

**Fiscal Year 2007 Monitoring Report  
on the Vocational Rehabilitation and  
Independent Living Programs in the  
State of  
South Dakota**



**U.S. Department of Education  
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Rehabilitative Services  
Rehabilitation Services Administration  
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## Executive Summary

The Rehabilitation Services Administration (RSA) reviewed the performance of the following programs of the Rehabilitation Act of 1973, as amended (the Act), in the state of South Dakota (SD):

- the Vocational Rehabilitation (VR) Services Program, established under Title I;
- the Supported Employment (SE) Services Program, established under Title VI, Part B;
- the Independent Living (IL) Services Program, authorized under Title VII, Chapter 1, Part B; and
- the Independent Living Services Program for Older Individuals Who Are Blind (OIB), established under Title VII, Chapter 2.

In SD, the two separate agencies responsible for administering the VR and SE programs are the Division of Rehabilitation Services (DRS) and the Division of Service to the Blind and Visually Impaired (SBVI). DRS, SBVI, and the statewide independent living council jointly administer the IL program under Title VII, Chapter 1, Part B, and SBVI administers the OIB program under Title VII, Chapter 2.

RSA's review began in the fall of 2006 and ended in the summer of 2007. During this time, RSA's SD state team:

- gathered and reviewed information regarding each program's performance;
- identified a wide range of VR and IL stakeholders and invited them to provide input into the review process;
- conducted an on-site visit, and held discussions with staff of DRS, SBVI, members of DRS' and SBVI's SRCs, staff and members of the statewide independent living council (SILC), and stakeholders to share information and identify promising practices and areas for improvement;
- provided technical assistance;
- worked with DRS, SBVI, and stakeholders to develop goals and strategies to address performance issues; and
- identified the technical assistance (TA) that RSA would provide to help improve program performance.

As a result of the review, RSA:

- identified promising practices;
- identified performance issues;
- developed performance goals and strategies related to selected issues;

- identified the TA to be provided to assist the agencies to achieve the goals identified as a result of the review;
- made recommendations; and
- identified potential issues for further review.

RSA, DRS, SBVI, and their stakeholders identified strengths and challenges of the VR, SE, and IL programs.

## DRS

### Strengths:

- consistently met and/or exceeded the required performance on the VR standards and performance indicators since FY 2000;
- emphasis on serving individuals with the most significant disabilities, particularly individuals in supported employment;
- productive working relationship with SBVI to maximize VR resources;
- enhanced accountability of formula grants through monthly grant award reports;
- effective partnerships with the SRC, the SILC, stakeholders, and other state agencies;
- utilization of the SDCCD to provide administrative support to the SILC and the SRC; and
- collaborative IL services program that utilizes CILs, other service providers, community partners, and volunteers to increase independence through home modifications and assistive devices.

### Challenges:

- increasing wages for individuals with disabilities;
- continuing to implement the order of selection consistently throughout the state;
- identifying employment opportunities in higher paying occupations; and
- providing VR, SE, and IL services in a predominately rural/frontier environment.

## SBVI

### Strengths:

- consistently met/and or exceeded the required performance on the VR standards and performance indicators since FY 2000;
- enhanced accountability of formula grants through monthly grant award reports;

- effective partnerships with the SRC, the SILC, stakeholders, and other state agencies;
- statewide partnerships with other service agencies and consumer organizations, including the SD School for the Blind; and
- productive working relationship with DRS to maximize VR resources.

Challenges:

- growing population of older individuals who are blind that outpaces the level of resources available to meet the service needs;
- identifying employment opportunities with medical benefits; and
- providing VR, SE, and OIB services in a predominately rural/frontier environment.

## Introduction

Section 107 of the Rehabilitation Act of 1973, as amended (the Act), requires the commissioner of the Rehabilitation Services Administration (RSA) to conduct annual reviews and periodic on-site monitoring of programs authorized under Title I of the Act to determine whether a state vocational rehabilitation (VR) agency is complying substantially with the provisions of its state plan under section 101 of the Act and with the evaluation standards and performance indicators established under section 106. In addition, the commissioner must assess the degree to which VR agencies are complying with the assurances made in the supplement for supported employment under Title VI of the Act and programs offered under Title VII of the Act are substantially complying with their respective state plan assurances and program requirements.

In order to fulfill its monitoring responsibilities, RSA:

- reviews the state agency's performance in assisting eligible individuals with disabilities to achieve high-quality employment and independent living outcomes;
- develops, jointly with the state agency, performance and compliance goals as well as strategies to achieve those goals; and
- provides technical assistance (TA) to the state agency in order to improve its performance, meet its goals, and fulfill its state plan assurances.

### Scope of the Review

RSA reviewed the performance of the following programs of the Act:

- the Vocational Rehabilitation (VR) Services Program, established under Title I;
- the Supported Employment (SE) Services Program, established under Title VI, Part B;
- the Independent Living (IL) Services Program, authorized under Title VII, Chapter 1, Part B; and
- the Independent Living Services Program for Older Individuals Who Are Blind (OIB), established under Title VII, Chapter 2.

### South Dakota Administration of the VR, SE, IL, and OIB Programs

In SD, the Department of Human Services (DHS) serves as the designated state agency (DSA) for the two VR agencies that administer the VR and SE programs. The Division of Vocational Rehabilitation (DRS) is the designated state unit (DSU) for the general VR services program, and the Division of Service to the Blind and Visually Impaired (SBVI) is the separate DSU for individuals who are

blind or visually impaired. DRS, SBVI, and the SD SILC jointly administer the IL program under Chapter 1, Part B, and SBVI administers the OIB program under Chapter 2.

For the four programs listed above, this report describes RSA's review of DRS and SBVI, provides information on the agencies' performance, identifies promising practices, identifies performance and compliance issues, and identifies the related goals, strategies, and TA that RSA will provide to DRS and SBVI to address each of the issues identified during the review.

### Appreciation

RSA wishes to express appreciation to the representatives of DHS, DRS, SBVI, DRS' and SBVI's State Rehabilitation Councils, the Statewide Independent Living Council, the Coalition of Citizens with Disabilities (CCD), the Black Hills Special Services Cooperative (BHSSC), Advocacy Services, the SD centers for independent living, the state Office of Special Education, Dakota Link, and other stakeholders who assisted the RSA monitoring team in the review of the SD VR, SE and IL programs.

## Chapter 1: RSA's Review Process

### Data Used During the Review

RSA's review of the SD VR, SE, and IL programs began in the fall of 2006 and ended in the summer of 2007. RSA's data collections are finalized and available at different times throughout the year. During this review, RSA and the state agencies used the most recent data that were available from the FY 2005 and FY 2006 collections. As a result, this report cites data from FY 2005 and FY 2006.

### Review Process Activities

During the review process RSA's SD state team:

- gathered and reviewed information regarding DRS' and SBVI's performance;
- identified a wide range of VR and IL stakeholders and invited them to provide input into the review process;
- conducted an on-site visit, and held multiple discussions with DRS and SBVI staff, SRC members, SILC members, and stakeholders to share information, identify promising practices and areas for improvement;
- provided TA to DRS and SBVI;
- worked with DRS and SBVI to develop goals, strategies, and evaluation methods to address performance issues;
- made recommendations to DRS;
- identified potential issues for further review; and
- identified the TA that RSA would provide to help improve the performance of the SD VR, SE, and IL programs.

### RSA SD State Team Review Participants

Members of RSA's SD state team included representatives from each of RSA's State Monitoring and Program Improvement's (SMPID's) five functional units. The RSA SD state team was led by RSA's state liaison to SD, Sue Rankin-White (technical assistance unit) and included: Suzanne Tillman (vocational rehabilitation unit), Elizabeth Akinola, (independent living unit), Regina Luster (fiscal unit), and Jean Yan (data unit).

### Information Gathering

During FY 2007, RSA began its review of the SD VR, SE and IL programs by analyzing information including, but not limited to, RSA's various data collections, DRS' and SBVI's VR state plans, SD's state plan for independent living, and DRS' and SBVI's State Rehabilitation Councils' (SRCs') annual



reports. After completing its internal review, the RSA state team carried out the following information gathering activities with DRS and SBVI and stakeholders in order to gain a greater understanding of the strengths and challenges of the SD VR, SE, and IL programs:

- conducted a series of teleconferences with VR and IL stakeholders;
- conducted monthly teleconferences with DRS and SBVI management beginning in November, 2006;
- conducted teleconferences with DRS IL program staff, SILC members and administrative staff, and OIB staff;
- conducted an on-site monitoring visit from June 11, 2007 through June 15, 2007 and met with staff of DHS, DRS, SBVI, SBVI's Rehabilitation Center, the CAP and PAIR, and members of the SILC and SRCs; and
- conducted two statewide video conferences with DRS and SBVI stakeholders during the week of the on-site visit to share data about DRS' and SBVI's performance, provide information about DRS' and SBVI's monitoring goals, and solicit their input on the goals.

## Chapter 2: Vocational Rehabilitation and Supported Employment Programs: DRS

Table 1 provides fiscal and program data for fiscal years 2002 through 2006. These data provide an overview of the VR program's costs, outcomes, and efficiency. The table identifies the amount of funds used by the agency, the number of individuals who applied, and the number who received services. It also provides information about the quality of the agency's employment outcomes and its transition services.

**Table 1. DRS Program Highlights, 2002 - 2006**

SOUTH DAKOTA – General	2002	2003	2004	2005	2006
Total funds used	\$9,065,793	\$10,546,518	\$11,218,337	\$12,249,623	\$10,690,153
Individuals served during year	3,012	3,365	3,299	3,854	3,320
Applicants	2,732	2,883	2,955	2,805	2,598
Closed after receiving services	1,249	1,199	1,258	1,480	1,456
Closed with employment outcomes	840	750	775	830	859
Employment outcomes without supports in an integrated setting	355	510	513	551	576
Average cost per individual served	\$3,009.89	\$3,134.18	\$3,400.53	\$3,178.42	\$3,219.93
Average cost per employment outcome	\$10,792.61	\$14,062.02	\$14,475.27	\$14,758.58	\$12,444.88
Employment outcomes per \$million spent	92.66	71.11	69.08	67.76	80.35
Competitive employment outcomes per \$million spent	90.78	70.07	67.57	65.55	79.23
Average hourly earnings for paid employment outcomes	\$7.85	\$7.79	\$7.89	\$7.80	\$7.71
Average state hourly earnings	\$12.67	\$13.08	\$13.46	\$13.96	\$14.40
Average hours worked per week for paid employment outcomes	29.85	29.50	29.15	28.60	27.88

SOUTH DAKOTA – General	2002	2003	2004	2005	2006
Percent of transition age served to total served	32.51	29.02	28.46	28.11	30.01
Employment rate for transition age served	68.47	62.64	62.85	55.77	54.00
Average time between application and closure (in months) for individuals with successful paid employment outcomes	24.20	23.90	23.10	25.90	23.50
Average number of individuals served per total staff	44.29	49.49	47.81	55.86	48.12

### Provision of Technical Assistance to the DRS VR and SE Programs During the Review Process

RSA provided TA to DRS in a number of VR and SE program areas during the review process. RSA:

- verified the agency’s RSA 911 case record data for FY 2004, FY 2005, and FY 2006;
- provided feedback to the agency on its case management system;
- provided training on how to use RSA’s Management Information System;
- provided TA on state plan requirements, including the requirements related to the comprehensive statewide needs assessment, order of selection, supported employment, and statewideness;
- provided TA on the service record review instrument used for quality assurance; and
- provided TA on 911 reporting of supported employment closures.

