FEDERAL FISCAL YEAR 2022
MAINE DIVISION FOR THE BLIND AND
VISUALLY IMPAIRED
CORRECTIVE ACTION PLAN REVIEW
FOR THE
VOCATIONAL REHABILITATION
AND
SUPPORTED EMPLOYMENT PROGRAMS

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

September 9, 2022
SECTION 1: THE SCOPE OF THE REVIEW

A. Background

A corrective action plan (CAP) is a step-by-step plan of action that is developed to achieve targeted outcomes for resolution of identified monitoring findings. Within 45 calendar days from the issuance of the publication of its final report, the vocational rehabilitation (VR) agency submits for Rehabilitation Services Administration (RSA) review and approval a CAP to address findings identified through the monitoring process to improve the VR agency’s compliance and employment outcomes.

RSA, in collaboration with the VR agency to the extent possible, identifies target dates by which specific corrective action steps will be completed dependent on the specific facts related to each finding. In most instances, corrective actions should be completed within nine months following the approval of the CAP. In accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) located at 2 C.F.R. § 200.303(d), VR agencies must “take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.” To facilitate the VR agency’s development of the CAP and to promote consistency in the information contained in the plan, all CAPs are reviewed, approved, and tracked by the RSA State team.

The content of the CAP must include—

- Statement of programmatic or fiscal findings consistent with the final report;
- Steps the VR agency will take to correct the finding(s). Include what steps will be implemented and how they will be implemented;
- Timelines for completion of steps;
- Person responsible for ensuring corrective action step is completed; and
- The evidence of success. What evidence will be submitted to demonstrate systemic correction of the identified issue(s).

The review team transmits instructions to the VR agency for the submission of its CAP on the approved CAP form. The VR agency uses the CAP form to provide quarterly progress reports on implementing the CAP. The agency’s State Liaison notifies the VR agency once the CAP is approved by RSA.

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

VR agencies are required to make substantive progress toward the resolution of all findings within the required timelines. In the event an agency does not make progress toward compliance through the approved CAP, RSA, at its discretion, may require the agency to take additional
steps including, but not limited to, revising the CAP steps, timeline, target dates, etc. Depending on the nature of the findings, RSA may take additional enforcement action including assigning specific conditions to the VR grantee’s award(s) or designating the grant as high risk. In accordance with U.S. Department of Education (Department) policy, RSA may not close out a grant award in compliance until ALL corrective actions have been successfully resolved.

B. Review Team Participants

Members of the RSA review team included Shannon Moler and Terry Martin (Technical Assistance Unit); Nicole Jeffords and April Trice (Vocational Rehabilitation Program Unit); David Miller (Fiscal Unit); and Yann-Yann Shieh (Data Collection and Analysis Unit).

C. Acknowledgements

RSA expresses appreciation to the representatives of Maine Division for the Blind and Visually Impaired for the cooperation and assistance extended throughout the review process.
SECTION 2: FOCUS AREA – REVIEW OF THE DEVELOPMENT AND IMPLEMENTATION OF THE VR AGENCY CORRECTIVE ACTION PLAN

In Federal fiscal year (FFY) 2017, RSA conducted an on-site review of the State Vocational Rehabilitation Services program (VR program) and the State Supported Employment Services program (Supported Employment program) administered by the Maine Division for the Blind and Visually Impaired (DBVI). On April 6, 2018, RSA published the final monitoring report, which included written findings and required corrective actions, setting in motion the timeline for the submission of the VR agency’s corrective action plan (CAP). However, DBVI did not submit its CAP within the required timeline, nor did RSA approve a CAP. As a result, DBVI is required to submit a draft CAP within 45 days of issuance of this CAP review report (see Appendix A).

RSA conducted a CAP review from March 7 through March 17, 2022. During its review RSA assessed the progress of DBVI toward the implementation and resolution of corrective actions in response to findings from the VR agency’s prior on-site monitoring review conducted in FFY 2017. Effective resolution of the corrective actions is critical in order for RSA to close out the grant award in accordance with Department policy (Guide for Managing Formula Grant Programs, OFO-F: 2-111) and to foster improvement in both program and fiscal performance.

