disability type, (g) gender, (h) race/ethnicity, and (i) official signatures. The collection tool also requests a copy of the student's individualized education program (IEP), 504 plan, and other documentation to assist in determining if a student has a disability. Pre-employment transition services are provided in group settings and on an individualized basis and tracked in the agency's case management system. Pre-employment transition services are purchased under ND DVR's VR fee schedule.

Outreach and Planning for the Delivery of Pre-Employment Transition Services

ND 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 eligible or potentially eligible for VR services. At the start

of every school year, VR counselors are responsible for contacting their assigned schools to determine which students may benefit from VR services, including pre-employment transition services. VR counselors also participate in transition meetings, career fairs, and parent informational meetings. ND DVR indicated that it will increase its opportunities to collaborate with private and parochial schools, colleges and universities, tribal VR programs, and the North Dakota Vision Services/School for the Blind. ND DVR indicated that it will also continue to assist students with behavioral and emotional disabilities and students who may not be eligible to receive services and accommodations under Section 504 of the Rehabilitation Act.

ND DVR completed its WIOA State Plan and Triennial Needs Assessment (TNA) in FFY 2015. Amendments to the WIOA State Plan were made and submitted to RSA for review in FFY 2018. TNA findings revealed that the employment needs for students with disabilities in North Dakota included vocational guidance and counseling, work readiness training, and identification of career options. As a result of these findings, ND DVR reported that VR counselors have increased their time providing vocational guidance and counseling and work readiness training, attending IEP meetings, and addressing students' needs through independent living activities. ND DVR has collaborated with local employers statewide to provide work-based learning opportunities to eligible and potentially eligible students with disabilities.

ND DVR informed RSA that the pre-employment transition services goals for the 2020 WIOA State Plan are currently under review. However, the agency reported that it will continue to partner with the North Dakota Department of Public Instruction (DPI) and local school districts to plan and implement pre-employment transition services throughout the State.

State Educational Agency Agreement

ND DVR and DPI work collaboratively to provide pre-employment transition services to students with disabilities who are eligible or potentially eligible for VR services. ND DVR and DPI finalized the State Educational Agency (SEA) agreement in February 2017. The interagency agreement includes: the purpose of the agreement; consultation and technical assistance; the roles and responsibilities, including the financial responsibilities of DVR and DPI; Section 511 requirements; and measures to resolve conflict.

In collaboration with Minot State University, the agency sponsors a teacher internship program designed to provide secondary education teachers an opportunity to work jointly with their local ND DVR office and learn about VR services, disability legislation, employment needs in their respective areas, and labor market statistics. Teachers also have an opportunity to job shadow VR counselors as they perform various aspects of their jobs, including intake processes, writing eligibility statements, and vocational counseling discussions. Teachers can earn continuing education credits for participating in the teacher internship program.

Pre-Employment Transition Services Policies and Procedures

RSA reviewed ND DVR's policies and procedures for transition and pre-employment transition services. Topics covered in the policies and procedures included: definitions of a student with a disability and youth with a disability; description of transition services and pre-employment transition services; and the processes for coordinating with education officials, including

technical assistance and outreach efforts. ND DVR's policies and procedures also reference how to obtain school records, coordination regarding subminimum wage, and referral, application, and intake processes.

Provision of Pre-Employment Transition Services

ND DVR provides pre-employment transition services to students with disabilities who are (a) enrolled in secondary school (including home school or other alternative secondary education program) or postsecondary education program and at least 14 years of age but not older than 21; and (b) receiving or eligible for special education or related services under Part B of IDEA or an individual with a disability for purposes of Section 504.

RSA and ND DVR discussed the following five required activities and how they are provided to students with disabilities throughout North Dakota.

- Job Exploration Counseling - This activity includes administration of vocational interest inventories (e.g., Strong Interest Inventories and the Career Index Plus); discussion and review of labor market information from the O*Net; and appropriate workplace behaviors.
- Work-based Learning Experiences - Students are engaged in job shadowing activities and worksite tours and student-led enterprises.
- Counseling on Opportunities for Enrollment in Comprehensive Transition or Postsecondary Education Programs - Students participate in university and/or college tours, discuss college majors and course offerings with VR counselors and academic advisors, learn how to obtain accommodations through disability support services, and discuss career opportunities with career counselors.
- Workplace Readiness Training - ND DVR and its CRPs provide training in: soft skills and interpersonal skills, including active listening skills; positive and negative workplace communication; the reading of body language and the asking of open- and closed-ended questions; how to establish and maintain relationships; and cell phone use and internet safety at work.
- Self-Advocacy - This training provides guidance and counseling on self-regulation skills to control emotions and solve problems; Developing self-awareness and understanding one's own disability, including disability disclosure; learning how to request reasonable accommodations; and establishing and accomplishing goals.