### Promising VR and SE Practices Identified by DRS and Stakeholders During the Review Process

RSA’s review process solicited input from DRS and stakeholders about promising practices. The following promising practices were identified:

#### 1. Quality Assurance (QA)--Service Record Review

As part of its QA activities, DRS conducts an annual service record review to assess compliance with VR program requirements. State agency management and counselors from across the state participate in the review of active and closed records. DRS utilizes a review instrument for this process that is consistent with federal requirements. The process allows for special reviews on specific

requirements, such as the 2007 review that focused on the implementation of the order of selection. The review questions are designed to assess consistency in assigning individuals to priority categories. During the process, participants identify promising practices that are shared with all counselors as well as problem areas that are addressed in statewide training sessions. The identification of problem areas serves to alert DRS management of the need to provide additional policy guidance. DRS' service record review enhances accountability, promotes consistency among staff with respect to the implementation of state and federal requirements, and is aligned with the identification and sharing of promising practices, staff training, and policy revision.

## 2. Leveraging Resources and Maximizing Access to Services for Transition Youths Through Statewide Partnerships

Through a partnership between DRS, SBVI, and the state Department of Education, SD established the Transition Services Liaison Project (TSLP), designed to expand employment opportunities for transition youths with disabilities. On behalf of the partnership, BHSSC, established as a service cooperative in state government, administers and coordinates TSLP services and programs described below.

- Project Skills – This program provides paid work experiences for high school students with disabilities. DRS and SBVI provide funding for wages, Federal Insurance Contribution Act, worker's compensation, and other costs needed for employment, such as uniforms and other work-related supplies. The local school district provides job development, job coaching, and on-the-job monitoring.
- Catch the Wave – This program provides post-secondary orientation. Catch the Wave is a one-day conference designed for students with disabilities who may be considering post-secondary education. Students have an opportunity to learn about preparing for college, including securing necessary accommodations and developing self-advocacy and communication skills. The conference features opportunities to dialogue with other students with disabilities with post-secondary experiences.
- Youth Leadership Forum – This program provides career and leadership training for high school juniors and seniors. Through a statewide competition, student delegates with leadership potential are chosen to participate in this annual five-day event conducted on the campus of the University of SD at Sioux Falls. During the forum they participate in activities designed to enhance leadership, citizenship, and social skills.
- Transition Tacklebox – This program provides web-based resources for students with disabilities, their families, special education agencies, and VR counselors. The Tacklebox includes a variety of information resources designed to assist students with disabilities in making decisions about postsecondary training and community-based living.

The TSLP demonstrates how state departments and agencies partner together to leverage resources for the benefit of transition youths with disabilities.

### 3. Management Information System: VR FACES--Fully Automated Computer Enhanced System

DRS' management information system, VR FACES, is tailored to meet the needs of staff and is user-friendly for administrative and case management functions. FACES generates authorizations for the payment of VR services and case management reports, has built-in security mechanisms to safeguard against misuse or abuse of the system as well as built-in edits to ensure that data inputted are reasonable, includes alerts keyed to rehabilitation timelines, and houses the VR counselor manual, forms, resources and templates for letters. Through its electronic case management functions, FACES enables VR counselors to complete rehabilitation process forms including case notes. Altogether, the features contained in FACES enable DRS staff and management to carry out administrative functions more efficiently and contribute to meeting critical timelines and monitor compliance with state and federal requirements.

### VR and SE Issues Identified by DRS and Stakeholders During the Review Process

RSA's review process solicited input from DRS and stakeholders about VR and SE performance and compliance issues. The following issues were identified:

- that DRS serves a high number of individuals who are recipients or beneficiaries of Social Security benefits and their earnings are low;
- that DRS serves a high number of individuals in supported employment, their earnings are low, and they work fewer hours than individuals who are not in SE;
- the impact of the federal increase in the minimum wage on individuals with disabilities;
- the benefit of the Medical Assistance for Workers with Disabilities program in providing medical benefits to individuals seeking employment through the VR program;
- the positive impact of the SD transition programs and partnerships in the Transition Services Liaison Project (TSLP) on employment outcomes for transition youths; and
- the need to continue to partner with other state agencies to enhance resources.

Following compilation and discussion with DRS about these issues, RSA worked with DRS to address as many of these issues as possible either directly or by consolidating the issue into a broader issue area.

## DRS VR and SE Performance Issues, Goals, Strategies, and Technical Assistance

RSA and DRS agreed on the following performance goals, strategies to achieve those goals, and TA that RSA would provide to assist DRS to achieve each goal. These goals and strategies are aligned with the goals in DRS' FY 2008 state plan. They may be considered for inclusion in DRS' FY 2009 state plan, and, if they are included, progress on achieving these goals will be reported in DRS' FY 2010 annual state plan submission.

### 1. Hourly Earnings

Issue: The average hourly earnings for individuals who achieved paid employment outcomes after receiving services from DRS decreased from \$7.85 in FY 2002 to \$7.71 in FY 2006. In contrast, the average state hourly wage increased gradually from \$12.67 in 2002 to \$14.40 in 2006 (see Table 1).

Performance Indicator 1.5 for the VR program indicates the average hourly wage earned by those with employment outcomes from DRS who earned at least minimum wage as a ratio to the state average hourly wage earned by all workers with earnings in SD. The minimum performance level for state VR agencies is a ratio of 0.52. DRS' performance on Indicator 1.5 gradually declined from 0.64 in FY 2001 to 0.54 in FY 2006. DRS is concerned about its declining performance on Indicator 1.5 and the impact of low wages on the lives of individuals with disabilities.

To gain a better understanding of the factors that may be contributing to overall low wages for those served by DRS, RSA, together with DRS, analyzed selected characteristics across a range of hourly wages for 859 individuals who achieved an employment outcome during FY 2006 (see Table 14 in the Appendix for complete wage analysis information.). The analysis shows that a majority of these individuals (766 or 89 percent) earned \$10 or less per hour. Of those earning \$10 or less per hour:

- 12 individuals (1 percent) earned less than the federal minimum wage (\$5.14 or less); and
- the remaining 754 individuals (88 percent) earned between \$5.15 and \$10 per hour.

DRS focuses on serving youths with disabilities, individuals seeking a supported employment outcome, and individuals receiving Supplemental Security Income (SSI) and/or Social Security Disability Insurance (SSDI) from the Social Security Administration (SSA). These are groups that typically earn low wages. The wage analysis data (Table 14 in the Appendix) shows that approximately one third to one half of the 754 individuals earning between \$5.15 and \$10 per hour shared one or more of these characteristics:

- 363 individuals (48 percent) were on SSI/SSDI at exit;
- 238 individuals (32 percent) were transition age (14 – 24 years) at application; and
- 259 individuals (34 percent) achieved employment outcomes with supports.

RSA and DRS analyzed data for the individuals who achieved employment outcomes with and without supports in FY 2006 after receiving services from DRS to explore the impact of: (1) age, (2) receipt of SSI/SSDI at the time of exit from the VR program, and (3) type of employment outcome on the average hourly wages (see Table 2). The analysis indicates that:

- the transition age group averaged lower hourly wages than other VR participants;
- within age groups, individuals receiving SSI/SSDI at exit averaged the lowest hourly wages, regardless of type of employment outcome; and
- the range of average hourly wages for those achieving employment with supports (\$5.90 to \$7.70) was lower than the range of \$6.70 to \$9.40 for those achieving employment without supports.

**Table 2**  
**Selected Factors and Average Hourly Wages – FY 2006**

<b>Age group at application</b>	<b>SSI/SSDI at exit</b>	<b>Type of employment outcome</b>	<b>Average hourly wage</b>
Transition (14-24 years)	Yes	With supports	\$5.90
Transition (14-24 years)	Yes	Without supports	\$6.70
Transition (14-24 years)	No	With supports	\$6.90
Transition (14-24 years)	No	Without supports	\$8.70
All other (25 & above)	Yes	With supports	\$6.30
All other (25 & above)	Yes	Without supports	\$7.40
All other (25 & above)	No	With supports	\$7.70
All other (25 & above)	No	Without supports	\$9.40

DRS publishes a year end report that provides data on the occupations of those individuals achieving employment outcomes. According to the FY 2006 Year End Report, 45 percent of individuals with all types of employment outcomes and 73 percent of individuals with supported employment outcomes were employed in service occupations that typically pay lower wages.<sup>1</sup>

The provision of postsecondary education services is one method for assisting individuals to achieve employment in occupations that pay higher wages. Ninety

<sup>1</sup> South Dakota Department of Human Services, Division of Rehabilitation Services, FFY 2006 Year End Report, pages 9 and 14.

three (11 percent) of all the individuals who achieved employment outcomes for FY 2006 received postsecondary education and 63 individuals (8 percent) of all individuals earning from \$5.15 to \$10 per hour received postsecondary education (see Table 14 in the Appendix).

Goal 1: Over the next three years, DRS will narrow the gap between the average hourly earnings of individuals exiting the VR program with a paid employment outcome and the state average hourly earnings, as addressed in Performance Indicator 1.5. (benchmarks for FY 2006: transition (individuals under 21 years at application) - \$7.80; SSA group (individuals receiving SSA benefits at application) - \$6.93; SE group (individuals with a supported employment goal who achieved an employment outcome) - \$6.40; all individuals - \$8.19)

Strategies:

1. Maximize postsecondary training.
2. Identify higher paying positions for individuals with disabilities.
3. Increase and strengthen transition services for students with disabilities who are exploring their employment future to increase earnings.
4. Work with providers on increasing consumer earnings.
5. Operationalize Medical Assistance for Workers with Disabilities (MAWD) to increase earnings.
6. Educate individuals who are SSA recipients about ways to maximize earnings and retain benefits.
7. Review files of consumers earning less than minimum wage to determine improvement areas to increase earnings.
8. Monitor the impact of increases in minimum wage on average hourly earnings compared with benchmarks for FY 2006.

Method of Evaluation: In FY 2008, DRS will be successful if it maintains its performance on Indicator 1.5 compared to FY 2007; in FY 2009, if it improves compared with FY 2008; in FY 2010, if it improves compared with FY 2009.

Technical Assistance: RSA will provide resources in the area of data analysis to enable DRS to continue to evaluate the impact of factors contributing to overall low wages.

## 2. Hours worked

Issue: Individuals earning low hourly wages can increase their overall wages by working more hours per week. However, from FY 2002 to FY 2006, the average hours worked per week for those DRS participants with earnings declined slightly from 30 to 28 hours (see Table 1). DRS is concerned that increases in the federal



minimum wage<sup>2</sup> followed by increases in the state minimum wage will result in further reductions.

