

**FISCAL YEAR 2018
MONITORING REPORT
ON THE
LOUISIANA REHABILITATION SERVICES
(LRS)
VOCATIONAL REHABILITATION
AND
SUPPORTED EMPLOYMENT PROGRAMS**



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

January 13, 2020

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SECTION 1: THE FEDERAL MANDATE AND SCOPE OF THE REVIEW

A. Background

Section 107 of the Rehabilitation Act of 1973 (Rehabilitation Act), as amended by Title IV of the Workforce Innovation and Opportunity Act (WIOA), requires the Commissioner of the Rehabilitation Services Administration (RSA) to conduct annual reviews and periodic on-site monitoring of programs authorized under Title I of the Rehabilitation Act to determine whether a vocational rehabilitation (VR) agency is complying substantially with the provisions of its State Plan under Section 101 of the Rehabilitation Act and with the evaluation standards and performance indicators established under Section 106 of the Rehabilitation Act subject to the performance accountability provisions described in Section 116(b) of WIOA. In addition, the Commissioner must assess the degree to which VR agencies are complying with the assurances made in the State Plan Supplement for Supported Employment Services under Title VI of the Rehabilitation Act.

Through its monitoring of the State Vocational Rehabilitation Services program (VR program) and the State Supported Employment Services program (Supported Employment program) administered by Louisiana Rehabilitation Services (LRS) in Federal fiscal year (FFY) 2018, RSA—

- Assessed the performance of the VR and the Supported Employment programs with respect to the achievement of quality employment outcomes for individuals with disabilities, including those with significant and most significant disabilities; and
- Identified strategies and corrective actions to improve program and fiscal performance related to the following focus areas:
 - Performance of the VR Program;
 - Transition Services, including Pre-Employment Transition Services, for Students and Youth with Disabilities;
 - Supported Employment Program;
 - Allocation and Expenditure of VR and Supported Employment Program Funds; and
 - Joint WIOA Final Rule Implementation.

In addition, RSA reviewed a sample of individual case service records to assess internal controls for the accuracy and validity of Case Service Report (RSA-911) data and provided technical assistance to the VR agency to enable it to enhance its performance.

The nature and scope of this review and the process by which RSA carried out its monitoring activities, including the conduct of an on-site visit from March 13 through March 16, 2018, is described in detail in the [FFY 2018 Vocational Rehabilitation Program Monitoring and Technical Assistance Guide](#).

B. Review Team Participants

Members of the RSA review team included Jim Doyle, Christy Cavataio, and Sam Pierre (Vocational Rehabilitation Program Unit); Craig McManus (Fiscal Unit); Jason Hunter (Technical Assistance Unit); and Rimal Desai (Data Collection and Analysis Unit). Although not all team members participated in the on-site visit, each contributed to the gathering and analysis of information, along with the development of this report.

C. Acknowledgements

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

SECTION 2: FOCUS AREA – PERFORMANCE OF THE STATE VOCATIONAL REHABILITATION SERVICES PROGRAM

A. Purpose

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

B. Analysis of the Performance of the VR Program

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

The VR Process

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

During and following the period covered by this review, LRS opened and closed priority categories in accordance with its order of selection (OOS) policy. On March 1, 2016, LRS closed all OOS priority categories. The priority categories remained closed until June 3, 2016, when the agency fully opened priority category I and began serving category II from its wait list. On February 22, 2017, LRS again closed all OOS priority categories. The categories remained closed through September 2017, but the agency began releasing individuals from its priority category I wait list, contacting 1,019 individuals. In October 2017, LRS contacted an additional 605 individuals on its priority category I wait list. LRS fully opened its priority category I on November 8, 2017, and began contacting the remaining 795 individuals from its priority category I wait list, while all other priority categories remained closed. Overall, the number of individuals on the wait list at year-end increased significantly from 191 in FFY 2015, to 1,785 in FFY 2017.

LRS reported a downward trend in the total number of applicants and eligible individuals during the review period. For the period FFY 2015 through FFY 2017, the total number of applicants decreased from 8,762 to 5,581, a 36 percent decrease; and the total number of eligible individuals decreased from 9,305 in FFY 2015, to 6,775 in FFY 2017, a 27 percent decrease. The percentage of eligible individuals under an approved individualized plan for employment (IPE) who received no services increased from 27.2 percent to 45.5 percent and the number of individuals in plan receiving services decreased from 11,762 in FFY 2015, to 9,204 in FFY 2017. LRS attributed the overall downward trend in performance to the closing of priority categories in the agency's OOS and the increased focus on the provision of pre-employment transition services to students with disabilities. LRS reported that it has not implemented any new strategies to retain individuals, indicating that it has tried to maintain regular contact with individuals throughout the VR process.

Employment Outcomes

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

LRS' employment rate for all individuals decreased substantially from 64.0 percent in FFY 2015, to 48.9 percent in FFY 2016, and to 35.9 percent in the first three quarters of FFY 2017. The number of individuals with disabilities exiting with an employment outcome whose service records were closed during the review period (October 1, 2015 through June 30, 2017) decreased from 2,347 (33.0 percent) in FFY 2015, to 2,282 (28.2 percent) in FFY 2016, and 1,409 (22.0 percent) in the first three quarters of FFY 2017. Of those individuals exiting with employment outcomes, the percentage who exited with competitive employment remained stable over the review period, ranging from 97.7 percent in FFY 2015, 98.0 percent in FFY 2016, and 97.9 percent in the first three quarters of FFY 2017.

Individuals below the age of 25 showed similar trends over the review period. The employment rate decreased from 59.8 percent in FFY 2015, to 39.6 percent in FFY 2016, and to 38.5 percent in the first three quarters of FFY 2017, and the percentage of individuals under the age of 25 who exited with competitive employment outcomes increased slightly from 95.4 percent in FFY 2015, to 96.1 percent in FFY 2016, and to 96.5 percent in the first three quarters of FFY 2017.

On average, the percentage of individuals achieving competitive employment outcomes meeting substantial gainful activity (SGA) was 61.0 percent over the review period. Nearly one-quarter of individuals achieving competitive employment outcomes received employer-provided medical insurance. The median hourly earnings for individuals achieving competitive employment outcomes increased slightly from \$9.35 in FFY 2015, to \$9.92 in FFY 2016, and reached \$10.00 in the first three quarters of FFY 2017. The median hours worked remained at 35 hours across the review period.

The percentage of individuals below the age of 25 achieving competitive employment outcomes with earnings that met SGA was considerably lower than the overall percentage, ranging from 43.9 percent in FFY 2015, to 46.2 percent in the first three quarters of FFY 2017. Additionally, the median hourly earnings were lower for this group as well, increasing slightly from \$8.00 in

FFY 2015, to \$8.52 in the first three quarters of FFY 2017. The median hours worked (30.0 throughout the review period) also fell below the performance for all individuals.

The number of individuals who achieved supported employment outcomes decreased from 450 individuals in FFY 2015, to 334 individuals in FFY 2016. Of these supported employment outcomes, 95.6 percent were in competitive employment in FFY 2015, which increased to 97.3 percent in FFY 2016. In the first three quarters of FFY 2017, 54 individuals achieved supported employment outcomes with 52 of these in competitive employment, indicating a substantially declining trend in the number of individuals achieving supported employment outcomes. Additionally, the median hourly earnings ranged from \$8.00 in FFYs 2015 and 2016, to \$8.52 in the first three quarters of FFY 2017, and the median hours worked ranged from 21.4 to 23.4 hours over the review period, lower than the overall performance for all individuals.

LRS attributed the decline in its performance related to successful employment outcomes to a lack of resources and the number of individuals served under an IPE. In FFY 2015, LRS reported having 100 VR counselors and a total of 250 staff. In FFY 2017, LRS reported the number of VR counselors had decreased to 77 VR counselors and a total of 172 staff. In addition, LRS indicated a need to adjust its resources to provide pre-employment transition services to potentially eligible students with disabilities, including reassigning 17 of the 77 VR counselors to become pre-employment transition services specialists to focus solely on pre-employment transition services.

LRS reported experiencing a nearly 20 percent cut in State funds during the past few State fiscal years. The combination of a reduction of funds and staff resources led to the decision to close priority categories. The loss of some community rehabilitation programs (CRP) and thus, the ability to provide services needed to achieve employment outcomes, compounded the agency's challenges. LRS explained that the decline in the number of eligible individuals served due to the OOS forced a reduction in the use of CRPs throughout the State to provide services, many of which had long-standing relationships with LRS.

In summary, the data for FFY 2015 through the first three quarters of FFY 2017 demonstrate several possible factors for the agency's performance in assisting individuals to achieve employment outcomes. The data show a decrease in the number of individuals exiting with employment outcomes, an increase in those exiting without employment, a significant increase in the percentage of eligible individuals with IPEs who have received no services (from 27.2 percent in FFY 2015, to 45.5 percent in FFY 2017), a reduction in the number of eligible individuals in plan receiving services (11,762 in FFY 2015, decreasing to 9,204 in FFY 2017), more individuals exiting from the OOS waiting list and not receiving services, and a considerable reduction in the number of applicants and eligible individuals possibly due to the implementation of the OOS. The VR services provided also are potential factors affecting the agency's performance as reflected in the quality of the outcomes demonstrated by the types of occupations and the median earnings and hours worked.