ND DVR and RSA also reviewed the statutory and regulatory requirements related to the provision of the nine authorized activities as described in Section 113 of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(3). At the time of the review, ND DVR reported that it had expended a portion of its 15 percent reserve on the nine authorized activities. The agency indicated that it is working with the Workforce Innovation Technical Assistance Center (WINTAC) to ensure it has sufficient pre-employment transition services reserve funds required to meet the needs of all students with disabilities needing pre-employment transition services required and coordination activities, and to determine if the agency may pay for any authorized pre-employment transition services activities from the reserved funds.

ND DVR also participates in North Dakota's Community of Practice for Transition. The intent of the work group is to foster collaboration with transition stakeholders throughout the State and to improve opportunities for youth and students with disabilities, so they prepare for life and careers beyond high school.

C. Findings and Corrective Actions

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

D. Technical Assistance

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

- ND DVR should update North Dakota's Administrative Code, Section 75-08-01-36, Pre-Employment Transition Services, to include the nine authorized activities and the four coordination activities, as described in Section 113 of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(3) and (4). The agency should also update Section 75-08-01-36, Definitions, to use the full definition of a "student with a disability" as found in Section 7(37) of the Rehabilitation Act and 34 C.F.R. § 361.5(c)(51).
- RSA provided technical assistance specific to the formal interagency agreement requirements described in Section 101(a)(11)(D) of the Rehabilitation Act and 34 C.F.R. § 361.22(b). RSA also recommended that ND DVR and education officials use the toolkit developed by the WINTAC and the National Technical Assistance Center when updating the formal interagency agreement.
- RSA recommended that ND DVR update its potentially eligible data collection tool to add a parent, guardian, and/or representative signature line to ensure that the permission of parents and guardians is obtained when needed for minor students.
- RSA recommended that ND DVR make clear in the formal interagency agreement and its policies and procedures for pre-employment transition services that IPEs for students with disabilities are to be developed within 90 days from the date of eligibility determination.

SECTION 4: FOCUS AREA – FINANCIAL MANAGEMENT OF THE STATE VOCATIONAL REHABILITATION SERVICES AND STATE SUPPORTED EMPLOYMENT SERVICES PROGRAMS

A. Purpose

Through this focus area RSA assessed the financial management and fiscal accountability of the VR and Supported Employment programs to ensure that: funds were being used only for intended purposes; there were sound internal controls and reliable reporting systems; available resources were maximized for program needs; and funds supported the achievement of employment outcomes for individuals with disabilities, including those with the most significant disabilities, and the needs of students with disabilities for pre-employment transition services.

B. Scope of Financial Management Review

During the monitoring process, RSA reviewed the following areas related to financial management and accountability:

Period of Performance

Period of performance is the time during which the non-Federal entity (grantee) may incur new obligations to carry out the work authorized under the Federal award (2 C.F.R. § 200.77). In order to accurately account for Federal and non-Federal funds, the VR agency must ensure that allowable non-Federal and Federal obligations and expenditures are assigned to the correct FFY award. RSA uses the financial information reported by the grantee to determine each VR agency's compliance with fiscal requirements (e.g., reservation of funds, matching, maintenance of effort (MOE), etc.). The RSA review team assessed ND DVR's performance in meeting the period of performance requirements related to the proper assignment of obligations and expenditures to the correct grant awards.

VR Program Match

VR program regulations require that the State must incur a portion of expenditures under the VR services portion of the Unified or Combined State Plan from non-Federal funds to meet its cost sharing requirements (34 C.F.R. § 361.60). The required Federal share for expenditures made by the State, including expenditures for the provision of VR services and the administration of the VR services portion of the Unified or Combined State Plan, is 78.7 percent. The State's share is 21.3 percent. The RSA review team assessed ND DVR's performance in meeting the matching requirements for the VR program, including whether the matching level was met, as well as whether the sources of match were consistent with Federal requirements and any applicable MOE issues.

The RSA review team addressed requirements pertaining to the following sources of non-Federal share used by the State as the match for the VR program:

- State appropriations and interagency transfers; and
- Randolph-Sheppard set-aside.

Prior Approval

The Uniform Guidance (2 C.F.R. § 200.407) requires prior written approval (prior approval) for various grant award activities and proposed obligations and expenditures. RSA reviews and approves prior approval requests on behalf of the Department of Education. The RSA review team examined ND DVR's internal controls to ensure that the VR agency is meeting the prior approval requirements.