Of the individuals who achieved an employment outcome from DRS during FY 2006, the hourly wage analysis (Table 14 in the Appendix) indicates that individuals with lower average hourly wages also worked fewer average hours per week. Table 3 below represents an analysis of the relationship of wages and hours to weekly wages for the 830 individuals who earned the state average hourly wage (\$14.40) or less. Individuals with hourly wages of \$5.14 or less worked about 21 hours per week for an average weekly wage of \$61. In comparison, individuals with hourly wages of \$10.01 to \$14.40 worked about 38 hours per week for an average weekly wage of \$444.

**Table 3**  
**Wages, Hours, and Weekly Earnings – FY 2006**  
**N = 830**

Average hourly wage	Average hours worked/ week	Average weekly wage
\$5.14 or less	21	\$61
\$5.15 – 10.00	27	\$195
\$10.01 – 14.40	38	\$444

RSA and DRS analyzed the data for the individuals who achieved employment outcomes with and without supports in FY 2006 after receiving services from DRS to explore how age, SSA benefits at exit, and type of employment outcome impact the average hours worked per week (see Table 4). The results of that analysis indicate the following:

- the lowest average hours worked per week (18 hours) were for individuals of any age who were receiving SSI/SSDI at exit and employed with supports;
- individuals receiving SSI/SSDI at exit averaged fewer work hours per week compared with those who were not receiving such benefits, regardless of age or type of employment outcome;
- for those receiving SSI/SSDI at exit, the average weekly work hours ranged from 18 to 24 hours compared with a range of 31 to 35 hours for individuals who were not receiving SSI/SSDI at exit; and
- the highest average hours worked per week (35 hours) were for individuals of transition age who were not receiving SSI/SSDI at exit and who achieved employment without supports.

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<sup>2</sup> The federal minimum wage increases from \$5.15 to \$5.85 in 2007, followed by a second increase to \$6.55 in 2008, and a final increase to \$7.25 in 2009. During the review, DRS indicated that 80 percent of SD employers are small businesses with fewer than 15 employees and may have difficulty absorbing the increase in minimum wages without reducing the hours worked by employees.

**Table 4  
Selected Factors and Average Hours Worked Per Week – FY 2006**

<b>Age group at application</b>	<b>SSI/SSDI at exit</b>	<b>Type of employment outcome</b>	<b>Average hours worked/ week</b>
Transition (14-24 years)	Yes	With supports	18.2
All other (25 & above)	Yes	With supports	18.0
Transition (14-24 years)	Yes	Without supports	21.4
All other (25 & above)	Yes	Without supports	24.2
Transition (14-24 years)	No	With supports	32.8
All other (25 & above)	No	With supports	30.6
Transition (14-24 years)	No	Without supports	35.2
All other (25 & above)	No	Without supports	33.3

DRS indicated that one reason individuals receiving SSI/SSDI at exit may work fewer hours is to avoid earnings that rise above the substantial gainful activity (SGA) level established by SSA as the point at which SSA benefits, including health care benefits, are terminated.

Goal 2: Over the next three years, DRS will maintain and/or increase the average hours worked per week by individuals exiting the VR program with a paid employment outcome in order to improve their overall wages. (benchmarks FY 2006: transition cases (individuals under 21 years at application) - 34.82 hours/wk; SSA cases (individuals receiving SSA benefits at application) - 21.49 hours/wk; SE cases (individuals with a supported employment goal who achieved an employment outcome) - 19.59 hours/wk; all cases - 27.88 hours/wk)

Strategies:

1. Educate individuals who are SSA recipients about the benefits of employment and ways to maximize their work hours and retain their benefits.
2. Operationalize Medical Assistance for Workers with Disabilities (MAWD) to increase the hours of employment.
3. Review files of consumers working fewer than 10 hours per week to determine improvement areas to increase hours of employment.
4. Assess the impact of increases in minimum wage on average hours worked for Transition, SSA, SE and all cases, compared with federal FY 2006 benchmarks.

Method of Evaluation: In FY 2008, DRS will be successful if the average hours worked weekly remains the same or increases for transition youths, SSA, SE and all cases when compared with FY 2007; in FY 2009, if the average hours worked

remains the same or increases when compared with FY 2008; in FY 2010, if the average hours worked remains the same or increases when compared with FY 2009. (all cases, transition, SSA, SE)

Technical Assistance: RSA will provide TA resources in the area of data analysis to enable DRS to continue to evaluate the impact of factors contributing to the number of hours worked, including data related to the increase in the federal minimum wage.

### 3. Employment Outcomes

Issue: Performance Indicator 1.2 for the VR program indicates the percentage of individuals who achieve an employment outcome of all individuals who received services and exited the VR program. The minimum performance level is 55.80 percent for a general state VR agency, such as DRS. DRS' performance on Indicator 1.2 generally declined from 69.96 percent in FY 2001 to 59.00 percent in FY 2006, with its lowest performance (56.08 percent) occurring in FY 2005. DRS is concerned about its performance on Indicator 1.2.

Discussion during the FY 2007 monitoring review process focused on the impact of serving youths with disabilities and individuals receiving SSI/SSDI on DRS' overall performance on Indicator 1.2. For transition age youths with disabilities, the percentage of those who achieve an employment outcome of all those receiving services and exiting the DRS program generally declined from 69 percent in 2002 to 54 percent in 2006 (see Table 1). Data reviewed during the monitoring process indicates that all those receiving SSI/SSDI at application achieved an employment rate of 60 percent compared to 58 percent for those receiving SSI/SSDI at the time of exit (see Table 5). These monitoring data also indicate that of the 1456 individuals who exited the DRS program in FY 2006 after receiving services, about one quarter to almost one half shared one or more of the following characteristics:

- 383 individuals (26 percent) were transition age youths with disabilities;
- 613 individuals (42 percent) were receiving SSI/SSDI at the time of application; and
- 662 individuals (45 percent) were receiving SSI/SSDI at the time of exit.

**Table 5**  
**Selected Factors and Employment Rate – FY 2006**  
**N = 1456**

	<b>Total</b>	<b>Transition Age</b>	<b>SSI/SSDI at application</b>	<b>SSI/SSDI at exit</b>
No. leaving after services	1456	383	613	662
Percent leaving after services	100%	26%	42%	45%

No. employed	859	206	370	383
Employment rate	59%	54%	60%	58%

Goal 3: Over the next three years, DRS will maintain and/or improve the employment rate of individuals with disabilities to address Performance Indicator 1.2 (all cases, transition, SSA, SE).

Strategies:

1. Create partnerships with the business community to increase employment outcomes.
2. Support employer activities of hiring individuals with disabilities.
3. Strengthen working relationships with entities, agencies, and organizations to enhance the delivery of vocational rehabilitation services to increase employment outcomes.
4. Market individuals with disabilities to employers.
5. Promote and utilize performance based contracts to increase employment outcomes.
6. Assess the impact of Order of Selection to this performance indicator.

Method of Evaluation: In FY 2008, DRS will be successful if the employment rate of individuals with disabilities is maintained and/or improved compared with FY 2007; in FY 2009, if the employment rate is maintained or improved compared with FY 2008; and in FY 2010, if the employment rate is maintained or improved compared with FY 2009. (all cases, transition cases, SSA cases, SE cases)

Technical Assistance: RSA will provide TA resources in the area of data analysis to enable DRS to continue to evaluate the impact of factors that influence the rehabilitation rate for specific populations.

## Chapter 3: Fiscal Review of DRS

RSA reviewed DRS' fiscal management of the VR program. During the review process RSA provided technical assistance to the state agency to improve its fiscal management and identified areas for improvement. RSA reviewed the general effectiveness of the agency's cost and financial controls, internal processes for the expenditure of funds, use of appropriate accounting practices, and financial management systems.

The data in the following table, taken from fiscal reports submitted by the state agencies, speak to the overall fiscal performance of the agency. The data related to matching requirements are taken from the fourth quarter of the respective fiscal year's SF-269 report. The maintenance of effort (MOE) requirement data are taken from the final SF-269 report of the fiscal year (two years prior to the fiscal year to which it is compared). Fiscal data related to administration, total expenditures, and administrative cost percentage are taken from the RSA-2.

**Table 6**  
**Fiscal Data for DRS for FY 2002 through FY 2006**

<b>South Dakota (G)</b>					
<b>Fiscal Year</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Grant Amount</b>	6,683,968	6,778,791	6,920,610	6,943,586	7,214,029
<b>Required Match</b>	1,809,003	1,834,666	1,873,049	1,879,268	1,952,463
<b>Federal Expenditures</b>	6,001,343	6,263,791	6,920,610	6,943,586	7,214,029
<b>Actual Match</b>	1,948,697	2,046,254	2,129,723	2,655,210	2,702,365
<b>Over (Under) Match</b>	139,694	211,588	256,674	775,942	749,902
<b>Carryover</b>	682,625	515,000	0	0	0
<b>Program Income</b>	827,532	576,530	230,490	213,427	335,710
<b>Maintenance of Effort (MOE)</b>	1,666,124	1,729,140	1,809,215	1,834,819	1,873,336
<b>Administrative Costs</b>	891,380	989,167	894,597	900,942	926,806
<b>Total Expenditures</b>	9,065,793	10,546,518	11,218,337	12,249,623	10,690,153
<b>Percent Admin Costs to Total Expenditures</b>	9.83%	9.38%	7.97%	7.35%	8.67%

### Explanations Applicable to the Fiscal Profile Table

**Grant Amount:** The amounts shown represent the final award for each fiscal year, and reflect any adjustments for MOE penalties, reductions for grant funds

voluntarily relinquished through the reallocation process, or additional grant funds received through the reallocation process.

Match (Non-Federal Expenditures): The non-federal share of expenditures in the Basic Support Program, other than for the construction of a facility related to a community rehabilitation program, was established in the 1992 amendments to the Rehabilitation Act at 21.3 percent. As such, a *minimum* of 21.3 percent of the total allowable program costs charged to each year's grant must come from non-federal expenditures from allowable sources as defined in program and administrative regulations governing the VR Program. (34 CFR 361.60(a) and (b); 34 CFR 80.24)

In reviewing compliance with this requirement, RSA examined the appropriateness of the sources of funds used as match in the VR program, the amount of funds used as match from appropriate sources, and the projected amount of state appropriated funds available for match in each federal fiscal year. The accuracy of expenditure information previously reported in financial and program reports submitted to RSA was also reviewed.

Carryover: Federal funds appropriated for a fiscal year remain available for obligation in the succeeding fiscal year only to the extent that the VR agency met the matching requirement for those federal funds by September 30 of the year of appropriation. (34 CFR 361.64(b)) Either expending or obligating the non-federal share of program expenditures by this deadline may meet this carryover requirement.

In reviewing compliance with the carryover requirement, RSA examined documentation supporting expenditure and unliquidated obligation information previously reported to RSA to substantiate the extent to which the state was entitled to use any federal funds remaining at the end of the fiscal year for which the funds were appropriated.

Program Income: Program income means gross income received by the state that is directly generated by an activity supported under a federal grant program. Sources of state VR program income include, but are not limited to, payments from the Social Security Administration for rehabilitating Social Security beneficiaries, payments received from workers' compensation funds, fees for services to defray part or all of the costs of services provided to particular individuals, and income generated by a state-operated community rehabilitation program. Program income earned (received) in one fiscal year can be carried over and obligated in the following fiscal year regardless of whether the agency carries over federal grant funds. Grantees may also transfer program income received from the Social Security Administration for rehabilitating Social Security beneficiaries to other formula programs funded under the Act to expand services under these programs.