At the time of the review, RSA addressed the following findings and outstanding corrective actions:

Finding 2.1 Untimely Eligibility Determination

Corrective Action 2.1.1: Comply with 34 C.F.R. § 361.41(b)(1) by making eligibility determinations within the required 60-day period;

Corrective Action 2.1.2: Fully assess and identify the factors leading to eligibility determinations exceeding 60 days and develop and implement a plan to address and correct the identified factors;

Corrective Action 2.1.3: Develop and implement internal controls, including a monitoring component, to ensure eligibility determination requirements are met; and

Corrective Action 2.1.4: Substantially meet the 60-day eligibility determination requirement by reducing the time required for an eligibility determination to 60 days or less, or when appropriate, ensure a properly documented and approved eligibility determination extension is in place.

Status: Although DBVI had not developed or completed a CAP, it substantially complied with 34 C.F.R. § 361.41(b)(1) for multiple, although not all, quarters since the FFY 2017 monitoring review. RSA noted discrepancies in the data in DBVI’s internal reports compared to RSA-911 data. In one example, DBVI data show 100 percent of its applicants were determined eligible within 60 days in quarter one (Q1) of program year (PY) 2020; however, RSA-911 data show
only 87.5 percent of its applicants were determined eligible during the same quarter. RSA-911 data also show that DBVI completed 81.3 percent of eligibility determinations for applicants in PY 2021 Q1. Otherwise, the agency made 92.9 percent or more of its eligibility determinations in every quarter since PY 2017.

DBVI did not provide sufficient evidence that it has fully assessed and identified the factors leading to eligibility determinations exceeding 60 days, nor has it developed and implemented a plan to address and correct the identified factors. DBVI provided a link to its Rules Governing Vocational Rehabilitation Services for Individuals who are Blind or Visually Impaired. These rules are mandated by the Maine legislature and correctly reference the 60-day time frame, including information on when an eligibility extension may be warranted. The agency houses its procedures on an internal intranet site for the Bureau of Rehabilitation Services (BRS), which includes the Division of Vocational Rehabilitation (DVR). Although RSA cannot access the intranet site, DBVI provided screen shots as evidence of the Casework Resources and New Counselor Training – Programs and Process modules.

DBVI reported that over the past few years, there has been substantial turnover among VR counselors. To mitigate the loss of experienced VR counselors, all new counselors must participate in an intensive three-week new counselor training. The intake-pre-intake/vocational rehabilitation counselor intake; eligibility and order of selection; and comprehensive assessment portions of the training address the need for timely eligibility determinations, as well as how and when extensions are appropriate. At the time of the review, DBVI reported that the three most recent hires had completed the new counselor training, and training materials are available on the BRS intranet site. Technical assistance and training are also provided at quarterly and monthly counselor meetings where VR counselors, blindness rehabilitation specialists, and supervising managers are in attendance.

When asked about written procedures that document the training and technical assistance above, DBVI reported that the procedures are currently in development, although the process has been implemented and staff can document extensions for eligibility determinations in its case management system.

DBVI provided evidence that it has developed and implemented internal controls, including a monitoring component, to ensure eligibility determination requirements are met. As evidence, the agency provided a comprehensive case review schedule and process. DBVI submitted the Maine Department of Labor Bureau of Rehabilitation Services Case Record Review Procedures and Guidelines, which it uses jointly with DVR. Both agencies use the same quality assurance module and have a case review process in place, which includes a timeline for case reviews. Comprehensive case reviews of all VR caseloads are conducted by the assistant director and regional managers to identify individual cases in need of attention. VR counselors are then notified, and next steps are provided to correct issues related to timely eligibility determinations; however, it is not clear if case reviews occur monthly, quarterly, or on an annual basis.

Although RSA-911 data support that DBVI has made substantial progress in meeting the 60-day eligibility determination requirement by reducing the time required for an eligibility determination to 60 days or less, or when appropriate, ensuring that a properly documented and approved eligibility determination extension is in place, consistent compliance has not been
demonstrated. Data show that an extension was applied in two instances out of a total of 15 eligibility determinations in the third quarter of PY 2020, or 13.3 percent. Due to the small number of eligibility determinations, notably only one or two late eligibility determinations could impede the agency’s ability to comply with the 60-day timeliness requirement.