C. Findings and Corrective Actions

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

Finding 4.1 Internal Control Deficiencies

Issue: Does ND 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;
- 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 titled *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 noncompliance with Federal and State requirements.

Analysis: RSA found several areas of concern that fall within the internal control focus area. These areas are identified below.

A. Excessive Cash on hand. ND DVR reported excessive cash on hand balances in its SF-425 Federal financial reports as identified below.

H126A190051	2nd quarter	\$579,246
H126A190051	4th quarter	\$923,282*
H126A180051	2nd quarter	\$451,420
H126A160051	4th quarter	\$210,333

(*reported after monitoring review)

The Cash Management Improvement Act (CMIA) and Federal regulations at 31 C.F.R. part 205 and 2 C.F.R. § 200.305(b) require grantees not subject to a Treasury-State Agreement to minimize the time elapsing between the drawdown and disbursement of Federal funds. ND DVR is not in compliance with these cash management requirements due to the excessive cash on hand balances reported.

RSA-PD-15-05, Revisions to PD-12-06, instructions for completing the Federal Financial Report (SF-425) for the State Vocational Rehabilitation Services program, instructs VR grantees that if more than three business days of cash are on hand, RSA requires an explanation on line 12, Remarks, explaining why the drawdown was made prematurely or

other reasons for the excess cash. Of the four instances listed above of ND DVR reporting cash on hand, only the FFY 2016 award fourth quarter report included a remark, which states: “The cash on hand reported in line 10c has been returned to RSA.” This statement neither explains why the drawdown was made prematurely, nor does it provide other reasons for the excess cash on hand.

ND DVR staff identified a process it follows in accordance with the North Dakota Department of Human Services Cost Allocation Plan as the underlying cause for the excessive cash on hand balances.

B. Inaccurate Federal Cash Receipts. ND DVR mis-reported the amount of Federal Cash Receipts on its SF-425 Federal financial reports as identified below.

H126A190051, 4th quarter*

Agency Reported: \$923,282; G5 Record: \$9,945,473; difference: \$9,022,191

H126A180051, 2nd quarter

Agency Reported: \$1,568,193; G5 Record: \$1,587,188; difference: \$18,995

H126A160051, 2nd quarter

Agency Reported: \$2,473,494; G5 Record: \$2,676,324; difference: \$202,830

(*reported after monitoring review)

ND DVR is not in compliance with 2 C.F.R. § 200.302(b)(2), which requires accurate, current, and complete disclosure of the financial results of each Federal award, because ND DVR periodically reported a different amount on line 10a from that which it drew down from G5. Per RSA-PD-15-05, the grantee must enter the net amount of Federal VR funds on line 10a (Federal Cash Receipts) that the grantee has drawn down from G5. This amount is obtained by running a G5 External Award Activity Report using date parameters. The net amount of Federal VR funds drawn down will be shown on the G5 report and should be entered as the amount on line 10a of the SF-425 form. RSA-PD-15-05 suggests that grantees may want to maintain copies of the G5 External Award Activity Reports as supporting documentation that verifies the accuracy of the amount reported on line 10a.

As in part A of this finding, ND DVR staff identified a process it follows in accordance with the North Dakota Department of Human Services Cost Allocation Plan as the underlying cause for its inaccurate reporting of Federal cash receipts. As explained by grantee staff, the cost allocation plan is based on a methodology that, on a monthly basis, readjusts total costs under the plan to help increase the overall accuracy of total costs allocated to each cost objective over the course of the State fiscal year. Page six of the cost allocation plan states the following.

When costs are allocated to programs, the distributions are based on the accumulated costs to date and are distributed on the basis of the accumulated statistics. The accumulated prior month’s program distribution is subtracted to arrive at the current month’s costs.

According to grantee staff, in practice this process requires ND DVR to initially charge costs based on the first month's accumulated costs, then, on a monthly basis, to readjust previous amounts charged through the plan based on the recalculated statistics. According to grantee staff, this process causes an overlap at the end of the FFY, during which the cost allocation process continues to gather statistical information to further increase the statistic's overall accuracy. By the end of the second quarter when VR's first SF-425 is due, the process statistically adjusted costs which, by the end of the second quarters for FFYs 2018 and 2019, resulted in reduced costs allocated to the VR program.