In reviewing program income, RSA analyzed the total amount (as compared to the total percentage of income earned by all VR agencies and comparable/like VR agencies), sources, and use of generated income.

Maintenance of Effort (MOE): The 1992 amendments revised the requirements in section 111(a)(2)(B)(ii) of the Act with respect to maintenance of effort provisions. Effective federal FY 1993 and each federal fiscal year thereafter, the maintenance of effort level is based on state expenditures under the title I State plan from non-federal sources for the federal fiscal year two years earlier. States must meet this prior year expenditure level to avoid monetary sanctions outlined in 34 CFR 361.62(a)(1). The match and maintenance of effort requirements are two separate requirements. Each must be met by the state.

In reviewing compliance with this requirement, RSA examined documentation supporting fiscal year-end and final non-federal expenditures previously reported for each grant year.

Administrative Costs: Administrative costs means expenditures incurred in the performance of administrative functions including expenses related to program planning, development, monitoring and evaluation. More detail related to expenditures that should be classified as administrative costs is found in VR Program regulations at 34 CFR 361.5(b)(2).

#### Provision of Technical Assistance to the VR and SE Programs During the Review Process:

RSA provided technical assistance to DRS in a number of fiscal areas during the review. RSA:

- after providing a synopsis of each requirement, shared its assessment of the agency's compliance with specific financial requirements – match, MOE, carryover, reallocation, program income, liquidation of outstanding obligations and grant closeout;
- reviewed allowability of sources of matching funds and availability of sufficient match to closeout FY 2007 and sources projected for FY 2008;
- discussed challenges faced in ensuring that adequate funds are available each fiscal year to meet VR Program match and maintenance of effort requirements;
- reviewed requirements for reporting expenditures to the VR Program, e.g., expenses (including salary costs) related to Independent Living Programs must be charged to those programs, although program income from Social Security reimbursements may be transferred to these programs to cover salaries and any other allowable program cost;
- suggested DRS fiscal staff review the State Plan attachments related to the expenditure of VR Program funds for Innovation and Expansion (I & E)

activities to ensure that all expenditures are captured and reported on Financial Status Reports for the VR Program;

- obtained and input all Financial Status Reports (SF-269s) not previously entered into RSA's MIS for all formula grant programs;
- reviewed reports and approved completed reports for FYs 2004 – 2007;
- discussed with staff the advantages of maintaining a small carryover balance each fiscal year, however, no cash flow problems were noted;
- reviewed contractual arrangements (although payment terms were complicated and not easy to understand, controls were built into financial system to ensure that vendor payments are correct); and
- reviewed FY 2006 expenditures (including unliquidated obligations) for Supported Employment (all funds were expended for job placement/coaching and situational assessments).

### Promising VR and SE Practices Identified by DRS and Stakeholders During the Review Process

The following promising practice was identified:

#### 1. Internal Financial Reports

Financial staff prepare monthly grant award reports for all programs for each fiscal year for which final Financial Status Reports have not been submitted. Information provided includes the grant budget, source of funds (including 3<sup>rd</sup> party match), status of grant expenditures, grant period, outstanding obligations, final date for obligating all grant funds (federal and state), and compliance with applicable program match and MOE requirements. Separate reports, including the amount of projected income are prepared to track the receipt, expenditure, obligation and unobligated balance of program income for all open fiscal years. This report provides management with comprehensive financial information for each formula grant program.

Fiscal Recommendation: Language in cooperative arrangements should be strengthened to clearly state that the services provided under these arrangements are not a responsibility of the cooperating agency and that only VR consumers, or those eligible for services, can be served under the cooperative arrangement.



## Chapter 4: Vocational Rehabilitation and Supported Employment Programs: SBVI

Table 1 provides fiscal and program data for fiscal years 2002 through 2006. These data provide an overview of the VR program's costs, outcomes, and efficiency. The table identifies the amount of funds used by the agency, the number of individuals who applied, and the number who received services. It also provides information about the quality of the agency's employment outcomes and its transition services.

**Table 7. SBVI Program Highlights, 2002 - 2006**

SOUTH DAKOTA – Blind	2002	2003	2004	2005	2006
Total funds used	\$2,101,030	\$2,241,074	\$2,255,037	\$2,434,228	\$2,490,257
Individuals served during year	216	254	267	356	353
Applicants	163	189	202	206	193
Closed after receiving services	94	83	102	121	129
Closed with employment outcomes	74	65	76	87	96
Employment outcomes w/o supports in an integrated setting	47	53	60	61	71
Average cost per individual served	\$9,726.99	\$8,823.13	\$8,445.83	\$6,837.72	\$7,054.55
Average cost per employment outcome	\$28,392.30	\$34,478.06	\$29,671.54	\$27,979.63	\$25,940.18
Employment outcomes per \$million spent	35.22	29.00	33.70	35.74	38.55
Competitive employment outcomes per \$million spent	32.84	27.22	31.93	34.10	35.74
Average hourly earnings for paid employment outcomes	\$10.27	\$10.34	\$10.08	\$9.77	\$9.82
Average state hourly earnings	\$12.67	\$13.08	\$13.46	\$13.96	\$14.40
Average hours worked per week for paid employment outcomes	32.48	34.48	34.17	33.92	33.00
Percent of transition age served to total served	11.70	10.84	11.76	9.09	12.40
Employment rate for	81.82	33.33	50.00	36.36	43.75

SOUTH DAKOTA – Blind	2002	2003	2004	2005	2006
transition age served					
Average time between application and closure (in months) for individuals with successful paid employment outcomes	21.60	15.90	18.90	20.00	20.40
Average number of individuals served per total staff	8.64	10.58	11.13	16.18	16.05

Provision of Technical Assistance to the SBVI VR and SE Programs During the Review Process

RSA provided TA to SBVI in a number of VR and SE program areas during the review process. RSA:

- verified the agency’s RSA 911 case record data for FY 2004, FY 2005, and FY 2006;
- provided feedback to the agency on its case management system;
- provided training on how to use RSA’s Management Information System;
- provided TA on the comprehensive statewide needs assessment; and
- provided TA assistance on data analysis.

Promising VR and SE Practices Identified by SBVI and Stakeholders During the Review Process

RSA’s review process solicited input from SBVI and stakeholders about promising practices. The following promising practices were identified:

1. Management Information System: VR FACES--Fully Automated Computer Enhanced System

SBVI’s management information system is tailored to meet staff needs and is user-friendly for administrative and case management functions. FACES generates authorizations for the payment of VR services and case management reports, has built-in security mechanisms to safeguard against misuse or abuse of the system as well as built-in edits to ensure that data inputted are reasonable, includes alerts keyed to rehabilitation timelines, and houses the VR counselor manual, forms, resources and templates for letters. Through its electronic case management functions, FACES enables VR counselors to complete rehabilitation process forms including case notes. Altogether, the features contained in FACES enable SBVI staff and management to carry out administrative functions more efficiently and contribute to meeting critical timelines and monitoring compliance with state and federal requirements.

## 2. Quality Assurance (QA)--Service Record Review

As part of its QA activities, SBVI conducts an annual service record review to assess compliance with VR program requirements. SBVI management and counselors from across the state participate in the review of active and closed records. SBVI utilizes a service record review instrument for this process that is consistent with federal requirements. The process includes the identification of promising practices that are shared with all counselors as well as areas that are addressed in one-on-one and agency-wide training sessions. The identification of problem areas serves to alert SBVI management of the need to provide additional policy guidance. SBVI's service record review enhances accountability, promotes consistency among staff with respect to the implementation of state and federal requirements, and is aligned with the identification and sharing of promising practices, staff training, and policy revision.

## 3. Leveraging Resources and Maximizing Access to Services for Transition Youths Through Statewide Partnerships

Through a partnership between SBVI, DRS and the state Department of Education, SD established the Transition Services Liaison Project (TSLP), designed to expand employment opportunities for transition youths with disabilities. On behalf of the partnership, BHSSC, established as a service cooperative in state government, administers and coordinates TSLP services and programs described below.

- Project Skills – This program provides paid work experiences for high school students with disabilities. DRS and SBVI provide funding for wages, Federal Insurance Contribution Act, worker's compensation, and other costs needed for employment, such as uniforms and other work-related supplies. The local school district provides job development, job coaching, and on-the-job monitoring.
- Catch the Wave – This program provides postsecondary orientation. Catch the Wave is a one-day conference designed for students with disabilities who may be considering postsecondary education. Students have an opportunity to learn about preparing for college, including securing necessary accommodations and developing self-advocacy and communication skills. The conference features opportunities to dialogue with other students with disabilities with postsecondary experiences.
- Youth Leadership Forum – This program provides career and leadership training for high school juniors and seniors. Through a statewide competition, student delegates with leadership potential are chosen to participate in this annual five-day event conducted on the campus of the University of SD Sioux Falls. During the forum they participate in activities designed to enhance leadership, citizenship, and social skills.
- Transition Tacklebox – This program provides web-based resources for students with disabilities, their families, special education agencies, and

VR counselors. The Tacklebox includes a variety of information resources designed to assist students with disabilities in making decisions about postsecondary training and community-based living.

In those school districts that do not participate in the cooperative arrangement, SBVI partners with the SD School for the Blind to provide transition services to youths who are blind and visually impaired. These partnerships demonstrate how state departments and agencies leverage resources for the benefit of transition youths with disabilities.

#### VR and SE Issues Identified by SBVI and Stakeholders During the Review Process

RSA's review process solicited input from SBVI and stakeholders about VR and SE performance and compliance issues. The following issues were identified:

- the need to increase the number of transition youths served and the employment outcomes for this population;
- the need to improve the quality of employment outcomes for individuals served by SBVI;
- the low number of individuals receiving postsecondary education services and the need to maximize access to this service in an effort to improve employment outcomes and increase wages; and
- the need to promote access to employment opportunities in SBVI management positions for individuals who are blind and visually impaired.<sup>3</sup>

Following compilation and discussion with SBVI about the issues, RSA worked with SBVI to address as many of these issues as possible either directly or by consolidating the issue into a broader issue area.

#### VR and SE Performance Issues, Goals, Strategies, and Technical Assistance

RSA and SBVI agreed on the following performance goals, strategies to achieve those goals, and the technical assistance that RSA would provide to assist SBVI achieve each goal. These goals and strategies are aligned with goals in the FY 2008 state plan. They may be considered for inclusion in SBVI's FY 2009 state plan, and, if they are included, progress on achieving these goals will be reported in SBVI's FY 2010 annual state plan submission.

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<sup>3</sup> This personnel issue was addressed by SBVI and the SRC during the development of the 2008 State Plan. Attachment 4.2(c) summarizes the division director's response that as administrative positions become available in SBVI, the positions will be opened and advertised to promote employment opportunities for qualified individuals who are blind.

## 1. Increasing Employment Outcomes for Transition Youths

Issue: Trend data for individuals exiting the SBVI program from FY 2002 through FY 2006 indicate that transition age youths (14 – 24 years at application) made up about 9 to 12 percent of all individuals who exited the VR program after receiving services from SBVI (see Table 7). RSA and SBVI discussed whether SBVI identifies all eligible youths. Because the previous comprehensive statewide assessment did not provide sufficient information on this population, SBVI is beginning to implement new assessment procedures to inform their outreach efforts.