VR Services Provided

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

During the review period, the percentage of individuals who received the following VR services increased:

- Bachelor degree training increased from 6.8 percent in FFY 2015, to 8.4 percent in the first three quarters of FFY 2017;
- Junior or community college training increased from 2.3 percent in FFY 2015, to 3.4 percent in the first three quarters of FFY 2017;
- On-the-job training increased from 1.3 percent in FFY 2015, to 3.1 percent in the first three quarters of FFY 2017; and
- Job readiness training increased from 19.9 percent in FFY 2015, to 23.0 percent in the first three quarters of FFY 2017.

Individuals under the age of 25 showed similar increases in the above VR training services.

Although LRS showed positive trends in the above services, the percentage of individuals who received graduate degree training remained at 0.2 percent throughout the review period. The percentage of individuals who received occupational or vocational training decreased slightly from 5.3 percent in FFY 2015, to 5.0 percent in the first three quarters of FFY 2017, with individuals under the age of 25 showing similar declines. No apprenticeship training was reported throughout the review period.

During the review, LRS identified as one of its priorities the provision and coordination of employment-related services to enhance employment opportunities for individuals with disabilities who are eligible for VR services. LRS has an employment development coordinator at the administrative level who coordinates employment services with businesses and employment councils across the state and shares information with rehabilitation employment specialists throughout the State. Employment services are provided through a combination of VR counselors and Rehabilitation Employment Development Specialists (REDS), purchased services from public and private vendors, and third-party cooperative arrangements (TPCAs). REDS serve as local business development liaisons, conducting outreach to local businesses to strengthen relationships with and identify the needs of employers. In addition to identifying the current and future employment needs of local employers, REDS provide disability-related consultations to enhance relationships between the employer and LRS.

Employment services provided through CRPs provide job search and placement services using a fee-for-service agreement. LRS indicated that it has lost multiple CRPs during the past four years due to the reduction of individuals with disabilities being served by LRS following the closure of priority categories. LRS has been exploring alternative options to provide employment-related services in collaboration with other partner programs available through the one-stop centers.

Although LRS reported placing an emphasis on employment-related services, the percentage of individuals receiving career and employment services declined during the review period:

- Job search assistance declined from 4.6 percent in FFY 2015, to 1.4 percent in the first three quarters of FFY 2017;

- Job placement assistance decreased from 47.0 percent in FFY 2015, to 26.4 percent in the first three quarters of FFY 2017;
- Supported employment on-the-job supports decreased from 19.3 percent in FFY 2015, to 10.0 percent in FFY 2017; and
- Customized employment services remained unreported or not provided (zero percent) during the review period.

Outcomes by Disability Type

Resources: Program Performance Data Tables 4a, 4b, and 4c Agency Outcomes by Disability Type—FFYs 2015–2017

From FFY 2015 through the first three quarters of FFY 2017, individuals whose service records were closed after receiving services representing all disability types showed a decrease in employment rate:

- The employment rate for all individuals with visual impairments decreased from 60.5 percent in FFY 2015, to 40.6 percent in the first three quarters of FFY 2017, and for those individuals below the age of 25, a similar trend showed a decrease from 46.7 percent to 20.0 percent during the same period;
- The employment rate for all individuals with auditory and communicative impairments decreased from 80.2 percent in FFY 2015, to 58.6 percent in the first three quarters of FFY 2017, and for individuals below the age of 25, a similar trend showed a decrease from 63.5 percent to 40.8 percent during the same period;
- The employment rate for all individuals with physical impairments decreased from 62.8 percent in FFY 2015, to 32.1 percent in the first three quarters of FFY 2017, and for individuals below the age of 25, the employment rate dropped from 59.2 percent to 35.0 percent during the same period;
- The employment rate for all individuals with intellectual and learning disabilities decreased from 63.4 percent in FFY 2015, to 32.0 percent in the first three quarters of FFY 2017, and for individuals below the age of 25, the employment rate decreased from 60.0 percent to 28.5 percent during the same period; and
- The employment rate for individuals with psychosocial and psychological disabilities decreased from 61.4 percent in FFY 2015, to 35.1 percent in the first three quarters of FFY 2017, and for individuals below the age of 25, the employment rate decreased from 59.7 percent to 36.8 percent during the same period.

Compliance with the Statutory Time Frame for Application to Eligibility Determination

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

From FFY 2015 through FFY 2016, the percentage of individuals served who were determined eligible within 60 days from the date of application increased from 78.7 percent to 81.9 percent, while the total number of these individuals increased from 6,201 to 7,283 individuals. For the

first three quarters of FFY 2017, LRS completed eligibility determinations within the required 60-day time frame for 81.7 percent of the individuals whose service records were closed.

For individuals under the age of 25 at the time their service records were closed, LRS' performance was similar to its performance for all individuals served from FFY 2015 through FFY 2016. The percentage of individuals under the age of 25 who were determined eligible within 60 days from the date of application increased from 77.2 percent to 83.4 percent, while the total number of these individuals increased from 1,674 to 2,329 individuals. For the first three quarters of FFY 2017, LRS completed the eligibility determination within the 60-day required time frame for 84.2 percent of the individuals under the age of 25 whose service records were closed.

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

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

From FFY 2015 through FFY 2016, the percentage of individuals served whose IPE was developed within 90 days from the date of eligibility determination decreased from 88.8 percent to 83.6 percent. For the first three quarters of FFY 2017, timely IPEs were developed for 84.0 percent of the individuals whose service records were closed.

For individuals under the age of 25, LRS demonstrated similar performance for the development of IPEs within the required time frame. From FFY 2015 through FFY 2016, the percentage of individuals under the age of 25 whose IPEs were developed within the required 90-day time frame increased from 79.0 percent to 83.2 percent. For the first three quarters of FFY 2017, LRS developed timely IPEs for 81.6 percent of the individuals under the age of 25 whose service records were closed.

Types of Occupational Outcomes for Individuals Who Achieved Employment

Resources: Tables 8a, 8b, and 8c Standard Occupational Classification (SOC) Codes Percentages of Employment Outcomes and Median Hourly Earnings for Individuals Who Achieved Competitive Employment Outcomes at Closure—FFYs 2015–2017.

For all individuals, the three most frequent occupational outcomes from FFY 2015 through the first three quarters of FFY 2017 and median hourly wages were—

- Installation, maintenance, and repair occupations (ranging from 33.1 percent in FFY 2015, with a median hourly wage of \$8.00, to 33.9 percent in FFY 2016, with a median wage of \$8.26, and 20.7 percent in the first three quarters of FFY 2017, with a median wage of \$8.50);
- Production occupations (ranging from 15.6 percent in FFY 2015, to 13.1 percent in FFY 2016, and 10.6 percent in the first three quarters of FFY 2017, all with a median hourly wage of \$10); and

- Office and administrative support occupations (ranging from 8.3 percent in FFY 2015, with a median hourly wage of \$9.51, to 7.4 percent in FFY 2016, and 9.5 percent in the first three quarters of FFY 2017, both with a median hourly wage of \$10).

For individuals below the age of 25, the three most frequent occupational outcomes reported varied from FFY 2015 through the first three quarters of FFY 2017. In FFY 2015, the percentage of individuals below the age of 25 in installation, maintenance and repair occupations was 58.1 percent with a median hourly wage of \$7.75, but decreased to zero in FFY 2016 and the first three quarters of FFY 2017, suggesting a possible reporting error. The most frequent occupational outcomes in FFY 2016 included business and financial operations (7.6 percent), healthcare support (7.6 percent), and production (7.6 percent), all with a median hourly wage of \$10.00. In the first three quarters of FFY 2017, the most frequently reported occupational outcomes at 5.1 percent each were building and grounds cleaning and maintenance, healthcare practitioners and technical occupations, and personal care and service occupations—all with a median hourly wage of \$8.75.

Reasons for Exit for Individuals Who Did Not Achieve an Employment Outcome

Resources: Tables 9a, 9b, and 9c Reason for Exit for All Individuals Who Did Not Achieve an Employment Outcome at Closure—FFYs 2015–2017.

The reasons for exit, “unable to locate,” “no longer interested,” and “all other reasons” represent the three highest percentages identified for individuals who did not achieve an employment outcome at closure from FFY 2015 through the first three quarters of FFY 2017:

- From FFY 2015 to FFY 2016, “unable to locate” closures increased from 1,113 individuals, or 23.4 percent to 1,776 individuals, or 30.5 percent, and for the first three quarters of FFY 2017, “unable to locate” closures further increased to 1,932 individuals, or 38.7 percent;
- From FFY 2015 to FFY 2016, “no longer interested” closures increased from 3,095 individuals to 3,450 individuals, although the percentage decreased from 65.0 percent in FFY 2015 to 59.3 percent in FFY 2016, and for the first three quarters of FFY 2017, the number and percentage decreased to 2,570 individuals, or 51.5 percent;
- The category “all other reasons,” the third most frequent reason for exit for all individuals who did not achieve an employment outcome remained relatively consistent from FFY 2015 to FFY 2016 with 238 individuals, while the percentage decreased from 5.0 percent to 4.1 percent, and for the first three quarters of FFY 2017, the total number of individuals whose case records were closed as “all other reasons,” decreased to 210 individuals, or 4.2 percent.

