

**RSA Fiscal Year 2009 Monitoring
Protocol for Reviews of
State Vocational Rehabilitation and
Independent Living Programs**



**U.S. Department of Education
Office of Special Education and
Rehabilitative Services
Rehabilitation Services Administration
October 2008**

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Introduction

Section 107 of the *Rehabilitation Act of 1973, as amended* (Rehabilitation 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 Rehabilitation 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 Rehabilitation Act and with the Evaluation Standards and Performance Indicators established under Section 106. RSA has developed this monitoring protocol to fulfill the requirements of Section 107 of the Rehabilitation Act. In addition, this protocol will assist the Commissioner in assessing the degree to which programs offered under Title VI, Part B, of the Rehabilitation Act are substantially complying with their respective State Plan assurances and program requirements. In order to achieve this purpose, RSA will collect and analyze information related to performance and compliance.

The monitoring process will also encompass the State Independent Living Services (SILS) and the Independent Living Services for Older Individuals who are Blind (OIB) programs authorized under chapters 1 and 2 of Title VII of the Rehabilitation Act. RSA will also monitor the performance of the designated state units and the Statewide Independent Living Councils (SILCs) to determine compliance with and performance on the assurances contained within the State Plan for Independent Living (SPIL).

Scope and Nature of Review

RSA will conduct periodic reviews of all Titles I, VI-B, VII-B and VII, Chapter 2, programs. Approximately one-quarter of all states and territories will be monitored in each fiscal year.

The monitoring process begins in October and ends the following September with the issuance of the final monitoring report. Between October and September, RSA, the designated state agency (DSU), and stakeholders engage in a variety of information collecting, sharing and analyzing activities including at least one week when the RSA review team conducts an on-site review. While the on-site review is one of a number of key review activities in the monitoring process, the monitoring process includes a number of activities in addition to the on-site review.

States are selected for periodic monitoring with attention to monitoring an equal number of states each year. At the same time, circumstances may require RSA and a DSU to conduct a review more than once every four years for a variety of reasons including, but not limited to: the DSU requesting more immediate assistance; the DSU experiencing issues that require immediate attention, such as issues involving fiscal management; inability to meet the standards and indicators over several years; or the adverse impact on a DSU's operations resulting from catastrophic natural disasters. A non-scheduled full review is less likely than is the provision of substantial technical assistance (TA) to meet specific and pressing agency needs.

If there are two agencies in a state providing VR services, one to individuals who are blind and visually impaired and the other to individuals with all other disabilities, both agencies will be reviewed in the same year and addressed in the same report. In accordance with Section 107, in addition to the periodic onsite reviews, RSA will issue annual reports covering the previous fiscal year to all DSUs, including those that are monitored.

Focus areas for the periodic monitoring review will be individually tailored to the state under review. The review process takes into account the unique demographic, economic and geographic circumstances of each state. Although focus areas may vary, RSA's review protocol is governed by those program and fiscal areas highlighted in Section 107, which include compliance with and performance on the State Plans for VR and IL.

During the review process, RSA will ask the DSU to identify promising practices that can be shared with all states. Practices will be considered promising if they have been evaluated by the DSU and have a record of success.

While only RSA staff will carry out monitoring activities, the review process is supported and strengthened by collaboration with key state agency staff, as well as other stakeholders. Input will be solicited from the State Rehabilitation Councils (SRC), SILCs, Client Assistance Programs, consumer groups, service providers and other stakeholders whenever appropriate.

RSA will also work with the DSU to identify any TA needs that RSA can provide during the review as well as after the review process is completed. During the review process. Following the review RSA will compile all TA requests and work with the Technical Assistance and Continuing Education (TACE) centers, funded under Title III of the Rehabilitation Act, to ensure that TA needs are incorporated into the TACE annual work plans.