SBVI's employment rate for transition age youths was 82 percent in FY 2002, dropped to 33 percent in FY 2003, and has not risen above 50 percent since that time (see Table 7). Reasons for the sudden shift in the employment rate from FY 2002 to FY 2003 are not known. The employment rate for transition age youths varies more from year to year than SBVI's overall employment rate which has remained between 72 and 79 percent during the same time period. One reason for the fluctuations in the data for the transition age group may be the small number of transition age youths who are served by SBVI. A change in the outcomes of one or two individuals can result in significant changes in the employment rate. Table 8 compares the employment rate for transition age youth served by SBVI with the employment rate for all individuals served by SBVI from FY 2002 through FY 2006.

**Table 8**  
**Employment Rates for SBVI: FY 2002 – FY 2006**

	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
Employment rate					
All individuals	79%	78%	75%	72%	74%
Transition age	82%	33%	50%	36%	44%

During FY 2006, a total of 172 individuals exited the SBVI VR program. Of the 172 individuals, 129 individuals (75 percent) received services before exiting the VR program and 96 individuals (56 percent) exited with an employment outcome. The 172 individuals included 20 transition age youths. Sixteen of the 20 transition age youths (80 percent) received VR services before exiting the VR program and seven of the 20 (35 percent) exited with an employment outcome. (See Table 9)

**Table 9**  
**Exit Patterns – FY 2006**

	<b>Transition Age</b>		<b>All Individuals</b>	
Total exiting the VR program	20	100%	172	100%
Exit at application	1	5%	21	12%

Exit after eligibility/ before plan	3	15%	19	11%
Exit after plan/ before services	0	0%	3	2%
Exit after services w employment	7	35%	96	56%
Exit after services w/o employment	9	45%	33	19%

The FY 2006 exit patterns suggest that the transition group may be accessing VR services via the various transition activities that SBVI is involved in, but leaving after VR services are initiated and before achieving an employment outcome. SBVI needs more information about the impact of the transition activities on youths who are blind or visually impaired and their reasons for leaving the VR program.

Goal 1: SBVI will increase the rehabilitation rate for transition youths by one percent per year over the next three years.

Strategies:

1. Identify students with disabilities in SD that can benefit from VR services provided by SBVI.
2. Track the impact on outcomes based on the participation in Project Skills, Youth Leadership Forum, SBVI Summer Transition Program, and other transition programs.
3. Revise activities in the programs above, as needed, to improve successful outcomes.
4. Track and analyze transition youths served who did not achieve employment outcomes.
5. Maximize access to post-secondary training for transition youths.

Method of Evaluation: SBVI will be successful if the rehabilitation rate for transition youths increases by one percent in FY 2008; increases by one percent in FY 2009 compared with FY 2008; increases by one percent in FY 2010 compared with FY 2009.

Technical Assistance: RSA will provide TA resources in the area of data analysis to enable SBVI to continue to evaluate the impact of factors that influence the rehabilitation rate for transition youths.

## 2. Improve the Quality of Employment Outcomes

Issue: The average hourly earnings for all individuals achieving a paid employment outcome from SBVI were above \$10 in FY 2002 through FY 2004, then dropped below \$10 in FY 2005 and 2006. During that same period, the SD average hourly wage rose from \$12.76 to \$14.40 (see Table 7). A wage analysis for the 96 individuals who achieved an employment outcome from SBVI in FY 2006 (see Table 15 in the Appendix) shows that 70 of these individuals (73 percent) earned less than \$14.40 per hour and that 63 individuals (66 percent) earned between the federal minimum wage (\$5.15) and \$10 per hour.

Performance Indicator 1.5 for the VR program indicates the average hourly wage earned by those with employment outcomes from SBVI who earned at least minimum wage as a ratio to the state average hourly wage earned by all workers with earnings in SD. The minimum performance level is 0.59 for agencies serving individuals who are blind and visually impaired. SBVI exceed the performance level for this indicator, but its performance has been generally declining from 0.83 in FY 2002 to 0.71 in FY 2006.

Increases in average hourly wages can result from employment in higher paying occupations, often as a result of the provision of postsecondary education services. Of the 96 individuals with employment outcomes in FY 2006, nine individuals (9 percent) received postsecondary education services. The 96 individuals with an employment outcome also included 45 individuals (47 percent) who were working at application. If these individuals return to the same employment following their participation in the VR program, their wages may not increase substantially. Twenty-nine of the 45 individuals working at application (64 percent) were earning between \$5.15 and \$10 per hour when they left the SBVI program (see Table 15 in the Appendix).

Of the 96 individuals who achieved an employment outcome from SBVI in FY 2006:

- 5 achieved the outcomes of homemaker or unpaid family worker;
- 7 achieved self-employment;
- 13 achieved employment with supports; and
- 71 achieved employment without supports.

FY 2006 hour and wage data reported for the 84 individuals who achieved employment with and without supports were analyzed to learn more about the impact of age, receipt of SSI/SSDI at exit from the VR program, and type of employment outcome on average hourly wages (see Table 10). The analysis indicated the following:

- individuals receiving SSI/SSDI at exit averaged \$7.80 per hour, regardless of age or type of employment outcome;
- individuals not receiving SSI/SSDI at exit averaged between \$10.90 and \$11.60 per hour, regardless of age or type of employment outcome;
- the highest average hourly wage (\$11.60) was earned by those who were 25 years or older, not receiving SSI/SSDI at exit, and employed with supports; and
- the average hourly wage for all individuals employed without supports was \$9.40 compared to \$9.70 for all individuals employed with supports.

**Table 10**  
**Selected Factors and Average Hourly Wages – FY 2006**

SSI/SSDI at Exit	Age Group at Application	Total Number	Average Hourly Wage	
			Employed w/o supports	Employed with supports
Yes	Transition age (14 - 24 years)	3	\$7.90	----
Yes	All other (25 years and older)	20	\$7.70	\$7.80
Subtotal /Average for all SSI/SSDI		23	\$7.80	\$7.80
No	Transition age (14 - 24 years)	4	\$11.40	----
No	All other (25 years and older)	57	\$10.40	\$11.60
Subtotal/ Average for all non SSI/SSDI		61	\$10.90	\$11.60
Total / Average for all		84	\$9.40	\$9.70

The increases in the federal minimum wage in 2007, 2008 and 2009 and the resulting increases in South Dakota minimum wage ensures that hourly wages will increase. The expectation is that an increase in hourly wages will result in an increase in overall wages. However, if the increased minimum wage results in a decrease in hours worked by individuals, overall wages may not increase. Wage analysis data across a wide range of hourly wages for individuals achieving employment outcomes from SBVI indicates that, in general, individuals work an average of 32 to 40 hours per week, regardless of the hourly wage (see Table 15 in the Appendix). During implementation of the wage increases, it will be important to determine the effect of the hourly wage increases on hours worked to determine if overall wages are increasing for individuals served by SBVI.

Goal 2: SBVI will narrow the gap between the average hourly earnings for SBVI participants and the average hourly wage for SD.

Strategies:

1. Increase incentives to job placement providers to place VR participants in employment that is above the SGA level.
2. Maximize access to postsecondary education.
3. Track hour and wage data for SBVI participants to determine the impact of increased minimum wages on overall wages.
4. Increase the awareness of and access to medical benefits through the Medical Assistance to Workers with Disabilities Program for individuals who are blind.

Method of Evaluation: SBVI will be successful in improving the quality of employment outcomes if the wages for individuals with disabilities increase.



Technical Assistance: RSA will provide TA resources to SBVI in the area of data analysis to enable SBVI to continue to evaluate the factors contributing to overall low wages.

### 3. Quality Assurance (QA)

Issue: With a total staff of 22, SBVI does not assign staff solely to the QA function. Instead, staff assume multiple responsibilities, with the assistant director having primary responsibility for coordinating QA activities.

The most prominent of SBVI's QA activities is the service record review, described above in the promising practices section of this chapter. Although the service record review and its associated activities provide a comprehensive approach to many aspects of QA, there are no written procedures.

Another activity that is considered to be part of SBVI's QA is the assessment of consumer satisfaction with VR services provided by the agency and other aspects of the rehabilitation program. The director indicated that SBVI utilizes the results of the surveys as one source of information in the development of goals and strategies for the State Plan. SBVI also assesses the satisfaction of consumers who utilize the services of its rehabilitation center for the blind in Sioux Falls. However, the center manager maintains the results of these surveys separately and does not provide reports to the SBVI director. SBVI's QA activities are not fully integrated for purposes of making program improvements.

Goal 3: SBVI will develop and implement a QA system to support SBVI in making program improvements in a consistent and measurable approach.

Strategies:

1. Develop an SBVI QA guide that outlines methods, procedures, and results.
2. Partner with other VR agencies for individuals who are blind to identify best practices for quality improvement activities.
3. Partner with DRS for QA activities to benefit consumers of both DSUs to ensure the efficient use of resources.

Method of Evaluation: SBVI will be successful if it develops and implements a QA system that integrates QA activities for purposes of making program improvements

Technical Assistance:

- RSA will provide TA resources to assist SBVI to formalize its QA processes and timelines; develop a QA guide that outlines methods and procedures; identify model QA tools and plans; and identify promising

practices from other similarly situated VR agencies for individuals who are blind.

- RSA will also provide TA resources on promising models for assessing consumer satisfaction.

## Chapter 5: Fiscal Review of SBVI

RSA reviewed SBVI's fiscal management of the VR program. During the review process RSA provided technical assistance to the state agency to improve its fiscal management and identified areas for improvement. RSA reviewed the general effectiveness of the agency's cost and financial controls, internal processes for the expenditure of funds, use of appropriate accounting practices, and financial management systems.

The data in the following table, taken from fiscal reports submitted by the state agencies, speak to the overall fiscal performance of the agency. The data related to matching requirements are taken from the fourth quarter of the respective fiscal year's SF-269 report. The maintenance of effort (MOE) requirement data are taken from the final SF-269 report of the fiscal year (two years prior to the fiscal year to which it is compared). Fiscal data related to administration, total expenditures, and administrative cost percentage are taken from the RSA-2.

**Table 11**  
**Fiscal Data for SBVI for FY 2002 through FY 2006**

<b>South Dakota (B)</b>					
<b>Fiscal Year</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Grant Amount</b>	1,636,923	1,694,698	1,730,150	1,735,897	1,803,507
<b>Required Match</b>	443,030	458,667	468,262	469,817	488,116
<b>Federal Expenditures</b>	1,548,957	1,525,929	1,517,683	1,735,897	1,335,394
<b>Actual Match</b>	500,053	526,689	487,948	528,336	611,756
<b>Over (Under) Match</b>	57,023	68,022	19,686	58,519	123,640
<b>Carryover</b>	87,966	168,769	212,467	0	468,113
<b>Program Income</b>	49,401	69,353	135,079	28,003	41,324
<b>Maintenance of Effort (MOE)</b>	483,792	506,807	483,951	507,026	484,173
<b>Administrative Costs</b>	334,237	285,774	285,344	312,716	303,026
<b>Total Expenditures</b>	2,101,030	2,241,074	2,255,037	2,434,228	2,490,257
<b>Percent Admin Costs to Total Expenditures</b>	15.91%	12.75%	12.65%	12.85%	12.17%

### Explanations Applicable to the Fiscal Profile Table

Grant Amount: The amounts shown represent the final award for each fiscal year, and reflect any adjustments for MOE penalties, reductions for grant funds

voluntarily relinquished through the reallocation process, or additional grant funds received through the reallocation process.