Collectively, the reason for exit categories “unable to locate,” “no longer interested,” and “all other reasons” account for 95.3 percent for FFY 2015, 96.0 percent for FFY 2016, and 95.4 percent for the first three quarters of FFY 2017 for all individuals who did not achieve an employment outcome at closure.

C. Internal Controls

The RSA review team assessed performance accountability in relation to the internal control requirements in 2 C.F.R. § 200.303. Internal controls mean a process, implemented by a non-Federal entity, designed to provide reasonable assurances regarding the achievement of objectives in the effectiveness and efficiency of operations, reliability of reporting for internal and external use, and compliance with applicable laws and regulations. Internal controls are established and implemented as a measure of checks and balances to ensure proper expenditure of funds. Internal controls serve to safeguard assets and prevent fraud, waste, abuse, and mismanagement. They include methods and procedures the grantee uses to manage the day-to-day operations of grant-supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved.

Policies and Procedures

LRS provided RSA with its written quality assurance case record review procedures. LRS has a Quality Assurance Monitoring Team (QAMT) that regularly conducts quality assurance reviews. The QAMT consists of the Quality Assurance Program Manager and two program specialists, who assist with the conduct of the reviews. The QAMT conducts regional reviews on an annual basis involving the random selection of three service records from each caseload, two open service records and one closed service record. The QAMT reviews multiple VR processes, including the application, trial work experience (if applicable), eligibility determination, assessment for determining the individual's rehabilitation needs, IPE and any amended IPEs, case closure documentation, and fiscal documentation. The QAMT uses a standardized form to conduct these reviews referred to as the QA-1 Monitoring Form. Each category is given an accuracy percentage and combined for an over all rating. Upon completion, a report is generated for each region and the results of those reports are reviewed by the district managers in the regions and then discussed within the district offices. Regions that fall below 90 percent compliance are reviewed again. Staff trainings are also developed using the results of the regional reports based on any systemic issues identified by the review team.

The majority of LRS VR counselors require supervisor approval prior to advancing a VR applicant or individual determined eligible for VR services through the VR process. According to LRS, 66 percent of VR counselors must obtain supervisor prior approval for eligibility determination, plan development, and case closure, including closing a case record as successfully rehabilitated. The remaining 34 percent of LRS counselors have independent status and do not require supervisor approval for eligibility determination or plan development, but require approval prior to the determination for case closure. VR counselors who achieve independent status must demonstrate a level of proficiency through the agency quality assurance process on a consistent basis. In order to be determined as having independent status, the Quality Assurance Program Manager reviews ten cases randomly selected at various levels in the rehabilitation process, including five cases from service status, two cases from eligibility status, two cases from closed as successfully rehabilitated, and one case closed as not being rehabilitated after receiving VR services under an IPE. The VR counselor must obtain a 90 percent accuracy level as a result of the case record review to achieve independent status. Once

the VR counselor achieves independent status, five service records must be reviewed every six months with the same high level of accuracy to maintain independent status. LRS provided RSA with its policies pertaining to the VR process and case closures for review. LRS' policies consisted of a combination of draft, recently updated, and outdated policies. Specifically, at the time of the on-site review, LRS' policies in Chapter 4, Part 412 were not updated or amended to reflect the changes to the Rehabilitation Act of 1973, as amended by Title IV of WIOA. LRS' policies, among other areas, need to be revised to reflect that employment outcomes must be in an competitive integrated setting in accordance with 34 C.F.R. § 361.5(c)(9), include and document informed choice for all individuals with disabilities receiving VR services in accordance with 34 C.F.R. § 361.52, and include policies for customized employment. At the time of the review, LRS had developed a draft policy for customized employment, but the policy remained to be finalized in accordance with the definition of "customized employment" in 34 C.F.R. § 361.5(c)(11). Although LRS provided RSA with its service record review procedures, the agency did not have a formal quality assurance review policy.

Data Verification Review

RSA conducted a review of 30 service records comprised of records for individuals who did and did not achieve employment whose service records were closed. The purpose of this review was to verify and ensure that the documentation in the case service record was accurate, complete, and supported the data entered into the RSA-911 with respect to the date of application, the date of eligibility determination, date of IPE, start date of employment in primary occupation at exit or closure, hourly wage at exit or closure, employment status at exit or closure, type of exit or closure, and date of exit or closure. Although RSA reviewed 30 service records, only 21 were included in the final summary due to RSA's loss of data caused by a system malfunction following the on-site portion of the review. Nevertheless, RSA believes the data verification summary accurately represents the scope of the case review.

The case record review revealed that the quality assurance process LRS has in place helped maintain accuracy of data reported in the RSA-911. Of the service records included in the summary—

- 95 percent of the application dates reported on the RSA-911 matched the source documentation;
- 86 percent of eligibility dates matched the source documentation; and
- 95 percent of IPE dates matched the source documentation.

Additionally, the service record review verified that—

- 63 percent of the start date of employment in primary occupation was accurately recorded or had appropriate documentation;
- 100 percent of employment status at closure was accurately recorded;
- 75 percent of weekly earnings at employment was accurately recorded;
- 95 percent of type of closure was accurately recorded; and
- 76 percent of date of closure was accurately recorded.

The majority of application dates, eligibility dates, and IPE dates reported on the RSA-911 matched the date on the source documentation reviewed. However, the case record review also identified that employment and wage verification, as documented in the case service record, was not always consistent with data reported on the RSA-911 or in LRS' case management system. For example, the case management system automatically populates the date of application based on the current date of entry. As a result, the date of application may not match the date the application was signed since the VR counselor often enters the information into the case management system days after meeting with the VR applicant. In addition, when service record actions require supervisor approval, the office manager has seven days to review and approve the case record, which can cause further delays and inconsistencies between the supporting documentation and the dates entered in the case management system. Finally, the date identified on the case closure letters do not always reflect the date the service record is closed. LRS allows additional time from the date identified in the case closure letter as being closed for individuals who may wish to appeal this decision before the service record is closed in the case management system.

D. Observations and Recommendations

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

Observation 2.1: Decreased Employment Outcomes and Rehabilitation Rate

From FFY 2015 through the first three quarters of FFY 2017, the number of individuals exiting the VR program with employment decreased, while the number of individuals exiting the VR program without employment increased:

- In FFY 2015, the percentage of individuals who exited with employment decreased from 33.0 percent (2,347 individuals) to 28.2 percent (2,282 individuals) in FFY 2016, and to 22.0 percent (1,409 individuals) in the first three quarters of FFY 2017; and
- In FFY 2015 18.6 percent (1,320 individuals) exited without employment, increasing to 29.5 percent (2,388 individuals) in FFY 2016, and to 39.2 percent (2,511 individuals) in the first three quarters of FFY 2017.

Individuals under the age of 25 similarly exited the VR system from FFY 2015 through FFY 2017:

- In FFY 2015, 23.3 percent of individuals under the age of 25, exited with employment, decreasing to 19.9 percent in FFY 2016, and 17.0 percent in the first three quarters of FFY 2017; and
- In FFY 2015, 15.7 percent of individuals under the age of 25 exited without employment, increasing to 30.3 percent in FFY 2016, and 37.0 percent in the first three quarters of FFY 2017.

As a result, the employment rate decreased from FFY 2015 through the first three quarters of FFY 2017:

- For all individuals, the employment rate decreased from 64.0 percent in FFY 2015, to 35.9 percent in the first three quarters of FFY 2017; and
- For individuals under the age of 25, the employment rate decreased from 59.8 percent in FFY 2015, to 38.6 percent in the first three quarters of FFY 2017.

Recommendations 2.1: Decreased Employment Outcomes and Rehabilitation Rate

RSA recommends that LRS—

- 2.1.1 Develop measurable goals and strategies to improve the agency’s employment rate; and
- 2.1.2 Evaluate the decline in performance and determine if the necessary VR services, including effective job search and placement services, and other supports are being provided to assist individuals to achieve and maximize their employment.

E. Findings and Corrective Actions

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

2.1 Untimely Eligibility Determination

Issue: Is LRS determining the eligibility of applicants for VR services within the required 60-day Federal time frame from the date of application.

Requirement: Under 34 C.F.R. § 361.41(b)(1), eligibility determinations are to be made for individuals who have submitted an application for VR services, including applications made through common intake procedures in one-stop centers under Section 121 of WIOA, within 60 days, unless there are exceptional and unforeseen circumstances beyond the control of the designated State unit (DSU), and the individual and DSU agree to a specific extension of time or an exploration of the individual’s abilities, capabilities, and capacity to perform in work situations is carried out in accordance with 34 C.F.R. § 361.42(e).

Analysis: As part of the monitoring process, RSA analyzed the length of time it took for LRS to make eligibility determinations for VR applicants. While LRS improved its performance from FFY 2015 to FFY 2016, data reported by LRS on the RSA-911 show that—

- 81.9 percent of all individuals served whose service records were closed in FFY 2016 had an eligibility determination made within the required 60-day period;
- LRS made eligibility determinations for 18.1 percent of all individuals served whose service records were closed in FFY 2016 beyond the 60-day period;
- 83.4 percent of individuals under the age of 25 at exit whose service records were closed in FFY 2016 had an eligibility determination made within the required 60-day period; and
- LRS made eligibility determinations for 16.6 percent of individuals under the age of 25 at exit whose service records were closed in FFY 2016 beyond the 60-day period.