Technical Assistance: RSA conducted a session with DBVI to discuss data anomalies in its internal data reports versus RSA-911 data to ensure consistency. RSA shared information with the agency on how to identify where discrepancies occurred and how to calculate eligibility determinations correctly. This will ensure consistency in future reporting and assist the agency in continuing to meet the 60-day eligibility determination requirement, so that the delivery of VR services essential to the achievement of employment is not delayed.

The review team discussed with DBVI the requirement for developing and implementing sufficient written procedures to ensure that timely eligibility determinations are made. The consistent implementation of, and training on, these procedures will help to avoid any unnecessary delays in this process. The agency should ensure that its processes and training materials are available in writing and made available to staff in one convenient location, such as the BRS intranet site.

DBVI must continue to develop and implement internal controls, including a monitoring component, as issues of timeliness are noted, to ensure eligibility determination requirements are met. RSA encourages the agency to seek technical assistance in this area from the VR Technical Assistance Center for Quality Management (VRTAC-QM).

Required Action(s): DBVI must ensure that eligibility determinations are made in a timely manner and within the time frames established in Federal regulations unless an extension of that time frame to a specific date is agreed to by the VR counselor and individual or an exploration of the individual’s abilities, capabilities, and capacity to perform in work situations is carried out in accordance with 34 C.F.R. § 361.42(e). DBVI must submit at least two consecutive quarters of data demonstrating substantial compliance after the development and approval of the CAP.

DBVI’s Single Audit has included an eligibility finding every year in which the agency was included in the audit since FFY 2014 (FFYs 2014, 2016, 2019, 2020). The FFY 2020 Single Audit (ACN: 012018526) noted that eligibility determination was a significant deficiency for DBVI. RSA is concerned that DBVI has not yet completed the required corrective actions given the longstanding nature of the noncompliance. Failure to complete the required corrective actions in the timelines below could result in RSA taking additional enforcement action.

DBVI must further develop its procedures related to making eligibility determinations within the required 60-day period and make them available to staff based on the full assessment and identification of the factors leading to eligibility determinations exceeding 60 days. Within 45 calendar days from the issuance of the final CAP review report, the VR agency must submit its detailed assessment of the factors leading to eligibility determinations exceeding 60 days in accordance with Corrective Action 2.1.2 in the FFY 2017 monitoring report. In response to audit findings, DBVI has repeatedly indicated that it would address noncompliance through staff training. However, these efforts have not resulted in consistent compliance with the requirement.
The agency must also further develop and implement internal controls, including a monitoring component, to ensure eligibility determination requirements are met. Within 90 calendar days from the issuance of the final CAP review report, the VR agency must implement internal controls, including a monitoring component, to ensure eligibility determination requirements are and continue to be met (Corrective Action 2.1.3 in the FFY 2017 monitoring report). DBVI will provide two consecutive quarters of monitoring data that demonstrate compliance to RSA.

**Finding 2.2 Untimely Development of the IPE**

**Corrective Action 2.2.1:** Comply with 34 C.F.R. § 361.45(a)(1) and (e) to ensure individualized plans for employment (IPE) are developed within the 90-day Federal time frame from date of eligibility determination;

**Corrective Action 2.2.2:** Assess factors leading to untimely IPE development and develop and implement a plan to address these factors;

**Corrective Action 2.2.3:** 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 development of internal control processes, use of case management tools, and supervisory review of timely IPE development; and

**Corrective Action 2.2.4:** Develop goals and strategies to improve VR counselor performance specific to timely IPE development.

**Status:** DBVI reported that although it had not completed a corrective action plan, it has worked to improve timeliness of IPE development since the monitoring review and provided data reports to RSA used to track eligibility timeliness internally. RSA noted that the data from DBVI’s internal reports are consistent with RSA-911 data; however, there are instances in which the agency did not substantially meet the requirement to develop IPEs or have an extension in place. RSA-911 data show the agency developed 92.3 percent or more IPEs in a timely manner in all but four quarters since PY 2017. The last instance in which the agency did not substantially meet the requirement occurred in the first quarter of PY 2020 when 83.3 percent of six IPEs were developed in a timely manner. Therefore, RSA-911 data does not support that DVR has substantially complied with 34 C.F.R. § 361.45(a)(1) and (e) to ensure IPEs are developed within the required 90-day time frame from date of eligibility determination. Similar to eligibility determinations, the percentage of IPEs developed within the required time frame, given the small number of individuals for whom IPEs are developed, affects the agency’s ability to achieve substantial compliance when only one or two IPEs are not developed within the 90-day time frame requirement. RSA-911 data also show that no IPE extensions were completed since PY 2017.