Match (Non-Federal Expenditures): The non-federal share of expenditures in the Basic Support Program, other than for the construction of a facility related to a community rehabilitation program, was established in the 1992 amendments to the Rehabilitation Act at 21.3 percent. As such, a *minimum* of 21.3 percent of the total allowable program costs charged to each year's grant must come from non-Federal expenditures from allowable sources as defined in program and administrative regulations governing the VR program. (34 CFR 361.60(a) and (b); 34 CFR 80.24)

In reviewing compliance with this requirement, RSA examined the appropriateness of the sources of funds used as match in the VR Program, the amount of funds used as match from appropriate sources, and the projected amount of state appropriated funds available for match in each federal fiscal year. The accuracy of expenditure information previously reported in financial and program reports submitted to RSA was also reviewed.

Carryover: Federal funds appropriated for a fiscal year remain available for obligation in the succeeding fiscal year only to the extent that the VR agency met the matching requirement for those federal funds by September 30 of the year of appropriation. (34 CFR 361.64(b)) Either expending or obligating the non-federal share of program expenditures by this deadline may meet this carryover requirement.

In reviewing compliance with the carryover requirement, RSA examined documentation supporting expenditure and unliquidated obligation information previously reported to RSA to substantiate the extent to which the state was entitled to use any federal funds remaining at the end of the fiscal year for which the funds were appropriated.

Program Income: Program income means gross income received by the state that is directly generated by an activity supported under a federal grant program. Sources of state VR program income include, but are not limited to, payments from the Social Security Administration for rehabilitating Social Security beneficiaries, payments received from workers' compensation funds, fees for services to defray part or all of the costs of services provided to particular individuals, and income generated by a state-operated community rehabilitation program. Program income earned (received) in one fiscal year can be carried over and obligated in the following fiscal year regardless of whether the agency carries over federal grant funds. Grantees may also transfer program income received from the Social Security Administration for rehabilitating Social Security beneficiaries to other formula programs funded under the Act to expand services under these programs.

In reviewing program income, RSA analyzed the total amount (as compared to the total percentage of income earned by all VR agencies and comparable/like VR agencies), sources, and use of generated income.

Maintenance of Effort (MOE): The 1992 amendments revised the requirements in section 111(a)(2)(B)(ii) of the Act with respect to maintenance of effort provisions. Effective federal FY 1993 and each federal fiscal year thereafter, the maintenance of effort level is based on state expenditures under the title I State plan from non-federal sources for the federal fiscal year two years earlier. States must meet this prior year expenditure level to avoid monetary sanctions outlined in 34 CFR 361.62(a)(1). The match and maintenance of effort requirements are two separate requirements. Each must be met by the state.

In reviewing compliance with this requirement, RSA examined documentation supporting fiscal year-end and final non-federal expenditures previously reported for each grant year.

Administrative Costs: Administrative costs means expenditures incurred in the performance of administrative functions including expenses related to program planning, development, monitoring and evaluation. More detail related to expenditures that should be classified as administrative costs is found in VR Program regulations at 34 CFR 361.5(b)(2).

#### Provision of Technical Assistance to the VR and SE Programs During the Review Process

RSA provided technical assistance in a number of fiscal areas during the review process. RSA:

- provided a synopsis of each requirement and shared its assessment of the agency's compliance with specific financial requirements – MOE, carryover, reallocation, program income, liquidation of outstanding obligations and grant closeout;
- reviewed allowability of sources of matching funds and availability of sufficient match to closeout FY 2007 and sources projected for FY 2008;
- discussed challenges faced in ensuring that adequate funds are available each fiscal year to meet VR Program match and MOE requirements;
- reviewed year-end outstanding obligations and the subsequent liquidation in the succeeding fiscal year;
- reviewed FY 2006 expenditures for Supported Employment and liquidation outstanding obligations from FY 2005;
- reviewed total agency funding from all sources and approved cost allocation bases to distribute costs to applicable programs;
- obtained and input all Financial Status Reports (SF-269s) not previously entered into RSA's Management Information System (MIS) for all formula grant programs;

- reviewed reports and approved completed reports for FYs 2004 – 2007;
- completed RSA’s internal Sources of Match report for FYs 2005 and 2006; and
- reminded fiscal staff of the requirement to report the cumulative total of VR Program funds expended for in-service training activities in Block 12, “Remarks,” of Financial Status Reports submitted to RSA.

### Promising VR and SE Practices Identified by SBVI and Stakeholders During the Review Process

#### 1. Internal Financial Reports

Financial staff prepare monthly grant award reports for all programs for each fiscal year for which final Financial Status Reports have not been submitted. Information provided includes the grant budget, source of funds (including 3<sup>rd</sup> party match), status of grant expenditures, grant period, outstanding obligations, final date for obligating all grant funds (federal and state), and compliance with applicable program match and MOE requirements. Separate reports, including the amount of projected income are prepared to track the receipt, expenditure, obligation and unobligated balance of program income for all open fiscal years. This report provides management with comprehensive financial information for each formula grant program.

## Chapter 6: IL Program

### Program Organization

DRS, SBVI, and the SD SILC jointly administer the IL program under Chapter 1, Part B. Through a purchase of service agreement between the SD CCD and DRS, CCD carries out administrative responsibilities on behalf of the SILC.

**Table 12**  
**Sources and Amounts of IL Funding (FY 2006)**

Sources	Amounts
Part B Funds	302,264
Older Blind	225,000
Other Federal Funds	372,708
State Funds	244,735
Local Government	0
Private/Other Funds	0
Total	1,144,707

### Provision of Technical Assistance to the IL Program During the Review Process

RSA provided technical assistance to DRS and the SILC on the following IL program areas during the review process:

- how to develop measurable monitoring goals for the state's IL program;
- the allowable use of Part B funds related to SILC activities, especially activities related to carrying out the SILC's statutory duties; and
- SILC roles and responsibilities.

### Promising IL Practices Identified by the SD IL Staff and Stakeholders During the Review Process

RSA's review process solicited input from SD IL staff and stakeholders about promising practices. The following promising practices were identified:

#### 1. SILC Administrative Support

SD has an effective mechanism in place for carrying out the administrative responsibilities of the SILC. A purchase of service agreement between DRS and the SD CCD provides a part-time executive secretary and administrative assistant to carry out the day-to-day responsibilities of the SILC at the direction of the

SILC. These responsibilities include coordinating arrangements for SILC meetings, reimbursing members for expenses, handling correspondence and reports, coordinating IL training, and assisting in the development and submission of the 704 annual performance report and the SPIL. This mechanism ensures the autonomy of the SILC and provides timely reimbursement to SILC members for expenses incurred participating in SILC activities.

## 2. Collaborative IL Service Delivery Model

DRS, the SILC, the CILs, and other service providers, including Dakota Link and the Assistive Technology Devices program, work collaboratively together to develop specialized IL programs to benefit individuals with significant disabilities in overcoming barriers that would otherwise substantially limit their ability to function independently in family and community activities.

One of the most prominent programs is the Home Modification and Adaptive Devices (HMAD) program that provides adaptive devices such as portable ramps and assistive technology devices. CILs have primary responsibility for service delivery of this program utilizing Part B funds provided by DRS and the SILC. An important aspect of this program is its successful reliance on community partnerships and volunteers to leverage resources. For example, components of ramps are built by prison inmates, transported to consumers' homes by off-duty National Guard members, and assembled by volunteers. Another positive aspect of the program is the recycling component that allows equipment to be transferred from one individual to another as individuals' needs change.

This model for the delivery of IL services demonstrates how the SD IL stakeholders, together with community partners and volunteers work together to maximize resources and increase the independence of individuals with significant disabilities throughout the state.

## IL Issues Identified by SD IL Staff and Stakeholders During the Review Process

RSA's review process solicited input from IL staff and stakeholders about IL performance and compliance issues. The following issues were identified:

- the increasing demand for IL services with limited resources;
- improving alignment of the four core IL services with those services provided under the HMAD and Assistive Technology Devices programs;
- developing a statewide uniform data reporting system for the CILs; and
- strengthening the SILC with respect to fulfilling its mandated roles and responsibilities.



Following compilation of this list, RSA worked with IL staff and stakeholders to address as many of these issues as possible either directly or by consolidating the issue into a broader issue area.

### IL Performance Issues, Goals, Strategies, and Technical Assistance

As a result of the review, RSA and SD IL staff and stakeholders agreed on the following performance goals, strategies to achieve those goals, and technical assistance that RSA would provide to assist them to achieve each goal. These goals and strategies are aligned with goals in SD's FY 2008 SPIL.

#### 1. Provision of IL Services to Unserved and Underserved Populations

Issue: During teleconferences and the on-site visit, CILs and stakeholders indicated that while IL services are made available to all individuals with significant disabilities in all geographic areas of the state, specific populations remain underserved, including war veterans with disabilities, older individuals who are blind, youths with disabilities, and Native Americans residing on the reservations.

IL resources in this predominately rural and frontier state have not increased proportionately to the growing IL service needs among these populations. The CILs indicated this is particularly true in the case of the HMAD program. Therefore, the SILC and CILs continue to focus on expanding outreach activities and resource development to provide IL services to persons with significant disabilities in the state, including special populations.

Goal 1a: CILs will maintain and/or increase the current level of IL services provided to persons with significant disabilities in SD.

Goal 1b: CILs will expand access to IL services to unserved and underserved populations, including war veterans, older individuals who are blind, Native Americans residing on reservations, and youths with disabilities.

Strategies:

1. CILs will improve access to assistive technology services and telecommunications devices through Dakota Link and ATP.
2. CILs providers will develop and implement outreach strategies to unserved and underserved populations in South Dakota.
3. CILs will continue to leverage resources through collaboration, cooperation, and coordination with other state agencies, community entities and organizations that serve persons with disabilities.
4. CILs will continue to expand resource development initiatives.
5. SILC and CILs will increase community awareness and knowledge of disability through activities such as workshops and other public functions.

6. SILC, DSUs and CILs will provide ongoing training to IL staff, including training on meeting the diverse service needs of minority and disability populations.
7. CILs will expand systems advocacy activities to mobilize consumers to educate legislators and other lawmakers about the IL service priorities and funding needs in the state.

Method of Evaluation:

- CILs will be successful if they maintain and/or increase the level of IL services provided compared with the previous year (704 Part I and II annual performance reports; 7OB annual report).
- CILs will be successful if they increase the numbers of individuals served from unserved and underserved populations, including war veterans with disabilities, older individuals who are blind, Native Americans, and youths with disabilities (704 Part I and II annual performance reports; 7OB annual report).

RSA Technical Assistance:

- RSA will provide opportunities for SD IL stakeholders to exchange information and practices with other states in the areas of outreach strategies for underserved populations and resource development activities.
- RSA will also coordinate the provision of additional TA resources in these areas with the Association of Programs for Rural Independent Living (APRIL) and other appropriate resources.