Thus, staff explained, the readjustments resulted in less total Federal share of expenditures than originally drawn down. The reason for the excessive cash on hand is the readjustment left a surplus, which the agency then used to assign to expenditures from that point forward. Grantee staff noted the readjustments also explain the reason why on some SF-425 reports, Federal cash receipts did not match the amount drawn down from G5. As currently implemented by ND DVR, the cost allocation process requires ND DVR to draw down funds which may later be canceled due to readjusted statistics.

If it is determined that using the current cost allocation plan will necessarily result in the possibility of excess cash on hand or inaccurate reporting, then ND DVR may need to work with officials of the North Dakota Department of Human Services, and its Cognizant agency, the U.S. Department of Health and Human Services, to revise the cost allocation plan in a manner that permits ND DVR to meet all of its Federal reporting requirements. As noted above, ND DVR must ensure it meets the Federal requirements for timely and accurate reporting of data as well as the CMIA requirements.

- C. **Undocumented or Insufficient Fiscal Policies.** RSA's review of written policy documents concerning the financial management of ND DVR found several deficiencies and omissions. In response to RSA's request for its fiscal internal control policies, ND DVR provided several documents, including technical problem-solving steps specific to its case management system, a one-page corrective action document in response to a prior audit finding, and a copy of the State administrative code pursuant to VR. The submitted internal control documents lack the level of detail necessary for ND DVR to properly support compliance with the financial management and internal control requirements specified in the Uniform Guidance.

For example, the State administrative code discusses expenditure authorization (ND 75-08-01-05). However, it is unclear how ND DVR meets the State and Federal requirements without internal controls regarding the complex fiscal requirements specific to VR, including tracking period of performance, MOE, or match. In another example of undocumented or insufficient fiscal policies, there was little written information about internal control activities that are to be carried out in preparation for Federal financial report submission, identification of which staff are responsible for which internal control activities, or the processes management uses to evaluate and monitor ND DVR's compliance with statutes, regulations, and the terms and conditions of Federal awards.

Conclusion: In the areas noted above, ND DVR did not maintain effective internal controls over the Federal award that provide reasonable assurances that the non-Federal entity is managing the

Federal 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, noted above, include documentation of control activities to ensure management oversight of period of performance, MOE, match, and accurate Federal financial reporting.

While these control deficiencies suggest elevated risk to ND 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 ND DVR in developing its ability to correct processes that have led to the noncompliance finding noted above.

Corrective Actions 4.1 RSA requires that ND DVR—

- 4.1.A.** Within 120 days after the date of the final monitoring report, develop and implement written internal control processes and activities, including a monitoring component, to correct the underlying cause(s) of the large cash on hand balances noted in the finding. (Note: If correcting an underlying cause requires revision of the North Dakota Department of Human Services Cost Allocation Plan, revisions should, if possible, be incorporated into the current cost allocation plan proposal, which the North Dakota Department of Human Services submitted to the U.S. Department of Health and Human Services on December 20, 2019. If revisions to the plan are required, the RSA Financial Management Specialist assigned to North Dakota will begin to work immediately with ND DVR staff to coordinate submission of the needed revisions.)
- 4.1.B.** Within 120 days after the date of the final monitoring report, develop and implement written internal control processes and activities, including a monitoring component, for ND DVR staff to ensure the accuracy of Federal financial reports. (See note in *Corrective Action 4.1.A.*, above.)
- 4.1.C.** Within 120 days after the date of the final monitoring report, develop, and submit to RSA for review, internal controls that address the missing processes identified in the finding. Internal controls will be implemented within 60 days after RSA's review and agreement that the draft controls will ensure compliance with requirements.

Agency Response:

- 4.1.A.** The department originally applied expenses to the current year. After the funds were drawn down based on those expenses, adjustments were made to move the expenses to the prior year. Funds were returned when excess was determined. The department will review policies and procedures to reduce the cash on hand balances.
- 4.1.B.** In previous years, the department was not using G5 External Award Activity Reports when filling out the SF-425. The department will review the policies and procedures to incorporate the use of the G5 External Award Activity Report when reporting the amount of Federal Cash Receipts on the SF-425 to ensure accurate Federal financial reporting.

After reviewing the findings, it was determined the cost allocation plan was not the issue, rather the processes and procedures used in reporting the expenses.

4.1.C. The department will review the policies and update them as necessary to ensure compliance with the requirements.

RSA Response: RSA will work with ND DVR to develop and implement a corrective action plan that will result in revised VR agency internal controls sufficient to correct the underlying causes for the areas of non-compliance noted in the finding.