During the on-site monitoring visit, LRS shared with RSA that it experienced systemic challenges as a result of its State budget and the closure of categories under its OOS and decreased staff capacity. Of the 125 personnel in eight regions working in the VR program, 77 are VR counselors, of which 17 manage exclusively pre-employment transition services caseloads.

At the time of the on-site review, LRS reported that some of the individuals who did not receive a timely eligibility determination may have agreed to an extension of the 60-day eligibility time frame with his or her VR counselor in accordance with 34 C.F.R. § 361.41(b)(1)(i). LRS provided RSA with additional documentation about the eligibility extensions; however, RSA's review of this documentation did not result in LRS substantially meeting compliance with the 60-day time frame.

Conclusion: As demonstrated by performance data, LRS did not make eligibility determinations within the required 60-day period for those individuals whose service records were closed in FFY 2016. As a result of the analysis, RSA determined that the agency did not satisfy the eligibility determination requirements in 34 C.F.R. § 361.41(b)(1).

Corrective Action Steps:

RSA requires that LRS—

- 2.1.1 Comply with 34 C.F.R. § 361.41(b)(1) by making eligibility determinations within the required 60-day period;
- 2.1.2 Assess and evaluate VR counselor performance and any potential delays resulting from the supervisory approval process to identify effective practices that ensure timely eligibility determinations are made within 60 days from the date of application, including the use of case management tools for, and supervisory review of, timely eligibility determinations; and
- 2.1.3 Develop procedures for VR counselors and supervisors to track and monitor timeliness of eligibility determinations.

Agency Response: LRS concurs with this finding. LRS staff members have received training and instructions on the necessity of providing eligibility in the prescribed 60-day time frame. LRS Regional Managers received training in December 2017 and June 2019, LRS Counselors received training in June and July 2019, and Counselor Associates received training in August 2019. LRS District Supervisors received training in September 2019. This training included reviewing Federal requirements for completing eligibility determination within 60 days and reports that are available in AWARE to monitor the movement of cases worked by staff under their supervision to ensure that timelines are met.

Additionally, the LRS State Office staff review and send a list to each LRS region on a monthly basis identifying all cases that have remained in application status longer than 60 days. Counselors are required to use Activity Due reports in AWARE to ensure these timelines are met, and District Supervisors are required to run AWARE reports to ensure counselors under their supervision are meeting this required timeframe for all cases. The LRS staff's annual

performance evaluation includes the requirement of 60-day eligibility. All counselors who did not meet the required objectives were removed from Independent Approval Status.

High performance counselors have provided direct training in training sessions with other counselors.

Request for Technical Assistance: No additional technical assistance was requested.

2.2 Untimely Development of the IPE

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

Requirement: In accordance with 34 C.F.R. § 361.45 (a), the VR services portion of the Unified or Combined State plan must assure that an IPE meeting the requirements of this section and 34 C.F.R. § 361.46 is developed and implemented in a timely manner for each individual determined to be eligible for VR services or, if the DSU is operating under an order of selection pursuant to 34 C.F.R. § 361.36, for each eligible individual to whom the State unit is able to provide services; and that services will be provided in accordance with the provisions of the IPE. In addition, under 34 C.F.R. § 361.45(e), the IPE must be developed as soon as possible, but not later than 90 days after the date of eligibility determination, unless the State unit and the eligible individual agree to the extension of that deadline to a specific date by which the IPE must be completed.

Analysis: As part of the monitoring process, RSA analyzed the length of time it took for LRS to develop IPEs for all individuals determined eligible for VR services. The agency's performance for all individuals declined from FFY 2015 to FFY 2016; however, the percentage of individuals below the age of 25 increased slightly over the same period. Data reported by LRS on the RSA-911 show that—

- 83.6 percent of all individuals served whose service records were closed in FFY 2016, had an IPE developed within the statutorily required 90-day period;
- In FFY 2016, 16.4 percent of all individuals served whose service records were closed had IPEs developed beyond the statutorily required 90-day period;
- 83.2 percent of individuals under the age of 25 at exit whose service records were closed in FFY 2016, had an IPE developed within the required 90-day period; and
- LRS developed IPEs for 16.8 percent of individuals under the age of 25 at exit whose service records were closed in FFY 2016 beyond the required 90-day period.

Conclusion: As the FFY 2016 performance data demonstrate, LRS did not develop IPEs for each eligible individual whose service record was closed within 90 days following the date of eligibility determination. As a result of the analysis, LRS did not develop IPEs in a timely manner pursuant to 34 C.F.R. § 361.45(a)(1) and within the statutorily required 90-day period pursuant to 34 C.F.R. § 361.45(e).

Corrective Action Steps:

RSA requires that LRS—

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

Agency Response: LRS concurs with this finding. LRS staff has received training and instructions on the necessity of providing a written IPE in the prescribed 90-day time frame. LRS Regional Managers received training in December 2017 and June 2019, LRS Counselors received training in June and July 2019, and Counselor Associates received training in August 2019. LRS District Supervisors received training in September 2019. This training included reviewing Federal requirements for completing IPEs within 90 days and reports that are available in AWARE to monitor the movement of cases worked by staff under their supervision to ensure that timelines are met.

Additionally, the LRS State Office staff review and send a list to each LRS region on a monthly basis identifying all cases that have remained in eligibility status longer than 90 days. Counselors are required to use Activity Due reports in AWARE to ensure these timelines are met, and District Supervisors are required to run AWARE reports to ensure counselors under their supervision are meeting this required timeframe for all cases. The LRS staff's annual performance evaluation includes the requirement of 90 day written IPE. All counselors who did not meet the required objectives were removed from Independent Approval Status.

High performance counselors have provided direct training in training sessions with other counselors.

Request for Technical Assistance: No additional technical assistance was requested

F. Technical Assistance

During the monitoring activities, RSA provided technical assistance to LRS as described below.

Customized Employment

RSA assisted LRS in its efforts toward the development and completion of a finalized policy for customized employment and will provide additional technical assistance in the development of the policy.

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

A. Purpose

The Rehabilitation Act, as amended by WIOA, places heightened emphasis on the provision of services, including pre-employment transition services under Section 113 of the Rehabilitation Act to students and youth with disabilities to ensure they have meaningful opportunities to receive training and other VR services necessary to achieve employment outcomes in competitive integrated employment. Pre-employment transition services are designed to help students with disabilities to begin to identify career interests that will be explored further through additional vocational rehabilitation services, such as transition services. Through this focus area RSA assessed the VR agency's performance and technical assistance needs related to the provision of VR services, including transition services to students and youth with disabilities and pre-employment transition services to students with disabilities, and the employment outcomes achieved by these individuals.

B. Service Delivery Overview

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

Structure of Service Delivery

LRS coordinates transition services with the 80 school districts distributed across the 64 parishes in Louisiana. LRS has 77 VR counselors, 17 of whom are directly dedicated as pre-employment transition service specialists assigned to each of the school districts with some VR counselors serving multiple school districts.

LRS coordinates transition services and provides pre-employment transition services through a combination of CRPs, local educational agencies (LEAs), the Jobs for America's Graduates (JAG) affiliate in Louisiana (JAG-LA), TPCAs and its VR counselors. LRS uses fee-for-service agreements with its CRPs located throughout the State to provide pre-employment transition

services. In addition, LRS reported having 12 to 15 LEA agreements in place that outline the responsibilities of the VR agency and those responsibilities assigned to school personnel for the coordination of transition services. Finally, LRS coordinates services through the Louisiana Department of Education (LDOE) for the provision of pre-employment transition services through the Louisiana JAG affiliate. At the time of the review, JAG had coordinated services with LRS in 27 different areas of the State with three JAG programs established through the Jefferson Chamber of Commerce to serve out-of-school youth pursuing a GED or high school equivalency.

Outreach and Identification of Students and Youth

LRS coordinates in-service training at the start of the school year with 40 to 50 special education teachers and transition coordinators located in the schools across each parish. Information provided to the LEAs includes services available to transition students who may be eligible for VR services and pre-employment transition services for students with disabilities. Despite the reduction in VR counselors, LRS ensures each school district has a VR counselor assigned to coordinate services. LRS provides referral forms for both VR services and pre-employment transition services to schools to facilitate the referral of students to local VR offices and provides handouts and materials describing the services available to transition students and students with disabilities.

Provision of Pre-Employment Transition Services

LRS' referral form for students with disabilities to apply for pre-employment transition services includes the necessary parental consent section for any student who has not reach the age of majority in accordance with Louisiana State law. In addition, LRS requires the school, student, or parent to provide a copy of the student's IEP, 504 documentation or other medical documents verifying the student has a disability. LRS encourages the schools to invite the VR counselor or pre-employment transition services specialist to the student's IEP meeting to facilitate this process and obtain the necessary parental consent when the parent is present.

LRS provides pre-employment transition services through a combination of CRPs on a fee-for-service basis and through direct service provision by VR counselors. At the time of the on-site review, LRS estimated it had approximately 50 CRPs providing pre-employment transition services across the State. Each CRP typically coordinates with the student and the school services to be provided during school hours. According to the LRS' policies (Chapter 4, Part 412.15, Section VII-Purchasing Guidelines for Pre-Employment Transition Services), CRPs can provide workplace readiness training, which includes instruction in self-advocacy, or work-based learning experiences. Required activities, including job exploration counseling and counseling on opportunities for enrollment in comprehensive transition or postsecondary educational programs are not included under the purchasing guidelines of LRS' policies. In addition, instruction on self-advocacy is only available in combination with workplace readiness training.