2. Improve Accountability and Consistency in Reporting IL Services

Issue: CILs identified that one of their primary challenges is balancing staff resources to provide the required IL core services while also providing services under the HMAD program. Since the CILs have a separate funding source for the HMAD program, they track this source separately for purposes of fiscal reporting, and, likewise, have viewed providing services under this program as separate from providing the IL core services. They had not considered delivering the services under the HMAD program within the framework of the IL core services, e.g., instructing consumers in how to coordinate the volunteer effort to assemble their ramp can be defined as IL skills training.

CILs also indicated there is no consensus among them regarding the definitions of the IL core services, and, therefore, no consistency in reporting IL core services in their 704 annual performance report. Without reliable data, the SILC and CILs cannot make sound decisions regarding program management and IL resource allocation. In addition, CILs do not have accurate data to support their resource development initiatives. Developing a uniform reporting system that includes

common definitions for IL core services and merges those services provided under the HMAD program with the IL core services will aid in resolving the challenge of balancing service delivery among all services and programs as well as strengthen accountability.

Goal 2: SILC, DSUs and CILs will improve IL program accountability through the development and implementation of a statewide uniform reporting system for the collection of IL data.

Strategies:

1. SILC and DSU will collaborate with CILs to assess computer capability, staff expertise, and reporting requirements.
2. SILC, DSUs, and CILs will identify resources (funding) to support the development of the data system.
3. SILC, DSUs, and CILs will develop uniform definitions for IL services.
4. SILC, DSUs, and CILs will identify technical expertise to identify and/or develop a data management system that accommodates the reporting needs of the CILs.
5. SILC, DSUs, and CILs will develop and implement a plan to train staff on how to use the new reporting system, including how to record IL services.

Method of Evaluation: The SILC, DSUs and CILs will be successful if they develop and implement a uniform reporting system for the collection of IL data.

Technical Assistance:

- RSA will provide resources on other states that have developed uniform definitions for IL services and provide TA resources from the IL Training and Technical Assistance grant and other sources to assist them in developing uniform definitions.
- RSA will also provide resources related to IL information management systems.

### 3. SILC Training on Roles and Responsibilities

Issue: The SILC indicated that it has not participated in formal training regarding its mandated roles and responsibilities under section 34 CFR 364.21(g). With the limited IL resources available in SD, the SILC and DSUs are faced with the ongoing challenge of responding to the competing needs of providing IL services to consumers and providing the necessary training related to the SILC's duties. The SILC and DSUs direct the majority of Part B funds to CILs for the provision of IL services. The remaining Part B funds, together with funds under the Title I innovation and expansion authority, are used to fund the SILC's resource plan that includes resources for SILC training.

Goal 3: SILC and DSUs will increase the SILC's knowledge and understanding of its required statutory roles and responsibilities.

Strategies:

1. RSA will provide training and TA resources to SILC members to increase their knowledge of SILC roles and responsibilities.
2. SILC and DSUs will identify sufficient resources in the SILC resource plan to allow for the necessary training and TA of SILC members and staff to fulfill their roles and responsibilities.

Method of Evaluation: The SILC will be successful if it fulfills its mandated roles and responsibilities consistent with the requirements in Title VII.

Technical Assistance: RSA will coordinate TA resources through the IL Training and TA grant and other sources to train the SILC on roles and responsibilities and promote the exchange of promising operational practices through teleconferences with SILCs in other states.

## Chapter 7: OIB Program

### Provision of Technical Assistance to the OIB Program During the Review Process

RSA provided technical assistance to SBVI on the following OIB program areas during the review process:

- suggesting new methods and approaches for the OIB program that could be included in the SPIL;
- increasing peer-to-peer mentoring through better coordination and collaboration with CILs; and
- leveraging resources by working more closely with the CILs to provide basic IL skills training to OIB consumers.

### Promising OIB Practices Identified by SBVI and Stakeholders During the Review Process

RSA's review process solicited input from SBVI and stakeholders about promising practices. The following promising practice was identified:

#### 1. Closed Circuit Television (CCTV) Lease/Loan Program

The CCTV program, administered by SBVI in partnership with Dakota Link, makes CCTVs available to current and former consumers of the OIB program who cannot otherwise afford them due to limited financial resources. This device is a camera and monitor system that magnifies script or pictures up to sixty times its size. SBVI implemented the program in 2004 with donations, primarily from memorials, and since that time has distributed approximately 150 CCTVs. Consumers indicate that it has opened up a new communication avenue and greatly expanded their access to information, especially for those located in remote areas of the state. CCTVs allow consumers to perform routine tasks in their homes they could not otherwise do, including viewing bank statements and other mail, reading labels on medical prescriptions, and signing their names on important documents. In addition, CCTVs provide consumers a means to stay in touch with their families and friends by allowing them to read letters and see photographs. Altogether, this program allows consumers to remain more independent in their homes.

### OIB Issues Identified by SBVI and Stakeholders During the Review Process

RSA's review process solicited input from SBVI and stakeholders about OIB performance and compliance issues. The following issues were identified:

- improving OIB service delivery methods for older individuals residing in rural communities;
- increasing the number of individuals served and increasing the number of successful outcomes with limited resources in light of the fast growing senior population in the state; and
- increasing the awareness of issues affecting older individuals who are blind or visually impaired within the various state and local programs that provide specialized services to this population.

Following compilation of this list, RSA worked with SBVI to address as many of these issues as possible either directly or by consolidating the issue into a broader issue area.

### OIB Performance Issues, Goals, Strategies, and Technical Assistance

As a result of the review, RSA and SBVI agreed on the following OIB performance goals, strategies to achieve those goals, and technical assistance that RSA would provide to assist SBVI to achieve each goal.

#### 1. Serving the Growing Population of Older Individuals Who Are Blind

Issue: There is an increasing population in SD of older individuals who are blind, many of who reside in remote areas of the state without access to transportation. Approximately one third of the individuals served in the OIB program are over the age of 80. In addition, many of these individuals have multiple disabilities that may require coordination with other service agencies and organizations. These contribute to remaining in the OIB program longer, and requiring additional time and attention on the part of SBVI staff. Stakeholders indicated there are insufficient resources within the OIB program to meet the service needs. In order to better serve this growing population, stakeholders indicated the need to leverage resources with other IL service providers, namely CILs, to meet the service needs of this population, especially in the area of peer support services that are so important to this population. CILs may need additional training in preparation to respond to the needs of this population.

Goal 1: SBVI will increase the number of older blind individuals served compared with the previous year (7OB report).

Strategies:

1. The OIB program will leverage resources through increased collaboration, cooperation, and coordination with CILs.
2. CILs will provide peer support to older blind individuals.
3. The OIB staff will provide training to CIL staff to prepare them to work with older individuals who are blind or visually impaired.

Method of Evaluation: The OIB program will be successful if it increases the number of older individuals served compared with the number in the previous year (7OB report).

Technical Assistance: RSA will coordinate TA resources with the SD OIB program from the Rehabilitation Research and Training Center on Blindness and Low Vision at Mississippi State University, APRIL, the IL training and technical grant, and other sources as appropriate.

## Chapter 8: Summary Conclusion

### DRS Strengths, Challenges and Performance

#### Strengths

- emphasis on serving individuals with the most significant disabilities, particularly individuals in supported employment;
- productive working relationship with SBVI to maximize VR resources;
- enhanced accountability of formula grants through monthly grant award reports;
- effective partnerships with the SRC, the SILC, stakeholders, and other state agencies;
- utilization of the SDCCD to provide administrative support to the SILC and the SRC; and
- collaborative IL services program that utilizes CILs, other service providers, community partners, and volunteers to increase independence through home modifications and assistive devices.

#### Challenges:

- increasing wages for individuals with disabilities;
- continuing to implement the order of selection consistently throughout the state;
- identifying employment opportunities in higher paying occupations; and
- providing VR, SE, and IL services in a predominately rural/frontier environment.

Performance: DRS has consistently met and/or exceeded the required performance on VR standards and performance indicators since FY 2000.

### SBVI Strengths, Challenges and Performance

#### Strengths:

- enhanced accountability of formula grants through monthly grant award reports;
- effective partnerships with the SRC, the SILC, stakeholders, and other state agencies;
- statewide partnerships with other service agencies and consumer organizations, including the SD School for the Blind; and
- productive working relationship with DRS to maximize VR resources.



Challenges:

- growing population of older individuals who are blind that outpaces the level of resources available to meet the service needs;
- identifying employment opportunities with medical benefits; and
- providing VR, SE, and OIB services in a predominately rural/frontier environment.

Performance: SBVI has consistently met and/or exceeded the required performance on VR standards and performance indicators since FY 2000.

**Table 13  
Summary of the Results of RSA’s Review**

<b>Division of Rehabilitation Services</b>		
<b>Program: VR</b>		
<b>Goal</b>	<b>Strategies</b>	<b>Technical Assistance</b>
1. Over the next three years, DRS will narrow the gap between the average hourly earnings of individuals exiting the VR program with a paid employment outcome and the state average hourly earnings, as addressed in Performance Indicator 1.5.	1. Maximize postsecondary training. 2. Identify higher paying positions. 3. Increase and strengthen transition services for students with disabilities. 4. Work with providers on increasing consumer earnings. 5. Operationalize MAWD to increase earnings. 6. Educate SSA recipients about ways to maximize earnings and retain benefits. 7. Review files of consumers earning less than minimum wage to determine improvement areas to increase earnings. 8. Monitor the impact of increases in minimum wage on average hourly earnings compared with benchmarks for FY 2006.	RSA will provide resources in the area of data analysis to enable DRS to continue to evaluate the impact of factors contributing to overall low wages.