DBVI provided evidence that it has assessed factors leading to untimely IPE development and that it has developed and implemented a plan to address these factors. The agency provided its policies and procedures on standards for development and review of IPEs, including updated procedures for timely IPE development.
Like timely eligibility determinations, DBVI provided a link to its Rules Governing Vocational Rehabilitation Services for Individuals who are Blind or Visually Impaired, which correctly references the 90-day time frame and includes information on when an extension may be warranted. Procedures are housed in the BRS intranet site. Although RSA cannot access the agency’s intranet site, DBVI provided screen shots as evidence of the Casework Resources and New Counselor Training – Programs and Process modules.

When asked about written procedures that document the training and technical assistance above, DBVI reported that the procedures are currently in development although the process has recently been implemented and staff now can document extensions for IPE development in its case management system.

DBVI provided evidence that it has evaluated 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 development of internal control processes, use of case management tools, and supervisory review of timely IPE development. As noted previously in this report, DBVI uses the Maine Department of Labor Bureau of Rehabilitation Services Case Record Review Procedures and Guidelines jointly with DVR. Both agencies use the same quality assurance module and have a review process in place that includes the timely development of IPEs, and comprehensive case reviews of all VR caseloads are conducted by the assistant director and regional managers quarterly to identify individual cases in need of attention. VR counselors are then notified, and next steps are provided to correct issues related to timely eligibility determinations; however, it is not clear if case reviews occur monthly, quarterly, or on an annual basis.

Regarding goals and strategies to improve VR counselor performance specific to timely IPE development, DBVI recently provided training to all VR counselors in IPE development to address the need for timeliness, and how and when extensions are appropriate. As noted previously in this report, technical assistance and training are provided at quarterly and monthly counselor meetings where VR counselors, blindness rehabilitation specialists, and supervising managers are in attendance. DBVI reported that it recently implemented processes for IPE extensions in its case management system and reviewed processes with staff. Extensions on IPE development must be approved by a DBVI supervisor, and the agency reported that it believes that these extensions should only occur on a limited basis.

Technical Assistance: During the review, RSA provided DBVI technical assistance regarding compliance with the requirements of 34 C.F.R. § 361.45(a)(1) and (e) to ensure IPEs are developed within the 90-day Federal time frame from date of eligibility determination, and when appropriate, ensure a properly documented and approved eligibility determination extension is in place.

DBVI should continue to assess, and address identified factors leading to untimely IPE development and make processes available to staff in the BRS intranet site. Under 34 C.F.R. § 361.45(e), the IPE must be developed as soon as possible, but no later than 90 days after the date of eligibility determination, unless the State unit and the eligible individual agree to an extension of that deadline to a specific date by which the IPE must be completed. As with the
delay in the determination of eligibility, the implementation of procedures in this area will help to ensure delays in IPE development do not occur.

DBVI should also continue to 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 development of internal control processes to ensure IPEs are developed in a timely manner. The development and implementation of internal controls for developing IPEs in accordance with the Federal requirements will help to avoid any unnecessary delays in the provision of VR services.

**Required Action(s):** DBVI must substantially 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 date of eligibility determination. Within 45 calendar days from the issuance of the final CAP review report, the VR agency will submit for RSA review and approval a draft CAP to address findings and unresolved corrective actions from the FFY 2017 monitoring report (2.2.1, 2.2.3, and 2.2.4) identified through the monitoring process to improve the VR agency’s compliance and employment outcomes.

DBVI must sufficiently develop its procedures related to developing IPEs within the required 90-day period based on the full assessment and identification of the factors leading to IPEs developed after 90 days, and the agency must make these procedures available to staff. The agency must also develop and implement internal controls, including a monitoring component, to ensure requirements related to timely IPE development are met.