Overview of the Review Process

This protocol provides DSUs and stakeholders with the steps in the process that RSA will take to:

- review the state agency's performance in assisting eligible individuals with disabilities to achieve high-quality employment and independent living outcomes;
- determine if the state agency is complying substantially with the provisions of its State Plan assurances;
- identify promising practices;
- identify areas of performance that have improved or need to be improved;
- recommend strategies to improve performance;
- require corrective actions in response to compliance findings; and
- provide TA during the review process and offer to provide TA after the review process in order to improve the DSU's performance and assist the DSU to take effective corrective actions.

RSA will focus its review on those aspects of the programs identified in Section 107 of the Rehabilitation Act, which states:

In conducting reviews under this section the commissioner shall consider, at a minimum:

- state policies and procedures;
- guidance materials;
- decisions resulting from hearings conducted in accordance with due process;
- state goals established under section 101(a)(15) and the extent to which the state has achieved such goals;
- plans and reports prepared under section 106(b);
- consumer satisfaction reviews and analyses described in section 105(c)(4);
- information provided by the State Rehabilitation Council (SRC) established under section 105, if the state has such a council, or by the commission described in section 101(a)(21)(A)(i), if the state has such a commission;
- reports; and
- budget and financial management data.

RSA will draw on a variety of sources when seeking to identify issues warranting further investigation. In accordance with Section 107 of the Rehabilitation Act and RSA monitoring practices, these sources can include, but are not limited to:

- the SRC;
- the Statewide Independent Living Council (SILC);
- VR and IL service providers;
- RSA data;
- the State Plans for VR and IL;
- the DSU's policies and procedures;
- public hearings or other discussions with consumers and advocates;
- individual case files, including individualized plans for employment and ineligibility determinations, as well as independent living plans; and
- discussions and meetings with qualified VR counselors, supervisors, and other agency personnel.

Because the purpose of the monitoring process is to assess the performance of a state's VR and IL programs and whether a state is complying with the VR and IL State Plans, the performance and compliance issues identified for review will be particular to each state.

RSA will evaluate the performance of the VR and IL programs in each state on:

- federally established standards and indicators;
- the goals, objectives, and priorities included in the VR and IL State Plans;
- RSA's VR program strategic performance plan goals and objectives; and
- performance data collected by either RSA or the agency.

Performance is broadly defined as the effective management of available resources to achieve quality employment and independent living outcomes.

RSA will evaluate compliance with the VR State Plan by determining, in part:

- (1) whether the assurances that the DSU provides in its State Plan are valid, with particular attention to eligibility, development and implementation of the Individualized Plan for Employment (IPE), and the provision of services; and
 - (2) if the state is under an order of selection, verification that it is following requirements regarding the order of selection set forth in Section 101(a)(5)(A).
- RSA will also monitor compliance with the assurances contained in the SPIL. In the case of the SILS program, Title VII of the Rehabilitation Act gives the SILC joint responsibility with the DSU in developing, signing and submitting the SPIL. Several SPIL assurances relate directly to the SILC membership and operation, including its resource plan and staff. Therefore, RSA's on-site review of the state's compliance with the SPIL assurances will necessarily involve a review of the SILC, as well as the DSU. RSA will review the relationship between the SILC, Centers for Independent Living (CILs), and the DSU.
 - RSA will gather information in order to understand how the agency's different systems function and work together to maximize performance and ensure compliance with the VR and IL State Plans and the program requirements, particularly as they relate to the VR and IL processes.
 - After soliciting input and responses to the draft monitoring report, a final monitoring report will be issued no later than September 30th of the fiscal year in which the agency is reviewed. The report will include, but not be limited to:
 - observations regarding the areas of performance that have improved or need to improve;
 - promising practices;
 - recommendations on steps the DSU can take to improve VR and IL program performance;
 - the agency's response to RSA's observations and recommendations;
 - whether the DSU would like TA to carry out RSA's recommendations or carry out its corrective actions;
 - areas of compliance that require the agency to take corrective action in order to be in compliance with the agency's VR and IL State Plans, as well as the Rehabilitation Act and its governing regulations; and
 - corrective actions that must be taken to address findings of noncompliance.