Agency Request for Technical Assistance:

D. Technical Assistance

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

Internal Controls. RSA shared available resources that may help ND DVR as it develops and revises its internal controls. These can be found at the Uniform Guidance Technical Assistance for ED Grantees web page at the following address, under “ED-Developed Training and Resources”: <https://www2.ed.gov/policy/fund/guid/uniform-guidance/index.html>

APPENDIX A: STATE VOCATIONAL REHABILITATION SERVICES AND STATE SUPPORTED EMPLOYMENT SERVICES PROGRAMS PERFORMANCE TABLES

Note: Calculations for these tables can be found in Appendix C of the MTAG.

Table 1— ND DVR Agency Profile (PY 2017)

Table 2— ND DVR Summary Statistics from RSA-113 (FFYs 2016-2018)

Table 3— ND DVR Number and Percentage of Participants Served by Primary Disability Type (PY 2017)

Table 4— ND DVR Number and Percentage of Individuals Exiting at Various Stages of the VR Process (PY 2017)

Table 5— ND DVR Number and Percentage of Individuals Exiting by Reason during the VR Process (PY 2017)

Table 6— ND DVR VR Services Provided to Participants (PY 2017)

Table 7— ND DVR Number of Measurable Skill Gains Earned, Number of Participants Who Earned Measurable Skill Gains, and Types of Measurable Skill Gain (PY 2017)

Table 8— ND DVR Median Hourly Earnings, Median Hours Worked per Week, Sources of Support, and Medical Insurance Coverage for Participants Who Exited with Competitive Integrated Employment or Supported Employment (PY 2017)

Table 9— ND DVR Standard Occupational Classification (SOC) Titles (Major Groups): Percentages of Employment Outcomes and Median Hourly Earnings for Participants Who Exited with Competitive Integrated Employment or Supported Employment (PY 2017)

Table 10— ND DVR Number of Participants Who Exited with Competitive Integrated Employment or Supported Employment by the Most Frequent SOC Title (PY 2017)

Table 11— ND DVR Number of Students with Disabilities Reported, and the Number and Percentage of Students with Disabilities Who Received Pre-Employment Transition Services (PY 2017)

Table 12— ND DVR Number and Percentage of Required Pre-Employment Transition Services Provided (PY 2017)

Table 1—ND DVR VR Agency Profile (PY 2017)

VR Agency Profile Data	Number/Percentage
Employment Rate	48.9%
Number of Participants Exiting in Competitive Integrated Employment or Supported Employment	514
Measurable Skill Gains Performance Indicator	47.6%
Percentage of Participants Eligible for Measurable Skill Gains	53.7%
Percentage of Timely Eligibility Determinations	99.9%
Percentage of Eligibility Determination Extensions	1.8%
Percentage of Timely IPE Development	84.8%
Number of Applicants	1,563
Number of Individuals Determined Eligible	1,410
Number of Individuals with an IPE and No VR Services Provided	2
Number of Participants (with an IPE and VR Services Provided)	1,081

Table 2—ND DVR Summary Statistics from RSA-113 (FFYs 2016-2018)

Performance Category	FFY 16	FFY 17	FFY 18
Total Applicants	1,753	1,760	1,708
Total Eligible Individuals (Before IPE)	2,009	1,726	1,634
Agency Implementing Order of Selection	Yes	Yes	Yes
Individuals on Order of Selection Waiting List at Year-End	0	0	0
Percentage of Eligible Individuals with IPE Who Received No Services	29.8%	33.3%	21.5%
Individuals with IPE Receiving Services	1,919	1,993	2,728

Table 3—ND DVR Number and Percentage of Participants Served by Primary Disability Type (PY 2017)

Primary Disability Type by Group	Number of Participants	Percent
Visual	51	1.8%
Auditory or Communicative	282	10.1%
Physical	476	17.1%
Cognitive	1,050	37.6%
Psychological or Psychosocial	932	33.4%

Detailed Primary Disability Type	Number of Participants	Percent
Blindness	22	0.8%
Other Visual Impairments	29	1.0%
Deafness, Primary Communication Visual	13	0.5%
Deafness, Primary Communication Auditory	25	0.9%
Hearing Loss, Primary Communication Visual	11	0.4%
Hearing Loss, Primary Communication Auditory	134	4.8%
Other Hearing Impairments (Tinnitus, Meniere's Disease, hyperacusis, etc.)	19	0.7%
Deaf-Blindness	4	0.1%
Communicative Impairments (expressive/receptive)	76	2.7%
Mobility Orthopedic/Neurological Impairments	147	5.3%
Manipulation/Dexterity Orthopedic/Neurological Impairments	42	1.5%
Both Mobility and Manipulation/Dexterity Orthopedic/Neurological Impairments	44	1.6%
Other Orthopedic Impairments (e.g., limited range of motion)	52	1.9%
Respiratory Impairments	11	0.4%
General Physical Debilitation (e.g., fatigue, weakness, pain, etc.)	50	1.8%
Other Physical Impairments (not listed above)	130	4.7%
Cognitive Impairments (e.g., impairments involving learning, thinking, processing information and concentration)	1,050	37.6%
Psychosocial Impairments (e.g., interpersonal and behavioral impairments, difficulty coping)	673	24.1%
Other Mental Impairments	259	9.3%