**Finding 5.1: Insufficient Internal Controls – Assignment of VR Obligations and Expenditures to the Correct Federal Award**

**Corrective Action 5.1.1:** Revise its financial data collection and analysis process so that DBVI can:

a) Ensure all Federal and non-Federal obligations (including administrative contracts and contracts maintained in the case management system) are properly accounted for and obligated to the correct FFY award in the agency’s financial management system;

b) Account for all expenditures and accurately liquidate Federal and non-Federal expenditures from the correct FFY award based upon the correct assignment of obligations;

c) Ensure all reclassified expenditures are assigned to the correct FFY award based upon the date in which the obligation was incurred; and

d) Process Federal refunds to the appropriate Federal award based upon the FFY in which the obligation was incurred;

**Corrective Action 5.1.2:** Update and implement policies and procedures to accurately account for and report Federal and non-Federal obligations and expenditures to the correct period of performance. These policies must address:

a) The assignment of obligated Federal and non-Federal funds to the appropriate FFY award and the liquidation of such funds based upon the assignment of obligation;
b) The reclassification of expenditures to ensure all expenditures meet the requirements of
the Federal award and are appropriately accounted for based upon the FFY in which the
obligation was incurred;
c) The obligation of contracts in the financial management system to ensure liquidations are
based upon the FFY in which the contracts were obligated; and
d) The refund process to ensure funds are credited to the appropriate Federal award based
upon when the obligation was incurred; and

Corrective Action 5.1.3: Develop and implement a written internal control process, as required
in 2 C.F.R. § 200.303, including a monitoring component, that ensures sustained compliance
with, and correction of the specific areas identified in 5.1.1 and 5.1.2.

Status: In response to RSA’s document request pertaining to Finding 5.1, DBVI submitted the
following items:

- Internal Controls and Monitoring of Federal Awards (effective August 2019);
- Obligation Date Policies and Procedures (effective August 2017; reviewed January
  2021);
- Obligation Mapping Spreadsheet (effective July 2018; reviewed January 2021); and
- Federal Review September – October 2020 Expenditures DBVI.

Note that the General and Blind VR agencies in Maine share common internal controls and
policies.

The Internal Controls and Monitoring of Federal Awards document includes a few sentences on
the topics of Control Environment, Risk Assessment, Information and Communication
Activities, and, with somewhat more content, Control Activities, and Monitoring of Federal
Awards. The document provides a general overview of policies DBVI intends to implement but
it provides little detail about specific activities DBVI staff are to perform to carry them out.
Additionally, the policies, as written, do not clearly identify or reference period of performance
requirements for Federal awards, including the requirement that DBVI staff are to assign
expenditures to awards based on the obligation date of the expenditure and that the obligation
date must fall within the award’s period of performance. Indeed, this policy document contains
no information regarding how to determine an award’s period of performance, steps staff will
take to ensure proper assignment of expenditures based on dates of obligation consistent with
34 C.F.R. § 76.707, and significantly, it provides no reference to DBVI’s Obligation Mapping
Spreadsheet or Obligation Date Policies and Procedures.

For example, regarding the lack of detail about activities DBVI staff are to perform to carry out
the Internal Controls and Monitoring of Federal Awards policies, the Payment Processing section
of the Control Activities topic states: “Invoices are reviewed and coded with the appropriate
accounting codes” followed by “Invoices are approved by authorized BRS staff.” The policy
does not provide for how and when staff are to review invoices or how staff determine the
appropriate accounting code to assign to an invoice. In another example of missing detail, the
Accounting section of the Control Activities topic states: “Monitor the accounting transactions
on a regular basis to ensure that all payments are identified in the accounting system with the
appropriate program and program period” followed by “Prepare monthly financial reports and
review with DSU directors.” While these are important components of DBVI’s internal controls, no detail is given about which staff positions are responsible for monitoring accounting transactions or preparing financial reports, or about management expectations regarding process steps or monitoring frequency. These examples are evidence that the policy does not provide detail necessary for DBVI 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.

While the Internal Controls and Monitoring of Federal Awards document includes no information or reference to information regarding how to determine an award’s period of performance or on what date an obligation is considered made for various categories of expenditure, the Obligation Date Policies and Procedures document provides some of this information under separate cover. Obligation Date Policies and Procedures provides Education Department General Administrative Requirements (EDGAR) pertaining to when an obligation is considered made, as well as descriptions of how the accounting system uses fields to identify transactions as associated with a particular grant and its period of performance. This document describes how the accounting system provides DBVI the capacity to trace expenditures and accurately record and assign obligations to the correct FFY award. However, as noted above, it is unclear how DBVI staff would use this document when carrying out steps to satisfy policies identified in Internal Controls and Monitoring of Federal Awards, as neither document references the other.