Following the issuance of the report, if requested by the DSU, RSA will continue to provide TA and will work jointly with the DSU to improve its performance and take corrective action to address findings of noncompliance.

In addition to assessing the progress toward achieving State Plan goals and priorities, the TA given in the course of the review may also provide DSUs with valuable input toward refining these goals and priorities or the strategies to achieve the goals.

The next section of the monitoring protocol describes each step in the review process, with attention to the participants in each step, and the resources that will be utilized.

Monitoring Process Steps

The following is a description of the steps that the RSA state teams will follow through the course of the monitoring cycle.

Typically, state team representatives from either the VR or TA Units within RSA's State Monitoring and Program Improvement Division (SMPID) will take the lead in the monitoring efforts, and will work in collaboration with the RSA state team representatives from the remaining functional units, including IL, Fiscal and Data Collection and Analysis Units.

The state team representatives from the VR, IL, TA, Fiscal, and Data Collection and Analysis units will be responsible for identifying issues and resources pertaining to the work of their respective units. Each of the units will assist their team members in identifying resources, highlighting issues to pursue, seeking sources of information, analyzing the information gathered, and suggesting solutions and strategies for addressing any areas of compliance or performance that require further investigation and possible corrective action. The state team will utilize the input from the different units to assist in identifying focus areas for the state review.

The process is intended to allow for the maximum input from stakeholders throughout the course of the monitoring cycle. Stakeholders will serve as a resource for information as the state teams carry out their reviews and will, whenever appropriate, contribute suggestions to the manner in which state agencies can improve performance.

Step 1: RSA state team planning

At this initial planning phase, the RSA state team will:

- a plan for the periodic review, which may include timelines, work assignments, and other managerial details;
- develop a list of available data and information resources at the beginning of the process; and
- discuss possible VR, TA, fiscal or IL issues based on in-hand information.

The team will review the steps in the process and make certain that each member understands his or her role. The leader of the review will inform the DSUs and other stakeholders that the process is underway and that he or she will routinely contact them as the review progresses.

Stakeholders other than state VR agencies include:

- SRCs;
- SILCs;
- CILs;
- designated state agencies (DSA);
- community rehabilitation programs (CRP) and other VR and IL service providers;
- independent commissions;
- consumer advocacy groups, including state coalitions of citizens with disabilities;
- individuals receiving services through the VR and IL programs;
- state Workforce partners;
- governor-appointed disability councils;
- Client Assistance Programs (CAP);
- the Protection and Advocacy for Individual Rights (PAIR) program and other protection and advocacy grantees; and
- other pertinent state agencies and organizations involved in the rehabilitation and independent living of individuals with disabilities, including state agencies for individuals who are deaf and hard of hearing, state special education agencies, and developmental disability councils.

Step 2: Collection of performance and compliance-related information

The state team will gather and collate performance and compliance-related information about the VR, Supported Employment (SE), IL, and OIB programs. Using the Monitoring Information Guide, state team members will assist in gathering this information about the state systems, and together the team will identify potential performance and compliance issues to be reviewed with the agency.

Most of the materials used for analyzing performance and compliance are maintained on RSA's Management Information System (MIS) from which each unit will obtain information needed for its contribution to the team's monitoring plans. Much of the data are generated from the databases produced from the completed forms and reports submitted to RSA, such as the Financial Status Reports (SF-269), Annual VR Program/Cost Report (RSA-2), Quarterly Cumulative Caseload Report (RSA-113), Case Service Report (RSA-911), and other program and fiscal reports. Most data are contained in a continually updated database maintained for each state. RSA makes public all data through the sharing of information with relevant stakeholders and by publishing annual reports, monitoring reports, and corrective action plans on the RSA website.