Table 4—ND DVR Number and Percentage of Individuals Exiting at Various Stages of the VR Process (PY 2017)

Number of Individuals Who Exited the VR Program	1,925	
Exit Type	Number of Individuals	Percent
Individual exited as an applicant, prior to eligibility determination or trial work experience	77	4.0%
Individual exited during or after a trial work experience	2	0.1%
Individual exited after eligibility, but from an order of selection waiting list	0	0.0%
Individual exited after eligibility, but prior to a signed IPE	335	17.4%
Individual exited after an IPE without an employment outcome	537	27.9%
Individual exited after an IPE in noncompetitive and/or nonintegrated employment	0	0.0%
Individual exited after an IPE in competitive and integrated employment or supported employment	514	26.7%
Individual exited as an applicant after being determined ineligible for VR services	36	1.9%
Potentially eligible individual I exited after receiving pre-employment transition services and has not applied for VR services	214	11.1%

Supported Employment	Number of Participants
Number of Participants Who Exited with a Supported Employment Outcome in Competitive Integrated Employment	41
Number of Participants Who Exited with a Supported Employment Outcome in Noncompetitive and/or Nonintegrated Employment	0

Table 5—ND DVR Number and Percentage of Individuals Exiting by Reason during the VR Process (PY 2017)

Reason for Exit	Number of Individuals	Percent
Individual is No Longer Available for Services Due to Residence in an Institutional Setting Other Than a Prison or Jail	5	0.3%
Health/Medical	68	3.5%
Death of Individual	6	0.3%
Reserve Forces Called to Active Duty	0	0.0%
Foster Care	0	0.0%
Ineligible after determined eligible	0	0.0%
Criminal Offender	19	1.0%
No Disabling Condition	18	0.9%
No Impediment to Employment	19	1.0%
Does Not Require VR Service	6	0.3%
Disability Too Significant to Benefit from Service	8	0.4%
No Long Term Source of Extended Services Available	1	0.1%
Transferred to Another Agency	1	0.1%
Achieved Competitive Integrated Employment Outcome	514	26.7%
Extended Employment	0	0.0%
Extended Services Not Available	1	0.1%
Unable to Locate or Contact	292	15.2%
No Longer Interested in Receiving Services or Further Services	826	42.9%
All Other Reasons	0	0.0%
Number of Individuals Who Exited the VR Program		1,925

Table 6—ND DVR VR Services Provided to Participants (PY 2017)

Total Number of Participants Who Received VR Services	2,791
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Training Services Provided to Participants	Number of Participants	Percent
Graduate Degree Training	5	0.2%
Bachelor Degree Training	184	6.6%
Junior or Community College Training	121	4.3%
Occupational or Vocational Training	84	3.0%
On-the-Job Training	0	0.0%
Apprenticeship Training	2	0.1%
Basic Academic Remedial or Literacy Training	4	0.1%
Job Readiness Training	83	3.0%
Disability Related Skills Training	1	0.0%
Miscellaneous Training	47	1.7%
Randolph-Sheppard Entrepreneurial Training	0	0.0%
Customized Training	0	0.0%

Career Services Provided to Participants	Number of Participants	Percent
Assessment	786	28.2%
Diagnosis and Treatment of Impairment	88	3.2%
Vocational Rehabilitation Counseling and Guidance	2,743	98.3%
Job Search Assistance	1,573	56.4%
Job Placement Assistance	137	4.9%
Short-Term Job Supports	73	2.6%
Supported Employment Services	141	5.1%
Information and Referral Services	1,713	61.4%
Benefits Counseling	109	3.9%
Customized Employment Services	0	0.0%
Extended Services (for youth with the most significant disabilities)	2	0.1%

Other Services Provided to Participants	Number of Participants	Percent
Transportation	285	10.2%
Maintenance	351	12.6%
Rehabilitation Technology	251	9.0%
Personal Attendant Services	1	0.0%
Technical Assistance Services	1	0.0%
Reader Services	1	0.0%
Interpreter Services	6	0.2%
Other Services	67	2.4%