Obligation Date Policies and Procedures includes some information that is imprecise and should be clarified. For example, in its discussion of matching requirements, the document states that “as long as the obligation has been made with general funds prior to September 30, the obligation is to be used towards meeting the matching and maintenance of effort requirements.” Non-Federal share must be obligated between October 1 and September 30 of the year of appropriation for it to be reported as match for the FFY award (not just “before September 30”). Also, DBVI’s documentation did not provide a policy or process for ensuring that any unliquidated obligations reported to RSA as match at the fourth quarter, and that subsequently “fall off,” (i.e., remain unliquidated following the carryover and liquidation period of the award), are reduced from the total amount of match reported at the fourth quarter. When this occurs, DBVI must notify RSA of the need to revise the fourth quarter report to lower the amount of match initially reported, and it must submit the correction in the RSAMIS.

The Findings from DBVI’s prior on-site monitoring review conducted in FFY 2017 indicate that the only date fiscal staff responsible for paying invoices could view is the date the service invoice was batched for payment. While documentation DBVI provided for this CAP review suggests the agency has made corrections that now enable its staff to view actual dates of obligation per authorization rather than by batch, it is important for DBVI to improve its financial data collection and analysis process and its policies and procedures for tracking and reporting obligations to the correct award period of performance in a manner that permits staff the ability to verify the correct obligation date for each expenditure and the correct period of performance for each FFY award, and thus be able to independently verify that each expenditure is assigned to the correct award in accordance with Federal requirements governing award periods of funding availability. The ability for staff, as written into DBVI’s internal control
activities and processes, to identify accurate dates of expenditure obligation and award periods of performance, must also extend to each expenditure comprising any reclassification of funds between grant awards.

Regarding DBVI’s internal controls on Monitoring of Federal Awards, several of the items noted for ensuring compliance with Federal requirements are general statements of policy and are unspecific. For example, neither of the following statements identify how management will ensure what the statement proposes: “Ensure that financial obligations are allowable with federal regulations” and “Ensure that the case management system has the appropriate programming, so that authorizations are allowable with federal regulations.” It is important for DBVI to consider the actions its staff would need to take to ensure obligations and the case management system align with Federal rules governing allowability on a sustained basis, particularly with Federal requirements (laws and regulations) that are subject to occasional change, and with grant terms and conditions (Grant Award Notifications and Attachments), elements of which often change year to year. Such a monitoring component would need to include how DBVI identifies and addresses—through timely updates to its internal controls—changes to external rules affecting DBVI programs that might occur at any time.

Technical Assistance: RSA has provided feedback on select financial management related DBVI policies and procedures several times since the FFY 2017 monitoring activity. This includes providing review and comment on draft policies related to the establishment authority and other actions DBVI has taken to address internal control deficiencies related to the assignment of obligations and expenditures to awards based on award periods of funding availability.

Required Action(s): Within 45 calendar days from the issuance of the final CAP review report, the VR agency will submit for RSA review and approval a CAP to address findings and unresolved corrective actions. **DBVI is to completely resolve all 5.1 Corrective Actions no later than January 30, 2023**, with interim quarterly progress updates to be scheduled.

Finding 5.2: Insufficient Internal controls - Procurement Process

**Corrective Action 5.2.1:** Procure services in a manner consistent with State procurement policies and ensure that VR and Supported Employment program funds are used only for allowable program activities;

**Corrective Action 5.2.2:** Revise current contracts and implement internal controls necessary to ensure future contracts:

a) Include language necessary to ensure that VR and Supported Employment program funds are used only for allowable activities;
b) Require that contractor invoices submitted to the agency identify whether the services being billed are for allowable VR or Supported Employment services;
c) Include the required contract monitoring criteria pursuant to the agency’s monitoring procedures;
d) Provide for appropriate cost allocation and ensure costs are proportional to the benefit received by the VR and Supported Employment programs; and
e) Are consistent with Federal and State requirements, including the State’s procurement policies; and
Corrective Action 5.2.3: Develop and implement internal controls to ensure monitoring of contractors and vendors, as required by 2 C.F.R. § 200.328.