During this stage of the review, the state team will analyze the general focus areas listed below, using the identified resources. Other sources may be utilized to screen for issues, but those identified below will provide a comprehensive picture of the general state of VR and IL activities. The units and teams will then further analyze all available resources as focus areas are identified. The following list is not meant to be exhaustive, but illustrative.

Possible Focus areas:

- eligibility, service provision and order of selection;
- progress toward achieving goals and priorities in the VR and IL State Plans;
- relationships among VR and IL state partners, including the DSA, designated state unit, SRC, and SILC;
- personnel and staffing issues, including progress in meeting Comprehensive System of Personnel Development (CSPD) requirements; and
- practices that facilitate the agency's ability to comply with program requirements, meet performance standards, and achieve quality employment and independent living outcomes for individuals with disabilities.

Resources for preliminary analysis:

- RSA performance data, e.g., federally established standards and indicator measures;
- state VR written service policies, procedures, and forms;
- state IL written policies and procedures involving the state agency and the SILC;
- policies and practices pertaining to the provision of services to transition-age youths; findings resulting from state program and fiscal audits required by OMB Circular A-133;
- VR and IL outcome data captured by RSA and state agency data reports;
- interagency and third-party cooperative agreements;
- the comprehensive statewide assessment report;
- state economic indicators;
- statewide disability demographics;
- the SRC Annual Report;
- the Annual CAP report (RSA-227);
- DSU annual reports;
- results of consumer satisfaction surveys;
- the RSA Management Information System (MIS);
- records of TA provided to the state;
- prior years section 107 monitoring reports and corrective action plans;
- quarterly cumulative caseload reports (RSA-113);
- RSA monitoring tables (911 data);
- VR and IL State Plan goals and priorities;
- annual Section 704 Part I and II Performance Reports;
- input from stakeholders;
- order of selection information; and
- grant award, match, and maintenance of effort information.

The RSA review lead will inform DSUs and other stakeholders of the information gathered about the DSU and its organizational systems and the potential issues identified at this stage of the process, and request any updates as appropriate.

Step 3: Screening of potential topic areas to identify areas of low performance, improved performance, promising practices, and non-compliance

The functional units will develop screening tools and analyze information to identify issues of concern related to the agency's performance and compliance with the VR and IL State Plans. In addition, the functional units will use the screening tools to determine areas of high performance, defined as any area in which the state is improving its performance compared to previous years and with other states similarly situated.

Similarly situated means:

- DSUs that are comparable with respect to the amount of their grant awards, the number of individuals served, and the number of staff;
- states that share similar geographic characteristics, such as the division among urban and rural areas;
- challenges related to delivering services across great distances;
- states with similar disability and ethnic demographics; or
- states with similar economic indicators, such as unemployment rates, wages, and job growth sectors.

The intent of looking at similarly situated states is to provide broader context for the data analysis, while still considering the unique characteristics of the state. An DSU may wish to customize the analysis by comparing its own performance to that of those states it believes best mirror that given state's characteristics. Comparative analysis may also lead to the identification of promising practices that can be shared with other DSUs.

Using the Monitoring State Agency Information Guide (MSAIG), the review team will gather information in order to understand how the DSU's different systems function and work together to maximize performance and ensure compliance with the State Plans and program requirements, particularly as they relate to the VR and IL processes. These systems include, but are not limited to:

- the comprehensive system of personnel development;
- the case management system;
- the service delivery system;
- the fiscal management system;
- the data collection and analysis system; and
- the quality assurance system.

In addition, the state team will also gather information on the agency's policy and planning processes, and its various procedures for internal and external communication.

Through further use of the MSAIG and other resources, review team representatives from each of the SMPID functional units will gather data and information pertinent to their program areas, which they will use as part of the team's assessment of the VR and IL

programs and to highlight areas where more information is needed. The review lead will be responsible for compiling the information collected by the team members into one document.