Table 7—ND DVR Number of Measurable Skill Gains Earned, Number of Participants Who Earned Measurable Skill Gains, and Types of Measurable Skill Gains (PY 2017)

Measurable Skill Gains Earned and Participants Earning Measurable Skill Gains	Number
Number of Measurable Skill Gains Earned	720
Number of Participants Who Earned a Measurable Skill Gains	714

Types of Measurable Skill Gains	Number
Educational Functioning Level	5
Secondary Diploma	415
Postsecondary Transcript/Report Card	258
Training Milestone	3
Skills Progression	39

Table 8—ND DVR Median Hourly Earnings, Median Hours Worked per Week, Sources of Support and Medical Insurance Coverage for Participants Who Exited with Competitive Integrated Employment or Supported Employment (PY 2017)

Median Hourly Earnings and Hours Worked per Week at Exit

Number of Participants Who Exited in Competitive and Integrated Employment or Supported Employment	514
Median Hourly Earnings at Exit	\$12.00
Median Hours Worked per Week at Exit	37

Primary Source of Support at Exit	Number of Participants	Percent
Personal Income	442	86.0%
Family and Friends	16	3.1%
Public Support	56	10.9%
Other Sources	0	0.0%
Public Support at Exit	Number of Participants	Percent
Social Security Disability Insurance (SSDI) at Exit	63	12.3%
Supplemental Security Income (SSI) for the Aged, Blind, or Disabled at Exit	79	15.4%
Temporary Assistance for Needy Families (TANF) at Exit	0	0.0%
General Assistance (State or local government) at Exit	1	0.2%
Veterans' Disability Benefits at Exit	1	0.2%
Workers' Compensation at Exit	0	0.0%
Other Public Support at Exit	14	2.7%

Medical Insurance Coverage at Exit	Number of Participants	Percent
Medicaid at Exit	115	22.4%
Medicare at Exit	71	13.8%
State or Federal Affordable Care Act Exchange at Exit	43	8.4%
Public Insurance from Other Sources at Exit	1	0.2%
Private Insurance Through Employer at Exit	169	32.9%
Not Yet Eligible for Private Insurance Through Employer at Exit	20	3.9%
Private Insurance Through Other Means at Exit	112	21.8%

Table 9—ND DVR Standard Occupational Classification (SOC) Titles (Major Groups): Percentages of Employment Outcomes and Median Hourly Earnings for Participants Who Exited with Competitive Integrated Employment or Supported Employment (PY 2017)

SOC Title	Number of Participants	Median Hourly Earnings
Office and Administrative Support Occupations	88	\$10.5
Food Preparation and Serving Related Occupations	59	\$10.0
Building and Grounds Cleaning and Maintenance Occupations	41	\$10.0
Sales and Related Occupations	40	\$10.3
Personal Care and Service Occupations	36	\$10.0
Installation, Maintenance, and Repair Occupations	36	\$15.0
Production Occupations	34	\$14.4
Transportation and Material Moving Occupations	31	\$12.5
Healthcare Support Occupations	24	\$15.9
Management Occupations	22	\$14.5
Education, Training, and Library Occupations	21	\$13.6
Constructive and Extraction Occupations	18	\$17.0
Healthcare Practitioners and Technical Occupations	18	\$22.7
Community and Social Services Occupations	15	\$15.3
Arts, Design, Entertainment, Sports, and Media Occupations	6	\$17.0
Protective Service Occupations	6	\$15.3
Computer and Mathematical Occupations	5	\$17.0
Business and Financial Operations Occupations	5	\$15.0
Architecture and Engineering Occupations	4	\$27.9
Life, Physical, and Social Science Occupations	4	\$25.8
Farming, Fishing, and Forestry Occupations	1	\$15.0
Randolph-Sheppard vending facility operator	0	-
Military Specific Occupations	0	-
Legal Occupations	0	-
Randolph-Sheppard vending facility clerk	0	-

Table 10—ND DVR Number of Participants Who Exited with Competitive Integrated Employment or Supported Employment by the Most Frequent SOC Title (PY 2017)

No.	SOC Title	Number of Participants	Median Hourly Earnings
1	Customer Service Representatives	28	\$10.8
2	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	25	\$10.0
3	Stock Clerks and Order Fillers	23	\$10.0
4	Cashiers	20	\$10.0
5	Dishwashers	19	\$10.0
6	Childcare Workers	19	\$ 9.5
7	Nursing Assistants	14	\$14.4
8	Laborers and Freight, Stock, and Material Movers, Hand	12	\$14.0
9	Combined Food Preparation and Serving Workers, Including Fast Food	10	\$11.0
10	Retail Salespersons	10	\$11.8