LRS management reported conducting staff training on September 20 and 21, 2017, related to tracking of pre-employment transition services. This training included documentation developed by the Workforce Innovation Technical Assistance Center (WINTAC) identifying the appropriate methods to allocate time for pre-employment transition services. In addition, LRS

provided the review team guidance issued by LRS on April 22, 2016, to the regional managers identifying allowable activities that can be tracked by staff for the direct provision and coordination of pre-employment transition services. These activities included, among others, development of IPEs, eligibility determinations, vocational guidance and counseling, amendment of IPEs related to pre-employment transition services, dissemination of information, training for VR counselors and school personnel, and provision of information to student support systems (i.e. parents or family). Several of these activities are not required pre-employment transition services activities, while others are authorized activities.

LRS has revised its policies governing the provision of transition and pre-employment transition services on five occasions since January 2015, with the last version issued in September 2017, to align with the statutory provisions of the Rehabilitation Act. LRS' policies, Transition from School to Work (chapter 4, part 412.15), define a student with a disability as being a student who has an individualized education program (IEP), 504 accommodation or documented disability; and who is at least 16 years old and under the age of 22 years old, or 22 years old if the student was 21 years old at the start of the school year, and is a high school student.

Provision of Transition Services

LRS defines transition services as a coordinated set of services designed to promote the movement from school to post-school activities based on the individualized needs of the students or youth with disabilities. Transition services are provided to individuals who have applied and been determined eligible for VR services and placed in an open priority category. According to policy, LRS requests that students with disabilities apply for VR services prior to the exit year of high school, although applications can be accepted earlier depending upon the VR needs of the student.

Transition services may be provided by LRS counselors or purchased through fee-for-service agreements with CRPs. In addition, LRS identified nine TPCAs, each providing pre-employment transition services. LRS did not identify any group transition services to students and youth with disabilities under the services to group authority in accordance with 34 C.F.R. § 361.49(a)(7).

State Educational Agency (SEA) Agreement

LRS' prior formal interagency agreement expired on June 30, 2016. Since this agreement was executed prior to the passage of WIOA, the agreement did not include the new requirements in accordance with 34 C.F.R. § 361.22. Prior to the on-site portion of the review, LRS provided the review team its draft interagency agreement developed in coordination with the LDOE with the expectation the agreement would be signed in the following months and implemented on July 1, 2018. During the on-site portion of the review, the SEA agreement was not implemented.

In addition, LRS reported between 12 and 15 agreements with LEAs throughout the State and provided the review team two examples of these agreements, each of which followed the same template.

IPE Development for Students and Youth with Disabilities

LRS' policies in Chapter 4, part 412.15(V)(B) indicate referrals to LRS "typically occur one to two years before the student graduates or exits the secondary school system." During the on-site portion of the review, LRS staff stated students are encouraged to begin pre-employment transition services once the student turns 16 years of age or during the junior year of high school, and apply for VR services during the final year of school, preferably the last semester of school, unless the student requires VR services earlier based upon the needs of the student.

C. Observations and Recommendations

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

D. Findings and Corrective Actions

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

3.1 Unavailability of Pre-Employment Transition Services Statewide

Issue: Does LRS make available pre-employment transition services statewide for students with disabilities who are eligible or potentially eligible for VR services in Louisiana.

Requirement: Pursuant to 34 C.F.R. § 361.48(a)(1), pre-employment transition services must be made available statewide to all students with disabilities, as defined in 34 C.F.R. § 361.5(c)(51), in need of such services, without regard to the type of disability, regardless of whether the student has applied or been determined eligible for VR services.

Analysis: LRS provides pre-employment transition services through a combination of purchased services from CRPs on a fee-for-service basis and the provision of services by its VR counselors. During the monitoring process, LRS reported CRPs primarily provide workplace readiness training and work-based learning experiences and include some instruction in self-advocacy. LRS reported VR counselors primarily provide counseling on job exploration and counseling on postsecondary opportunities and instruction in self-advocacy. In addition, LRS has established several TPCAs for the provision of pre-employment transition services. These arrangements identified the provision of all five required activities but were available in only four of the 80 school districts. Finally, LRS also provides pre-employment transition services using JAG-LA through the LDOE on a fee-for-service basis. During the on-site portion of the review, LRS reported working with 27 JAG programs through the LDOE.

According to LRS, pre-employment transition services are primarily provided in the schools during school hours, or immediately following school hours. LRS staff expressed concern since providing services in the school often creates an additional barrier because some school districts, or schools within a district, do not allow providers to come into the school due to security concerns. Similarly, VR counselors who provide pre-employment transition services in the schools during school hours experience barriers due to security concerns or reluctance to allow them access to students. In addition, LRS reported that although each region has at least one

CRP, not all areas of the State have access to a CRP. For example, in the northeastern part of the State, very few providers are available and do not cover all areas of the region. This was also reported by the VR counselors in other rural parts of the State.

VR counselors expressed limited ability to provide direct VR services, including pre-employment transition services, due to decreases in resources and a significant decline in the number of VR counselors, including pre-employment transition services specialists. Specifically, the number of VR counselors decreased from 100 to 77 from FFY 2016 to FFY 2017, and the number of paraprofessionals decreased from 72 individuals to 40 individuals. As a result, VR counselors reported their ability to work directly with students with disabilities for the provision of pre-employment transition services presents a challenge due to the constraints on their time and expanded coverage responsibilities.

According to data reported by LRS through the RSA-911 report for program year (PY) 2017, LRS reported providing pre-employment transition services to 3,866 students with disabilities during the second quarter (see Table 10b of Appendix A). Of those students who received purchased services, 2,221 students received workplace readiness training and 388 students received work-based learning experience services. No services were reported as being purchased for the other three required activities. Furthermore, LRS reported its staff directly provided 45 students job exploration counseling, 101 students counseling in postsecondary opportunities, and 18 students instruction in self-advocacy. One student was provided services in the area of work-based learning experiences directly by LRS staff.

In summary, LRS is purchasing services primarily for two of the five required activities, and VR staff are providing services for three required activities, with only one exception. Although LRS identified the availability of all five required activities, the agency identified lapses in the ability for both LRS staff and CRPs to provide all required activities in all areas of the State, or to all students. As a result, LRS does not have the capacity to make all five required services available to all students with disabilities throughout the State, in accordance with 34 C.F.R. § 361.48(a)(1).

Conclusion: Pursuant to 34 C.F.R. § 361.48(a)(1), LRS must make pre-employment transition services available statewide to all students with disabilities, regardless of whether the student has applied or been determined eligible for VR services. As a result of the analysis, RSA determined that LRS was not making pre-employment transition services available statewide to all students with disabilities in need of such services who are potentially eligible or eligible for VR services in accordance with 34 C.F.R. § 361.48(a)(1).

Corrective Action Steps:

RSA requires that LRS—

- 3.1.1 Make pre-employment transition services for all five required activities available to all students with disabilities throughout the State, including those potentially eligible students with disabilities who have not applied for VR services and for whom services are not available through existing TPCA contracts or by using other mechanisms, such as

- fee-for-service contracts and/or direct provision of services by LRS staff in collaboration with the LEAs;
- 3.1.2 Collect information and data on all required activities provided to each student in receipt of all required pre-employment transition services (provided in-house or purchased); and
 - 3.1.3 Report to RSA the availability of, and the provision of the five required activities to students with disabilities statewide.

Agency Response: LRS partially concurs with this finding. We agree that one of the Pre-Employment Transition Services was inadvertently left out of the LRS Technical Assistance and Guidance Manual (TAGM). This has been corrected. Furthermore, LRS staff was given training materials that did include all five Pre-Employment Transition Services.

For the fiscal years 2015, 2016, 2017, and 2018, LRS spent the 15% reserve on Pre-Employment Transition Services that is mandated by Federal Regulations. LRS records (see Pre-Employment Transition Students by Parish attachment) indicate that Pre-Employment Transition Services to eligible or potentially eligible students are available in all parishes throughout the State including the Northeast Parishes. The LRS region that includes the Northeast Parishes was actually one of the first regions to initiate Pre-Employment Transition Services in this State. Additionally, LRS records indicate that Pre-Employment Transition Services have been provided to 7,392 eligible or potentially eligible students with disabilities statewide since the agency began offering these services.

LRS has made all five required Pre-Employment Transition Services available to all eligible or potentially eligible students through either counselor participation, fee-for-service, or TPCAs. LRS has developed processes to capture these required services in the AWARE case management system.

LRS maintains that the agency has a dynamic and robust Pre-Employment Transition Services program in which all five required services are available statewide to all eligible or potentially eligible students with disabilities. In fact, LRS developed processes and procedures in June 2015 for the LRS Technical Assistance & Guidance Manual which was prior to the dissemination of regulations in the Federal Register which is dated August 19, 2016.

RSA Response: RSA appreciates and acknowledges LRS' efforts to expand all five pre-employment transition services across the State while meeting the requirement to reserve and expend 15 percent of its award on pre-employment transition services for students with disabilities eligible and potentially eligible to receive VR services. The data reported by LRS through its RSA-911 report for the reporting period, included under Tables 10a and 10b of Appendix 1, and supported by interviews conducted by RSA during the monitoring process demonstrated the lack of availability for all five required activities across the State. The additional information provided by LRS in response to this finding does not provide data on the specific required pre-employment transition service provided in each parish that would demonstrate all five required activities were available in all areas or parishes across the State. RSA maintains this finding as written.