The VR Unit, in addition to analyzing information related to the systems referred to above will use other information resources to screen for issues related to performance on standards and indicators and other measures from the RSA monitoring tables. This will enable the state team to uncover explanations for a DSU's performance on a given indicator, and will also allow for analysis of other issues that will have an impact on an agency's performance, such as allocation of fiscal and human resources.

The Fiscal Unit will identify potential performance issues and promising practices by reviewing the results of performance measures significantly at variance with computed national averages. Fiscal unit staff will analyze data gathered over several fiscal years to determine performance trends on such issues as:

- grant information including carryover;
- an analysis of the sources of matching funds;
- an analysis of indirect costs to total grant amount;
- an analysis of program income to total grant amount;
- the percentage of reported matching funds from un-liquidated obligations;
- funds relinquished through the re-allotment process;
- maintenance of effort (MOE) penalties; and
- prior fiscal and program audit findings.

The Data Unit will also assist the state team to identify performance issues and promising practices by reviewing the results of performance measures significantly at variance with computed national averages. The data unit staff will analyze data gathered over several fiscal years to determine performance trends on such issues as:

- types of services provided and expenditures on these services;
- staff composition;
- year-end statuses for the individuals participating in the VR program;
- measures of efficiency;
- number and types of employment outcomes;
- disability populations served; and
- specific categories of individuals served, including transitioning youth and individuals receiving social security benefits related to their disabilities.

The IL Unit will conduct an analysis of the systems referred to above and identify issues of compliance and performance related to the agency's delivery of IL services, such as:

- SILC autonomy, independence, and performance of statutory duties;
- Working relationships between the state agency, the SILC, the CILs, and other entities;

- compliance with assurances related to service provision, eligibility, consumer service records, SILC membership, and financial accountability;
- implementation of the SPIL financial plan;
- appropriate uses of Part B funds (as authorized under Title VII, Chapter 1 of the Rehabilitation Act); and
- amendments to the SPIL.

The review lead will share with the state agency and appropriate stakeholders, such as the SRC and SILC, the results of the initial screening and will solicit feedback and clarification.

The review team will ask the DSU to identify any promising practices and describe the evaluation methods that have been used to determine that the practices have been successful.

Step 4: Identification and sharing of compliance and performance focus areas for review

After incorporating feedback from stakeholders, the RSA team will identify the focus areas that will constitute the major components of the review.

The review lead will share with the DSU and stakeholders the list of focus areas of the review to be further analyzed through the following steps of the monitoring process.

Step 5: Preparation for and implementation of monitoring activities including the on-site review

The review teams will identify the materials and methods best suited to gather the information needed to review the programmatic and fiscal issues identified through the use of the Monitoring information guide and other resources.

Monitoring activities may include:

- use of monitoring modules from RSA's monitoring and technical assistance guides (MTAG) developed in prior years;
- review of information developed by the DSU, for example, the results of quality assurance activities conducted through the course of the review year;
- on-site activities further described below;
- review of VR and IL written policies and procedures;
- the development of new TA and monitoring modules; and
- any other activities germane to the review.

The RSA review lead will work with the DSU to mutually agree on the dates for the on-site review. The purpose of the on-site review will be to increase the knowledge base of the team regarding how the DSU operates its programs, why the agency is achieving at its various performance levels, and potential compliance issues.

The on-site review will include an entrance and an exit conference. During the entrance conference RSA team will present an overview of what the team has learned about the agency's performance and identify what it hopes to learn while on-site. During the exit conference, the RSA team will present what it has learned during the on-site and describe the next steps in the review process. In addition to representatives of the DSU, representatives of the SRC, SILC, and Designated State Agency (DSA) will be invited to the entrance and exit conference. In addition, a representative of the regional TACE project will be invited to observe the exit conference.