Table 11—ND DVR Number of Students with Disabilities Reported, and the Number and Percentage of Students with Disabilities Who Received Pre-Employment Transition Services (PY 2017)

Students with Disabilities	Number/Percentage of Students
Total Students with Disabilities Reported	2,582
Students with Disabilities Reported with 504 Accommodation	139
Students with Disabilities Reported with IEP	1,942
Students with Disabilities Reported without 504 Accommodation or IEP	965
Total Students with Disabilities Who Received a Pre-Employment Transition Service	1,321
Potentially Eligible Students with Disabilities Who Received a Pre-Employment Transition Service	820
Students with Disabilities, Who Applied for VR Services, and Received a Pre-Employment Transition Service	501
Percentage of Students with Disabilities Reported Who Received a Pre-Employment Transition Service	51.2%

Table 12—ND DVR Number and Percentage of Required Pre-Employment Transition Services Provided (PY 2017)

Pre-Employment Transition Services	Number of Pre-Employment Transition Services Provided	Percent of Total Pre-Employment Transition Services Provided
Total Pre-Employment Transition Services Provided	7,611	
Job Exploration Counseling	1,516	19.9%
Work-Based Learning Experiences	929	12.2%
Counseling on Enrollment Opportunities	1,775	23.3%
Workplace Readiness Training	1,529	20.1%
Instruction in Self- Advocacy	1,862	24.5%

APPENDIX B: FISCAL DATA TABLES

Note: Calculations for these tables can be found in Appendix F of the MTAG.

VR Resources and Expenditures—FFYs 2016–2018

Table V.1 North Dakota-Combined (ND-C) VR Resources and Expenditures—FFYs 2016–2018*

VR Resources and Expenditures	2016	2017	2018*
Total program expenditures	\$12,472,992	\$12,591,981	\$4,411,495
Federal expenditures	\$9,659,940	\$9,776,291	\$1,538,252
State agency expenditures (4 th quarter)	\$2,813,052	\$2,815,690	\$2,873,243
State agency expenditures (latest/final)	\$2,813,052	\$2,815,690	\$2,873,243
Federal formula award amount	\$10,393,765	\$10,403,513	\$10,616,162
MOE penalty from prior year	\$0	\$0	\$0
Federal award amount relinquished during reallocation	\$0	\$0	\$0
Federal award amount received during reallocation	\$0	\$0	\$0
Federal funds transferred from State VR agency	\$0	\$0	\$0
Federal funds transferred to State VR agency	\$0	\$0	\$0
Federal award amount (net)	\$10,393,765	\$10,403,513	\$10,616,162
Federal award funds deobligated	\$733,825	\$0	\$0
Federal award funds used	\$9,659,940	\$10,403,513	\$10,616,162
Percent of formula award amount used	92.94%	100.00%	100.00%
Federal award funds matched but not used	\$733,825	-\$1	-\$1

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

**Table V.2 North Dakota-Combined (ND-C)
Non-Federal Share and Maintenance of Effort—FFYs 2016–2018***

Non-Federal Share (Match) and Maintenance of Effort (MOE)	2016	2017	2018*
Match required per net award amount	\$2,813,052	\$2,815,690	\$2,873,243
Match provided (actual)	\$2,813,052	\$2,815,690	\$2,873,243
Match difference**	\$0	\$0	\$0
Federal funds matched (actual)	\$10,393,765	\$10,403,512	\$10,616,161
Percent Federal funds matched	100.00%	100.00%	100.00%
MOE required	\$0	\$2,749,105	\$2,813,052
MOE: Establishment/construction expenditures	\$0	\$0	\$0
MOE actual	\$2,813,052	\$2,815,690	\$2,873,243
MOE difference**	-\$2,813,052	-\$66,585	-\$60,191

* 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 V.3 North Dakota-Combined (ND-C)
Program Income and 4th Quarter Data—FFYs 2016–2018***

Program Income and Carryover	2016	2017	2018*
Program income received	\$466,380	\$315,540	\$0
Program income disbursed	\$466,380	\$315,540	\$0
Program income transferred	\$102,275	\$0	\$0
Program income used for VR program	\$364,105	\$315,540	\$0
Federal grant amount matched (4 th quarter)	\$10,393,765	\$10,403,512	\$10,616,161
Federal expenditures (4 th quarter)	\$1,744,402	\$1,664,748	\$1,538,252
Federal unliquidated obligations (4 th quarter)	\$0	\$0	\$0

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