Request for Technical Assistance: No additional technical assistance was requested.

3.2 No Current State Educational Agency Agreement

Issue: Does LRS have an agreement with the State educational agency (SEA) for Louisiana.

Requirement: Pursuant to Section 101(a)(11)(D) of the Rehabilitation Act and its implementing regulations at 34 C.F.R. § 361.22(b), LRS must have an agreement with the SEA to facilitate the transition of students with disabilities from the receipt of educational services, including pre-employment transition services, to the receipt of VR services.

Analysis: Prior to the on-site portion of the review, LRS provided RSA with a copy of its prior interagency agreement, which expired in June 2016. In addition, RSA was provided a draft version of the recently developed interagency agreement. The interagency agreement between LRS and LDOE, at a minimum, must include the following information:

- (1) Consultation and technical assistance, which may be provided using alternative means for meeting participation (such as video conference calls), to assist educational agencies in planning for the transition of students with disabilities from school to post-school activities, including pre-employment transition services and other vocational rehabilitation services;
- (2) Transition planning by personnel of the designated State agency and educational agency personnel for students with disabilities that facilitates the development and implementation of their individualized education programs (IEPs) under Section 614(d) of the Individuals with Disabilities Education Act (IDEA);
- (3) The roles and responsibilities, including financial responsibilities, of each agency, including provisions for determining State lead agencies and qualified personnel responsible for transition services and pre-employment transition services;
- (4) Procedures for outreach to and identification of students with disabilities who are in need of transition services and pre-employment transition services. Outreach to these students should occur as early as possible during the transition planning process and must include, at a minimum, a description of the purpose of the vocational rehabilitation program, eligibility requirements, application procedures, and scope of services that may be provided to eligible individuals;
- (5) Coordination necessary to satisfy documentation requirements set forth in 34 C.F.R. part 397 with regard to the students and youth with disabilities who are seeking subminimum wage employment; and
- (6) Assurance that, in accordance with 34 C.F.R. § 397.31, neither the State educational agency nor the local educational agency will enter into a contract or other arrangement with an entity, as defined in 34 C.F.R. § 397.5(d), for the purpose of operating a program under which a youth with a disability is engaged in work compensated at a subminimum wage.

The agreement must also include an assurance for the provisions of the construction clause, which clarifies that nothing in the formal interagency agreement will be construed to reduce the obligation under IDEA of a LEA or any other agency to provide or pay for transition services, including pre-employment transition services, that are also considered to be a special education

or related service necessary for a free appropriate public education (FAPE) in accordance with Section 101 of the Rehabilitation Act and 34 C.F.R. § 361.22(c).

The proposed interagency agreement must include all statutory and regulatory requirements of a formal interagency agreement pursuant to Section 101(a)(11)(D) of the Rehabilitation Act and 34 C.F.R. § 361.22(b) and (c).

The most recent formal interagency agreement expired in June 2016, meaning LRS has not had a SEA in effect for a minimum of two years and has not incorporated the new requirements under the Rehabilitation Act following the enactment of WIOA. LRS provided a draft version of the proposed SEA to RSA for review during the monitoring process. Before the agreement can be approved, it must be modified to incorporate the requirements previously identified, including the provision of consultation and technical assistance to educational agencies through alternative means; coordination necessary to satisfy documentation requirements set forth in 34 C.F.R. part 397 with regard to students and youth seeking subminimum wage employment; and an assurance that neither the SEA nor LEA will enter into a contract or other arrangement with an entity, as defined in 34 C.F.R. § 397.5(d), for the purpose of operating a program under which a youth with a disability is engaged in work compensated at subminimum wage.

In addition, the formal agreement must include the documentation requirements regarding required activities in which students with disabilities must participate prior to entering subminimum wage employment.

Conclusion: LRS' formal interagency agreement expired in June 2016. LRS does not have a current agreement with the SEA incorporating the requirements under the Rehabilitation Act following the enactment of WIOA pursuant to Section 101(a)(11)(D) of the Rehabilitation Act and 34 C.F.R. § 361.22.

Corrective Action Steps:

RSA requires that LRS—

- 3.2.1 Develop a formal interagency agreement with the required elements pursuant to 34 C.F.R. § 361.22 in coordination with the LDOE; and
- 3.2.2 Provide RSA a copy of the final signed interagency agreement upon its approval.

Agency Response: LRS concurs with this finding. LRS is developing a comprehensive Memorandum of Understanding (MOU) with the State's Department of Education. The MOU will address all items that were enumerated in the RSA monitoring report concerning this finding.

A copy will be sent to RSA upon completion of approval and signature of both parties.

Request for Technical Assistance: No additional technical assistance was requested.

E. Technical Assistance

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

Policies and Procedures

RSA reviewed LRS' draft policies at Chapter 4, Part 412.15 regarding the provision of pre-employment transition services and transition services and provided the following technical assistance.

- RSA advised LRS that its draft policies defined only four of the five required activities and needed to be amended to include the availability of instruction in self-advocacy, in accordance with 34 C.F.R. § 361.48(a)(2)(v).
- RSA noted that LRS did not include any description or definition of authorized activities, described at 34 C.F.R. § 361.48(a)(3), and advised that its draft policies be revised to include these and a description as to when these activities may be provided.
- LRS' draft policies require students with disabilities to be high school students. LRS was provided technical assistance that the definition of "student with a disability" should be revised in accordance with 34 C.F.R. § 361.5(c)(51), and, as explained in the preamble of the VR regulations, to include students also enrolled in educational programs outside secondary school, including postsecondary education programs, so long as the student satisfies the age requirements defined under the definition of a "student with a disability" (81 FR 55684 (August 19, 2016)). Furthermore, as stated in the preamble, the definition of "student with a disability" also includes secondary students who are homeschooled, as well as students in other non-traditional secondary education.
- LRS was provided technical assistance on the need to identify and track staff time spent on required, authorized, and pre-employment transition coordination activities (34 C.F.R. § 361.48(a)(2)(3) and (4)).
- LRS was provided clarification on the need to define group transition services for students and youth (34 C.F.R. §§ 361.49(a)(7) and 361.48(b)(18)) within its policies.
- RSA recommended that LRS modify its policies to encourage students to apply and have IPEs developed as early as possible rather than waiting until the final year of high school.
- LRS was provided feedback on its policies regarding the rate of pay for pre-employment transition services. Currently, LRS includes rates for two of the five required activities, specifically workplace readiness training and work-based learning experiences. LRS' policies do not include rates for the provision of the other required activities, including job exploration counseling, counseling on opportunities for enrollment in postsecondary educational programs, or instruction in self-advocacy.

Provision of Pre-Employment Transition Services

RSA provided technical assistance related to the nature and scope of pre-employment transition services, in accordance with 34 C.F.R. § 361.48(a)(2).

- RSA clarified that required activities under pre-employment transition services may be provided concurrently to students with disabilities. Specifically, work-based learning

experiences, along with other required activities, may be provided to students with disabilities who are participating in work-readiness training. In addition, students who are receiving pre-employment transition services through JAG cannot be excluded from participating in other required activities (i.e. work-based learning experiences) depending upon the need of the student.

Informed Choice for Students with Disabilities Receiving Pre-Employment Transition Services

RSA provided technical assistance to LRS regarding the scope and provision of pre-employment transition services for students enrolled in the JAG-LA program. According to LRS administration and VR counselors, students eligible and enrolled in the JAG-LA program who have a disability are referred to LRS for pre-employment transition services.

- Students with disabilities who receive pre-employment transition services and JAG services through JAG-LA follow the same curricula as other JAG students not eligible for pre-employment transition services.
- The curriculum for JAG students is established prior to the student being referred for pre-employment transition services. The core competencies established by JAG used to develop their curriculum was created in the 1980's and 1990's.
- Students with disabilities referred from JAG-LA are required to receive services for two academic years.
- Students with disabilities receiving pre-employment transition services through JAG-LA are not allowed to receive any other pre-employment transition services through another provider until the JAG program has ended.

RSA provided LRS technical assistance on the intent and requirements for pre-employment transition services regarding the need to ensure the provision of services, including pre-employment transition services, are individualized and include informed choice. RSA clarified that informed choice is a requirement of VR services, including pre-employment transition services. In accordance with 34 C.F.R. § 361.52(a), recipients of services must be provided the opportunity to exercise informed choice throughout the rehabilitation process after being provided the necessary information about the availability of services and must have the opportunity to exercise informed choice in the selection of the entity that will provide the service. This point was further emphasized in the preamble to the VR regulations, which stated that informed choice, as outlined in final 34 C.F.R. § 361.52, applies throughout the vocational rehabilitation process; therefore, students with disabilities receiving pre-employment transition services under final 34 C.F.R. § 361.48(a) must be given the opportunity to exercise their informed choice (81 FR 55629, 55695 (August 19, 2016)).

In addition, RSA communicated the importance of LRS maintaining its decision-making authority when purchasing pre-employment transition services through its providers, including JAG-LA through the LDOE. RSA communicated all pre-employment transition services must be determined on an individual basis, including the specific required activities needed by the student in coordination with the student's IEP, the provider of the service and the duration of each service.