On-site activities may include:

- targeted service record reviews;
- public hearings;
- meetings with SRCs, SILCs, and VR and IL staff, including counselors and supervisors;
- visits to community rehabilitation programs or other contracted service providers;
- meetings with special education officials, teachers or parents of children with disabilities;
- meetings with DSA representatives and representatives of other public and private agencies that play a role in the delivery of VR and IL services;
- the RSA review lead regularly communicating with the DSU director regarding the information that the team is learning; and
- examination of supporting documentation for submitted SF-269s and RSA-2s, as well as discussions regarding cost-allocation plans, OMB payroll requirements and other fiscal issues.

Step 6: Development of draft observations, recommendations, compliance findings, and corrective actions

Based on the information that RSA has collected up to this point in the review, the RSA team will develop draft observations, recommendations, compliance findings, and corrective actions.

An observation describes a performance area that needs to be improved.

Recommendations are activities or strategies that RSA suggests that the agency undertake in order to improve its performance.

A compliance finding identifies the violation of a legal requirement.

A corrective action describes what the agency must do in order to meet the legal requirement.

Step 7: Development and issuance of a draft report

The review team composes a report that, in addition to the observations, recommendations, compliance findings, and corrective actions provides data on the agency's performance, briefly describes its organizational and operational structure, and major components of it. A file with the FY 2009 draft report template is attached in order to provide information about the specific content that is included in the report.

Each member of the review team will prepare an analysis of the review pertaining to his or her area of expertise, and contribute to the preparation of a draft report that includes draft observations, recommendations, compliance findings and corrective actions for each program area.

RSA will incorporate into one report all monitoring results for both agencies serving individuals who are blind and visually impaired and serving individuals with all other disabilities, for those states that have established more than one agency to carry out the VR and IL programs.

By July 31, 2009, the review lead will send a draft report to the DSU for review. This draft will also be shared with SRCs and SILCs. DSUs will have until August 21, 2009 to:

- review the draft report and inform the RSA review leader of any factual inaccuracies contained in the draft report;
- provide a written response (that will be included in the final report) to each observation and recommendations; and
- indicate whether or not the DSU requests TA to implement each recommendation or corrective action.

Step 8: Preparation and Issuance of the final report

The state team will prepare a final monitoring report and work with the DSU to ensure that all factual errors in the draft report have been corrected. The review team and the DSU will discuss the agency's response and requests for TA in order to ensure that the report accurately captures this information.

By September 15, 2009 RSA will issue the final report on its MIS and email the DSU, the DSA, the SRC, the SILC, and other stakeholders with a link to the report. This email will also provide a link to an evaluation survey of RSA's monitoring process and encourage respondents to complete the survey.

Step 9: Development and provision of technical assistance

Once the monitoring report is finalized, the RSA TA Unit representative on each review team will compile all identified TA requests from the report.

The TA unit, together with the review team, will work with the TACE centers to ensure that the TA and continuing education needs identified during the monitoring process are provided to the TACE centers and included in their annual work plan that is finalized in the first quarter of the following federal fiscal year.

Action steps resulting from observations or findings may include:

- the updating of goals and priorities as reflected in the VR or IL state plans, and the strategies for achieving state goals and priorities;
- amending policies and written procedures;
- adoption of quality assurance procedures;
- structural changes, such as agency organization, staffing, nature and scope of relations with other entities; and
- amendments to the SPIL or VR state plan.

The TA unit, together with the review team, will track the progress in addressing the TA and continuing education needs through periodic reports provided by the TACE centers.

Step 10: Development, implementation, and evaluation of corrective action plans (CAPs)

In the report, RSA may identify one or more compliance findings that require that the DSU take corrective action. If the report has one or more compliance findings, the DSU must develop a CAP for RSA's review and approval that includes specific steps the agency will take to complete the corrective action, the timetable for completing those steps, and the methods the agency will use to evaluate whether the compliance finding has been resolved. RSA anticipates that the CAP can be developed within 45 days of the date the final report is issued. RSA is available to provide TA to assist during the development process.

The DSU will provide RSA with periodic updates on the progress that the agency is making in completing the CAP. When the CAP has successfully met its evaluation criteria, RSA will issue a letter indicating that the CAP has been successfully completed.