Status: Based on the CAP review of DBVI’s corrective actions taken to date to address Finding 5.2, RSA found DBVI to have substantially resolved Corrective Actions 5.2.1 and 5.2.2. The items DBVI submitted in response to RSA’s document request indicate DBVI maintains a State policy-compliant competitive procurement process that it uses to acquire VR service contracts. However, RSA’s review of DBVI’s contract monitoring protocols and related documentation indicates Corrective Action 5.2.2.c. remains unresolved.

DBVI provided RSA samples of corrective actions it required contractors to undertake, however some of the required corrective actions were informal and did not occur as an output of a standardized contract monitoring process. Thus, RSA sustains Corrective Action 5.2.3. Given that Corrective Action 5.2.2.c. is similar in scope to Corrective Action 5.2.3., RSA will address the sub-finding through DBVI’s resolution of 5.2.3.

Technical Assistance: RSA explained that State approval of exceptions to State procurement policy, for a purpose such as authorizing sole-source selection where competition is otherwise the norm, do not necessarily indicate allowability of costs under the Federal award. To verify the allowability of State-approved exceptions to State procurement policy, DBVI should inform RSA of the circumstances before assigning related obligations and expenditures to the Federal award.

Required Action(s): Within 45 calendar days from the issuance of the final CAP review report, the VR agency will submit for RSA review and approval a CAP to address findings and unresolved corrective actions. **DBVI is to completely resolve Corrective Action 5.2.3 no later than January 30, 2023**, with interim quarterly progress updates to be scheduled.

Finding 5.3: Inaccurate Financial Reporting

Corrective Action 5.3.1: Update and implement policies and procedures to accurately report Federal and non-Federal expenditures and obligations to the correct Federal award;

Corrective Action 5.3.2: Revise and resubmit the SF-425 reports for FFYs 2015 and 2016 to accurately report Federal and non-Federal expenditures and obligations; and

Corrective Action 5.3.3: Develop and implement a written internal control process, including a monitoring component, to ensure ongoing compliance with Federal reporting requirements.

Status: Based on a review of obligation and expenditure documentation DBVI provided, DBVI has made progress toward improving the accuracy of financial data it currently reports to RSA associated with the assignment of expenditures based on dates of obligation and correct award periods of performance. DBVI has implemented important changes to help address many findings from the FFY 2017 Monitoring Report; however, DBVI has not generally done so for Finding 5.3.
During RSA’s current year CAP review of DBVI, DBVI expressed concern about the potential burden and cost that might result from resolving Corrective Action 5.3, which stemmed from RSA’s FFY 2017 monitoring. As clarified during the FFY 2022 CAP review, RSA will now require DBVI to revise and resubmit SF-425 and RSA-17 reports for FFYs 2018, 2019, 2020, and 2021 to accurately report Federal and non-Federal expenditures and obligations to comply with award periods of performance. While this revised approach eliminates the requirement for DBVI to correct obligation dates of expenditures reported for FFYs 2015, 2016, and 2017, it does require DBVI to make such corrections to awards that were open from FFY 2018 period of performance forward. This means that FFY 2017 carryover year assignments of obligation must be corrected as well as all following FFY awards through the current FFY, as needed based on the point at which, if achieved, DBVI began assigning all expenditure obligations according to EDGAR and award period of performance requirements.

DBVI will address Corrective Action 5.3.1 through resolution of Corrective Action 5.1.2.

Technical Assistance: RSA provided clarification of the requirement it initially informed DBVI of in the FFY 2017 Monitoring Report that DBVI must correct obligations and expenditures it previously assigned to incorrect award periods of performance to awards with periods of performance that had funding availability at the time, based on accurate obligation dates of expenditure.

Required Action(s): Within 45 calendar days from the issuance of the final CAP review report, the VR agency will submit for RSA review and approval a CAP to address findings and unresolved corrective actions. DBVI is to completely resolve Corrective Action 5.3.2 (less actions on FFY 2015 and 2016 awards) no later than April 28, 2023, and Corrective Action 5.3.3 no later than January 30, 2023, with interim quarterly progress updates to be scheduled.