Planning for the Provision of Pre-Employment Transition Services

RSA provided technical assistance to LRS on the development of its fiscal forecasting model and inclusion of the number of potentially eligible and eligible students with disabilities (currently served and projected to be served) in need of the required activities under pre-employment transition services, as well as the current and projected costs for required and pre-employment transition coordination activities, in order for LRS to reasonably identify the funds available and remaining to engage in authorized activities (34 C.F.R. § 361.48(a)(3)). It was clarified that LRS cannot expend any of its reserved funds toward the provision of authorized activities until this determination has been made and the necessary funds are made available.

Accurate Tracking and Reporting of Pre-Employment Transition Services

RSA provided LRS technical assistance on the required tracking and reporting of students with disabilities who receive pre-employment transition services through the provision of fee-for-services for students with disabilities enrolled in JAG-LA and TPCAs through the Louisiana school systems. According to data LRS submitted through the RSA-911 report for the second quarter for PY 2017, LRS provided 3,866 students with disabilities pre-employment transition services (see table 10b of Appendix A). Of these students, pre-employment transition services were purchased for 2,309 students. Of those students who received purchased services, 83.0 percent (2,221 students) received purchased workplace readiness training. All other purchased services were solely for work-based learning experiences.

LRS provided RSA examples of the progress reports for students receiving pre-employment transition services from four different JAG programs. The progress report form allows for the provider to identify the services provided each month using a checklist from two categories, workplace readiness training and self-advocacy instruction. LRS reported that all JAG-LA programs provide four of the five required services, excluding work-based learning experiences. Based on the progress reports used for all JAG-LA programs, the provider has the ability to report only the student's progress or confirm participation in workplace readiness training and self-advocacy instruction. In addition, as noted by the data above, LRS did not track self-advocacy instructions as a purchased service. RSA clarified that LRS must accurately report all pre-employment transition services purchased or provided to students with disabilities.

In addition, RSA requested and reviewed nine TPCAs for the provision of pre-employment transition services. According to LRS and the projects goals, objectives and activities included under Exhibit A of each agreement, the provider would be responsible for the provision of all five required activities to each student with a disability enrolled in the program. During the on-site portion of the review, LRS provided the progress documentation for students enrolled in several of the arrangements. The documentation provided by the TPCA providers varied for each agreement and did not provide sufficient details to track accurately the required activity provided for each student. This is further discussed in Section 5 of this report. LRS confirmed the VR counselors do not or are unable to track pre-employment transition services received, in accordance with PD-16-04. RSA clarified LRS must obtain the necessary progress reports to document and report the time spent providing each required activity for each student.

SECTION 4: FOCUS AREA – STATE SUPPORTED EMPLOYMENT SERVICES PROGRAM

A. Purpose

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

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

Delivery of Supported Employment Services

LRS administers the Supported Employment program in Louisiana and supported employment services are provided to youth and adults throughout the State almost exclusively through contracts with CRPs. LRS does not have any TPCAs and provides services through CRPs using a fee-for-service arrangement.

LRS uses milestone payments for the provision of Supported Employment services using a number of providers across the State. Providers are paid upon achieving four milestones and can be paid an incentive payment if the provider successfully places the individual in quality employment, defined as meeting a minimum of two high-quality indicators described in LRS' policies (Chapter 4, Part 412.14).

Louisiana has minimal resources for the provision of extended services. Extended services are available through Medicaid waivers, employment networks (EN) and through natural supports. To be eligible to receive services from an EN, the individual must be a recipient of social security benefits and assign his or her ticket to the provider through the Ticket to Work program.

According to LRS policies, VR counselors are required to conduct a supported employment community-based assessment prior to the development of an IPE with a supported employment goal. The VR counselor may determine the need to conduct this assessment at any point during the eligibility process and prior to the development of an IPE. LRS' policies include criteria for the VR counselor to use prior to determining if an individual requires supported employment services. Among other criteria, this would include the individual's inability to maintain competitive employment for four or more quarters in the last three years, and/or the individual has had four or more jobs that lasted less than one month. In addition, the individual must have experienced at least three of the following conditions in the past six months: social withdrawal, poverty of speech, poor hygiene, poor medication compliance, difficulty initiating tasks, difficulty following directions, eligibility for SSI/SSDI benefits and "any other significant limitation and/or circumstances/factors that indicate a need for ongoing and extended support."

LRS reported providing supported employment services to a significant number of individuals from FFY 2015 through the first three quarters of FFY 2017. Prior to the on-site portion of the review, LRS reported 758 individuals were actively receiving supported employment services, identified on the individual's IPE. In addition, LRS reported spending a significant portion of the agency's VR award for supported employment services. Specifically, in State fiscal year (SFY) 2015, LRS reported expending approximately \$3.9 million, \$3.5 million in SFY 2016 and \$2.6 million in SFY 2017, in addition to the agency's Supported Employment program awards.

LRS policies for the provision of supported employment services are detailed at Chapter 4, Part 412.14, section VIII-Plan Development. VR counselors must include all milestones and other VR services that may be needed when developing an IPE for supported employment. Supported employment services can only be purchased through an approved supported employment provider, which must provide extended services for an indefinite period of time while the individual maintains employment following the case closure.

Supported employment providers are paid following the achievement of each of four milestones, which encompass everything from job development and placement services to job coaching to stabilization of employment and transition to extended services to successful case closure. In addition, providers are eligible to obtain additional payments if "high-quality indicators" have been achieved. Indicators include employment with 25 or more hours per week, wages at \$10.00 per hour or more, and the availability of health insurance benefits provided by the employer. The provider must assist the individual to achieve employment with two of the three indicators to meet the high-quality indicator requirement.

Performance of the Supported Employment Program

A summary analysis of the performance of the Supported Employment program (Appendix C: Supported Employment Program Profile) revealed the following information:

- The number of supported employment outcomes declined from 450 individuals in FFY 2015, to 334 individuals in FFY 2016, and to 54 individuals in the first three quarters of FFY 2017;
- The median hourly wage earnings for FFYs 2015 through the first three quarters of 2017 remained consistent, increasing from \$8.00 in FFYs 2015 and 2016, to \$8.52 in the first three quarters of FFY 2017;
- The average hours worked for individuals competitively employed remained low during the three-year period, ranging from 22.3 hours in FFY 2015, to 23.4 hours in FFY 2016, to 21.4 hours in the first three quarters of FFY 2017; and
- The five occupations most often achieved during the first three quarters of FFY 2017 were installation, maintenance and repair (44.2 percent), building and grounds cleaning and maintenance (17.3 percent), office and administrative support (11.5 percent), food preparation and serving related occupations (9.6 percent) and transition and material moving (5.8 percent).

C. Observations and Recommendations

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

Observation 4.1: Quality and Quantity of Supported Employment Outcomes

The number of individuals achieving supported employment outcomes decreased over the review period, and the quality of supported employment outcomes, as measured by median hourly earnings and average hours worked per week, fell below the performance of general agencies nationally. The percentage of individuals in supported employment from FFY 2015 through the first three quarters of FFY 2017 decreased. Of all individuals obtaining employment, 19.2 percent achieved supported employment in FFY 2015, decreasing to 14.6 percent in FFY 2016, and then dropping to 3.8 percent in the first three quarters of FFY 2017.

- For those individuals in supported employment, LRS' performance was lower than that of general agencies nationally in terms of hourly earnings. For individuals exiting in supported employment, the median hourly wage was \$8.00 in FFYs 2015 and 2016, increasing to \$8.52 in the first three quarters of FFY 2017, which is below the national performance for all general agencies at \$8.75 for FFY 2015, \$9.00 for FFY 2016, and \$9.47 for the first three quarters of FFY 2017.
- In addition, individuals in supported employment served by LRS worked an average of 22.3 hours a week in FFY 2015 and 23.4 hours per week in FFY 2016, before declining to 21.4 hours per week in the first three quarters of FFY 2017.
- In the first three quarters of FFY 2017, the five occupations for all individuals who achieved a supported employment outcome were most often in low-skilled positions and comprised 89.0 percent of the supported employment outcomes.

Recommendations 4.1: Quality and quantity of supported employment outcomes

RSA recommends that LRS—

- 4.1.1 Evaluate the reasons why individuals in supported employment are not achieving higher hourly wages and more hours worked per week and develop strategies for improvement;
- 4.1.2 Encourage counselors to work with individuals pursuing supported employment to determine and maximize training opportunities and other supports individuals with the most significant disabilities need to succeed; and
- 4.1.3 Explore how customized employment might be implemented in Louisiana to assist individuals with the most significant disabilities to achieve employment.

Request for Technical Assistance: No technical assistance was requested.

D. Findings and Corrective Actions

RSA's review of LRS' performance in this focus area did not result in the identification of findings.

E. Technical Assistance

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

RSA advised LRS to amend its criteria used to determine individuals with the most significant disabilities who may be eligible for Supported Employment to be consistent with 34 C.F.R. §§ 361.5(c)(53) and 363.1(b). Furthermore, RSA provided LRS technical assistance on its OOS policies, which currently define priority category I and II as individuals with the most significant disability and thus, may be eligible for supported employment services. Individuals eligible for VR services and placed under category I who are not eligible for supported employment services may be served before individuals who are eligible for supported employment services who are placed under category II, when the agency is only serving priority category I. RSA noted LRS has determined a significant number of individuals as eligible for supported employment and expended a significant portion of its award during the review period. It appears the criteria currently used by the VR counselors has led to misinterpretation of the intent and purpose of supported employment services. For example, RSA observed multiple cases where the only documented disability of an individual eligible for supported employment was substance abuse. RSA provided additional technical assistance on the intent and requirements of supported employment services.