<p>2. DRS will maintain and/or increase the average hours worked per week by individuals exiting the VR program with a paid employment outcome in order to improve their overall wages.</p>	<ol style="list-style-type: none"> <li>1. Educate SSA recipients about the benefits of employment and ways to maximize their work hours and retain benefits.</li> <li>2. Operationalize MAWD to increase the hours of employment.</li> <li>3. Review files of consumers working fewer than 10 hrs/wk to determine improvement areas to increase hours of employment.</li> <li>4. Assess the impact of increases in minimum wage on average hours worked for Transition, SSA, SE, and all cases, compared with FY 2006 benchmarks.</li> </ol>	<p>RSA will provide resources in the area of data analysis to enable DRS to continue to evaluate the impact of factors contributing to the number of hours worked, including data related to the impact of the increase in the federal minimum wage.</p>
<p>3. DRS will maintain and/or improve the employment rate of individuals with disabilities to address Performance Indicator 1.2.</p>	<ol style="list-style-type: none"> <li>1. Create partnerships with business community to increase employment outcomes.</li> <li>2. Support employer activities of hiring individuals with disabilities.</li> <li>3. Strengthen working relationships with entities, agencies and organizations to enhance the delivery of VR services to increase employment outcomes.</li> <li>4. Market individuals with disabilities to employers.</li> <li>5. Assess the impact of OOS to this performance indicator.</li> </ol>	<p>RSA will provide resources in the area of data analysis to enable DRS to continue to evaluate the impact of factors that influence the rehabilitation rate for specific populations.</p>
<p><b>DRS Recommendations</b></p>		
<p>Language in cooperative arrangements should be strengthened to clearly state that the services provided under these arrangements are not a responsibility of the cooperating agency and that only VR consumers, or those eligible for services, can be served under the cooperative arrangement.</p>		

<b>DRS Promising Practices</b>		
1. QA - service record review process		
2. Leveraging resources and maximizing access to services for transition youths through statewide partnerships		
3. Management information system: VR FACES--Fully Automated Computer Enhanced System.		
4. Internal financial reports.		
<b>Service to the Blind and Visually Impaired</b>		
<b>Program: VR</b>		
<b>Goal</b>	<b>Strategies</b>	<b>Technical Assistance</b>
1. SBVI will increase the rehabilitation rate for transition youths by one percent per year over the next three years.	<ol style="list-style-type: none"> <li>1. Identify students with disabilities in SD that can benefit from VR services provided by SBVI.</li> <li>2. Track the impact on outcomes based on the participation in Project Skills, Youth Leadership Forum, SBVI Summer Transition Program, and other transition programs.</li> <li>3. Revise activities in the programs above, as needed, to improve successful outcomes.</li> <li>4. Maximize access to postsecondary transition for transition youths.</li> </ol>	RSA will provide resources in the area of data analysis to enable SBVI to continue to evaluate the impact of factors that influence the rehabilitation rate for transition youths.
2. SBVI will improve the quality of employment outcomes by narrowing the gap between the average hourly earnings for SBVI participants and the average hourly wage for SD.	<ol style="list-style-type: none"> <li>1. Increase incentives to job placement providers to place VR participants in employment that above SGA.</li> <li>2. Maximize access to post-secondary training.</li> <li>3. Track hour and wage data for SBVI participants to determine the impact of increased minimum wages on overall wages.</li> <li>4. Increase the awareness of and access to medical benefits through the MAWD program.</li> </ol>	RSA will provide resources to SBVI in the area of data analysis to enable SBVI to continue to evaluate the factors contributing to overall low wages.

<p>3. SBVI will develop and implement a QA system to support SBVI in making program improvements in a consistent and measurable approach.</p>	<p>1. Develop a SBVI QA guide that outlines methods, procedures, and results.  2. Partner with other VR agencies for the blind to identify best practices for QA activities.  3. Partner with DRS for QA activities to ensure efficient use of resources.</p>	<p>RSA will provide TA resources to assist SBVI formalize its QA processes and timelines, develop a QA guide that outlines methods and procedures; identify model QA tools and plans; identify promising practices from other similarly situated VR agencies; and provide resources on promising models for assessing consumer satisfaction.</p>
<b>SBVI Promising Practices</b>		
1. Management information system		
2. QA – service record review process		
3. Leveraging resources and maximizing access to services for transition youths through statewide partnerships		
4. Internal financial reports		
<b>Program: Part B IL Program</b>		
Goal	Strategies	Technical Assistance
<p>Goal 1a: CILs will maintain and/or increase the current level of IL services provided by IL service providers to persons with significant disabilities in SD.  Goal 1b: CILs will expand access to IL services to unserved and underserved populations, including war veterans, older individuals who are blind, Native Americans residing on reservations, and youths with disabilities.</p>	<p>1. CILs will improve access to assistive technology services and telecommunications devices through Dakota Link and TAD.  2. CILs will develop and implement outreach strategies to unserved and underserved populations in South Dakota.  3. CILs will continue to leverage resources through collaboration, cooperation, and coordination with other state agencies, community entities and organizations that serve persons with disabilities.  4. CILs will continue to</p>	<p>RSA will provide TA resources in the areas of outreach to unserved and underserved populations and resource development, including the exchange of practices with other states.</p>

	<p>expand resource development initiatives.</p> <p>5. SILC and CILs will increase community awareness and knowledge of disability through activities such as workshops and other public functions.</p> <p>6. SILC, DSUs and CILs will provide ongoing training to IL staff, including training on meeting the diverse service needs of minority and disability populations.</p> <p>7. CILs will expand systems advocacy activities to mobilize consumers to educate legislators and other lawmakers about the IL service priorities and funding needs in the state.</p>	
<p>2. SILC, DSUs and CILs will improve IL program accountability through the development and implementation of a statewide uniform reporting system for the collection of IL data.</p>	<p>1. SILC and DSU will collaborate with CILs to assess computer capability, staff expertise, and reporting requirements.</p> <p>2. SILC, DSUs, and CILs will identify resources (funding) to support the development of the data system.</p> <p>3. SILC, DSUs, and CILs will develop uniform definitions for IL services.</p> <p>4. SILC, DSUs, and CILs will identify technical expertise to identify and/or develop a data management system that</p>	<p>RSA will provide resources on other states that have developed uniform definitions for IL services and provide TA resources from the IL Training and Technical Assistance grant and other sources to assist them in developing uniform definitions. RSA will also provide resources related to IL information management systems.</p>

	<p>accommodates the reporting needs of the CILs.</p> <p>5. SILC, DSUs, and CILs will develop and implement a plan to train staff on how to use the new reporting system, including how to record IL services.</p>	
<p>3. SILC and DSUs will provide resources and training to increase the SILC’s knowledge and understanding of its required statutory roles and responsibilities.</p>	<p>1. RSA will provide training and TA resources to SILC members to increase their knowledge of SILC roles and responsibilities.</p> <p>2. SILC and DSUs will identify sufficient resources in the SILC resource plan to allow for the necessary training and TA of SILC members and staff to fulfill their roles and responsibilities.</p>	<p>RSA will coordinate TA resources through the IL Training and TA grant and other sources to train the SILC on roles and responsibilities and promote the exchange of promising operational practices through teleconferences with SILCs in other states.</p>
<b>IL Promising Practices</b>		
<p>1. SILC administrative support contract with the SD CCD to ensure SILC autonomy and provide timely reimbursement to SILC members.</p>		
<p>2. Collaborative IL service delivery model among DSUs, SILC and CILs.</p>		
<b>Program: OIB</b>		
<b>Goal</b>	<b>Strategies</b>	<b>Technical Assistance</b>
<p>1. SBVI will increase the number of older individuals served.</p>	<p>1. The OIB program will leverage resources through increased collaboration, cooperation, and coordination with CILs.</p> <p>2. CILs will provide peer support to older blind individuals.</p> <p>3. The OIB staff will provide training to CIL staff to prepare them to work with older individuals who are blind</p>	<p>RSA will coordinate TA resources with the SD OIB program from the Rehabilitation Research and Training Center on Blindness and Low Vision at Mississippi State University, APRIL, the IL training and technical grant, and other sources as appropriate.</p>

	or visually impaired.	
<b>OIB Promising Practices</b>		
1. Closed circuit television distribution program to increase access to information.		

**APPENDIX**

**DATA TABLES**

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**Table 14 DRS: Wage Analysis for Successful Closures, FY 2006**

<b>Wage Range</b>	<b>Un paid</b>	<b>\$0.01~ &lt;min wage</b>	<b>min wage ~ \$10</b>	<b>\$10.01~state avg. wage</b>	<b>&gt;state avg. wage~\$20</b>	<b>\$20.01 ~ \$30</b>	<b>\$30.01 &amp; above</b>	<b>Column Sub-Total</b>
<b>Number of employment outcomes:</b>								
Without support	0	3	486	60	21	5	1	576
With support	0	8	259	4	0	1	0	272
Self employment	0	1	9	0	1	0	0	11
BEP	0							0
Homemaker/unpaid	0							0
<i>Category Sub-Total</i>	0	12	754	64	22	6	1	859
<b>Disability:</b>								
Visual	0	0	10	3	0	0	0	13
Communication	0	0	19	3	2	0	0	24
Physical	0	3	181	31	12	3	1	231
Cognitive	0	6	309	17	4	1	0	337
Mental/emotional	0	3	235	10	4	2	0	254
<i>Category Sub-Total</i>	0	12	754	64	22	6	1	859
<b>Services: (Note: Overlaps occur when a client received more than one service.)</b>								
Job related training	0	10	599	31	9	2	0	651
Post secondary ed	0	1	63	20	7	1	1	93
Other training	0	2	329	31	9	2	0	373
Rehab technology	0	1	68	14	5	1	0	89
Restoration	0	0	114	9	3	1	0	127
Personal assistance	0	0	10	2	0	0	0	12
<b>Others:</b>								
Average hours worked	0	21.2	26.8	38.0	37.5	28.7	40.0	27.9
Average weekly wage	0	\$60.9	\$195.4	\$443.7	\$604.7	\$680.8	\$2,094.0	\$228.1
SSI/SSDI at exit	0	9	363	9	1	1	0	383
Transition age at application	0	1	238	25	10	1	1	276
Working at application	0	6	210	21	10	3	1	251
Average cost per case	0	\$4,930.5	\$4,023.4	\$6,361.0	\$10,166.4	\$7,601.2	\$11,881.0	\$4,401.7

**Table 15 SBVI: Wage Analysis for Successful Closures, FY 2006**

<b>Wage Range</b>	<b>Un paid</b>	<b>\$0.01~&lt;min wage</b>	<b>min wage ~ \$10</b>	<b>\$10.01~state avg. wage</b>	<b>&gt;state avg. wage~\$20</b>	<b>\$20.01 ~ \$30.01 &amp; \$30</b>	<b>above</b>	<b>Column Sub-Total</b>
<b># of employment outcomes:</b>								
Without support	0	2	48	11	8	1	1	71
With support	0	0	10	1	0	2	0	13
Self employment	0	0	5	1	0	1	0	7
BEP	0							0
Homemaker/unpaid	5							5
<i>Category Sub-Total</i>	0	2	63	13	8	4	1	96
<b>Disability:</b>								
Visual	5	2	61	13	8	4	1	94
Communication	0	0	1	0	0	0	0	1
Physical	0	0	1	0	0	0	0	1
Cognitive	0							0
Mental/emotional	0							0
<i>Category Sub-Total</i>	0	2	63	13	8	4	1	96
<b>Services: (Note: Overlaps occur when a client received more than one service.)</b>								
Job related training	1	0	33	4	2	1	1	42
Post secondary ed	0	0	1	4	3	1	0	9
Other training	3	0	23	5	3	2	0	36
Rehab technology	3	1	23	10	7	2	1	47
Restoration	4	2	43	7	4	1	0	61
Personal assistance	1	0	0	1	0	0	0	2
<b>Others:</b>								
Average hours worked	0	40.0	31.7	33.3	41.3	30.8	40.0	31.3
Average weekly wage	\$0.0	\$92.5	\$251.0	\$384.4	\$663.8	\$662.8	\$1,320.0	\$315.4
SSI/SSDI at exit	1	1	21	2	1	1	0	27
Transition age at application	0	0	5	3	2	1	0	11
Working at application	0	1	29	6	5	3	1	45
Average cost per case	\$12,271.8	\$2,017.5	\$4,582.2	\$9,338.1	\$12,122.3	\$3,943.3	\$3,632.0	\$6,165.1

Please take a moment to participate in a survey about RSA's performance on the FY 2007 monitoring of Vocational Rehabilitation agencies.

Visit <http://www.ed.gov/rschstat/eval/rehab/107-reports/2007/survey.html>