Finding 5.4: Incorrect Assignment of Personnel Costs to the VR Program

Corrective Action 5.4.1: Cease using VR funds to pay for personnel costs that must be allocated to other cost objectives;

Corrective Action 5.4.2: Revise and implement policies and procedures to correctly assign personnel costs, including fringe benefits, to the correct cost objectives;

Corrective Action 5.4.3: Revise SF-425 reports to reflect accurate expenditures and ensure accurate reporting of personnel costs in future submissions; and

Corrective Action 5.4.4: Develop and implement a written internal control process, including a monitoring component, to ensure ongoing compliance with personnel cost allocation requirements.

Status: DBVI has resolved Corrective Actions 5.4.1, 5.4.2, and 5.4.3.

Technical Assistance: DBVI did not request technical assistance related to this finding.

Required Action(s): Within 45 calendar days from the issuance of the final CAP review report, the VR agency will submit for RSA review and approval a CAP to address findings and
unresolved corrective actions. **DBVI is to completely resolve Corrective Action 5.4.4 no later than January 30, 2023**, with interim quarterly progress updates to be scheduled.

**Finding 5.5: Prior Approval Requirements Not Met**

**Corrective Action 5.5.1:** Develop and implement policies and procedures, as well as a written internal control process, including a monitoring component, to ensure ongoing compliance with the prior approval requirements.

*Status:* DBVI has resolved Corrective Action 5.5 as evidenced by internal controls and regular prior approval requests to RSA.

*Technical Assistance:* DBVI did not request technical assistance related to this finding.

*Required Action(s):* No action required.

**Finding 5.6: Insufficient Internal Controls – Assignment of Supported Employment Obligations and Expenditures to the Correct Federal Award**

**Corrective Action 5.6.1:** Cease transferring Federal funds between DBVI and DVR without formally requesting the transfer from RSA;

**Corrective Action 5.6.2:** Revise and implement policies and procedures to accurately report Federal and non-Federal expenditures and obligations to the correct Federal award;

**Corrective Action 5.6.3:** Revise and resubmit the SF-425 reports for FFYs 2015 and 2016 to accurately report Federal and non-Federal expenditures and obligations; and

**Corrective Action 5.6.4:** Develop and implement a written internal control process, including a monitoring component, to ensure ongoing compliance with Federal reporting requirements.

*Status:* DBVI has resolved Corrective Action 5.6.1 as evidenced by multiple consecutive year requests for RSA to facilitate the transfer of funds between the blind and general agencies. DBVI will address Corrective Action 5.6.2 through DBVI’s resolution of Corrective Action 5.1.2. Refer to the status of Finding 5.1 for concerns regarding the VR program that are also applicable to the Supported Employment program.

*Technical Assistance:* DBVI did not request technical assistance related to this finding.

*Required Action(s):* Within 45 calendar days from the issuance of the final CAP review report, the VR agency will submit for RSA review and approval a CAP to address findings and unresolved corrective actions. **DBVI is to completely resolve Corrective Action 5.6.3 (less actions on FFY 2015 and 2016 awards) and 5.6.4 no later than January 30, 2023**, with interim quarterly progress updates to be scheduled.
Corrective Action Plan for Maine Division for the Blind and Visually Impaired

Initial CAP - current status: Draft

Monitoring Report PDF format:

Monitoring Report Publication Date:

Submitted by:

Submitted on:

Completed by:

Completed on:

Approved by:

Approved on:

CAP Resolved Date:

Number of findings:

Number of resolved findings:

Percent resolved:
Finding 1

Finding Headline:

Finding Requirement:

Mandated Corrective Action:

RSA Focus Area:

Agency Planned Corrective Action Steps

Corrective action 1.1

Action:

Standard to be Met and Method of Evaluation:

Planned start date:

Actual start date:

Projected completion date:

Actual completion date:

Quarterly Updates:

RSA state team comments:

Resolved?

Public Burden Statement (OMB-1820-0694):

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1820-0694 that expires on 2.29.2024. Public reporting burden for this collection of information is estimated to average 975 hours including development of corrective action plan and quarterly reporting per response, time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is required to obtain or retain benefit (Section 107A of the Rehabilitation Act of 1973, as amended by Title IV of the Workforce Innovation and Opportunity Act). If you have any comments concerning the accuracy of the time estimate, suggestions for improving this individual collection, or if you have comments or concerns regarding the status of your individual form, application or survey, please contact Joseph Doney, Rehabilitation Services Administration, 550 12th St SW, Washington, DC 20202-5176 / joseph.doney@ed.gov, directly.