RSA provided the following guidance on LRS' policies for supported employment services (Chapter 4, Part 412.14):

- LRS cannot prohibit the provision of extended services to youth with the most significant disabilities and should revise its policies to reflect that extended services may be provided to youth with the most significant disabilities for a period up to four years or until the youth reaches the age of 25 years old, in accordance with 34 C.F.R. §§ 361.5(c)(18) and 363.4(a)(2);
- RSA recommended LRS amend its policies to remove the inclusion of Transitional Employment Services;
- LRS must revise its policies regarding the definition of supported employment services and extended services, particularly as it applies to youth with the most significant disabilities, in accordance with 34 C.F.R. § 361.5(c)(54) and (19). Specifically, LRS' policies must state that supported employment services may be provided for a period of up to 24 months for individuals with the most significant disabilities eligible for supported employment services, and extended services may be funded by LRS for youth with the most significant disabilities for a period of up to four years or until the youth turns 25 years old following the provision of supported employment services; and

- Community-Based Assessments for individuals seeking supported employment outcomes cannot be paid with Title VI funds since these assessments occur prior to employment and therefore, must be paid with Title I funds.

RSA provided technical assistance and clarification related to the use of the short-term basis period for individuals in supported employment working toward competitive wages, in accordance with 34 C.F.R. §§ 361.5(c)(53)(ii) and 363.1(c). In addition, RSA provided guidance related to customized employment as defined in 34 C.F.R. § 361.5(c)(11) and discussed in the preamble to the final VR regulations (81 FR 55629, 55645-55646, (August 19, 2016)). RSA also clarified that job search and placement services are not supported employment services, but rather are VR services that may be provided prior to the provision of supported employment services.

SECTION 5: FOCUS AREA – ALLOCATION AND EXPENDITURE OF STATE VOCATIONAL REHABILITATION SERVICES AND STATE SUPPORTED EMPLOYMENT SERVICES PROGRAM FUNDS

A. Purpose

Through this focus area RSA assessed the fiscal accountability of the VR and Supported Employment programs to ensure that: funds are being used only for intended purposes; programs have sound internal controls and reliable reporting systems; available resources are maximized for program needs; and funds support the achievement of employment outcomes for individuals with disabilities, including youth with disabilities and individuals with the most significant disabilities.

B. Overview and Analysis

A review of LRS' fiscal data indicates the agency has consistently undermatched its VR formula award allotment during FFY 2015 through FFY 2017, representing the three years of this review period. LRS relinquished \$19,145,816 in FFY 2015, \$18,700,730 in FFY 2016, and \$20,851,293 in FFY 2017, representing 35.8 percent, 33.8 percent, and 37.8 percent of the formula award, respectively.

The sources of match that LRS reported for the three years include State appropriations as the primary source, TPCAs, Randolph-Sheppard set aside expenditures, and an inter-agency transfer of funds agreement that occurred in FFY 2017.

Program income earned has declined over the three-year period, from \$1,890,679 in FFY 2015 to \$804,066 in FFY 2017. Conversely, VR fund carryover has increased from \$0 in FFY 2015 to \$5,644,894 in FFY 2017, or 16.4 percent of the Federal VR funds available that year. These data trends are reflected in the RSA-2 data, indicating a downward trend in total expenditures, from \$50,426,593 in FFY 2015, to \$40,817,539 in FFY 2017.

C. Findings and Corrective Actions

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

5.1 Prior Approval Not Obtained

Issue: Does LRS obtain prior written approval from RSA before purchasing items requiring prior approval in accordance with 2 C.F.R. §§ 200.407 and 200.439.

Requirement: The Uniform Guidance at 2 C.F.R. § 200.407 includes a list of specific circumstances for which prior approval from the Federal awarding agency in advance of the occurrence is either required for allowability or recommended in order to avoid subsequent

disallowance or dispute based on the unreasonableness or non-allocability. For example, 2 C.F.R. § 200.439(b)(1) states that capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except with the prior written approval of the Federal awarding or pass through entity. The Uniform Guidance provisions at 2 C.F.R. §§ 200.62(a) and 200.303(a) also require that the agency have a process, and establish and maintain effective internal control over the Federal award, which provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

On November 2, 2015, the U.S. Department of Education (Department) adopted the final regulations found in 2 C.F.R. part 200 ([Federal Register notice 80 FR 67261](#)). The Department issued notifications to grantees regarding the new requirements and made training and technical assistance documents available to grantees to assist in implementation of the new requirements. To ensure that RSA grantees were aware of the applicability of the prior approval requirements, RSA included a special clause on grant award notifications for FFY 2015 awards necessitating implementation of these requirements in FFY 2016. The special clause stated, in pertinent part, “that the prior approval requirements listed in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) (2 C.F.R. part 200) are applicable to this award... Grantees are responsible for ensuring that prior approval, when required, is obtained prior to incurring the expenditure. Grantees should pay particular attention to the prior approval requirements listed in the Cost Principles (2 C.F.R. part 200 subpart E).” In addition, information regarding the requirements in 2 C.F.R. part 200 was communicated to grantees via RSA’s listserv on September 23, 2015.

Analysis: RSA requested the agency’s written policies, procedures, or processes that ensure the agency was meeting the prior approval requirements. LRS did not have prior approval policies or procedures consistent with those identified in Uniform Guidance at 2 C.F.R. § 200.407 that require approval from RSA as the Federal awarding agency. To determine whether the lack of processes resulted in non-compliance with the prior approval requirements, RSA discussed LRS expenditures during the on-site visit and established that LRS had been purchasing equipment that exceeded the capitalization threshold. The items purchased met the definition of equipment in accordance with 2 C.F.R. §§ 200.33 and 200.439, exceeding the State’s capitalization threshold of \$5,000. As a result, it was determined that the agency required prior approval from RSA as the Federal awarding agency before purchasing the equipment, but prior approval was not sought or obtained. In addition, without written policies the agency does not have a process to determine the allowability of such costs as is required in 2 C.F.R. § 200.302(b)(7).

Conclusion: Based upon RSA’s analysis, LRS did not meet the prior approval requirements pursuant to the Uniform Guidance (2 C.F.R. § 200.407) or the requirement to have written procedures for determining the allowability of costs in accordance with Subpart E – Cost Principles within Uniform Guidance (2 C.F.R. § 200.302(b)(7)).

Corrective Action Step:

RSA requires that LRS—

- 5.1.1 Develop and implement policies and procedures, as well as a written internal control process, including a monitoring component, to ensure ongoing compliance with the prior approval requirements, including those in RSA Technical Assistance Circular (TAC)-18-02.

Agency Response: LRS concurs. Multiple trainings using information disseminated through RSA Technical Assistance Circular 18-02 and through the RSA Prior Approval Technical Assistance Sessions dated May 24, 2018 have been conducted statewide for field and headquarters staff on Prior Approval requirements. LRS's Technical Assistance and Guidance Manual (Chapter 4) has been updated to include Prior Approval procedures for each service that requires Prior Approval. Prior Approval Internal Controls procedures (LRS Chapter 10, Part 1.1) were developed and issued. A tracking spreadsheet is maintained for prior approval requests. LRS will also develop a monitoring process for Prior Approval.

RSA Response: RSA appreciates the efforts Louisiana has made toward implementing prior approval policies and procedures. RSA looks forward to working with Louisiana to incorporate the new prior approval flexibilities identified in the Frequently Asked Questions (FAQs) Prior Approval document.

Request for Technical Assistance: No technical assistance was requested.

5.2 Obligations and Expenditures Not Properly Assigned to Correct Period of Performance

Issue: Does LRS meet obligation and expenditure requirements in 2 C.F.R. § 200.71 and 34 C.F.R. § 76.707. Does LRS assign obligations and expenditures to the correct Federal award in accordance with 34 C.F.R. § 361.12, 2 C.F.R. §§ 200.77, 200.302, 200.303(a), 200.309, and 34 C.F.R. § 76.702.

Requirement: As a recipient of Federal VR and Supported Employment funds, LRS must have procedures that ensure the proper and efficient administration of its VR and Supported Employment programs and enable LRS to carry out all required functions, including financial reporting (34 C.F.R. § 361.12). In accordance with the Uniform Guidance in 2 C.F.R. § 200.302(a), a State's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the award, must be sufficient to permit the preparation of reports required by general and program specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. The Uniform Guidance requires the financial management system of each non-Federal entity to provide for the identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received (2 C.F.R. § 200.302(b)). In addition, Education Department General Administrative Regulations (EDGAR) at 34 C.F.R. § 76.702 require States to use fiscal control and fund accounting procedures that ensure proper disbursement of and accounting for Federal funds.

Each grant award has a defined "period of performance," which is the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award (2 C.F.R. § 200.77). A non-Federal entity may only charge to the Federal award allowable

costs incurred during the period of performance (2 C.F.R. § 200.309, see also EDGAR 34 C.F.R. §§ 76.703 and 76.709). Grantees must implement internal controls necessary to ensure obligations and expenditures for a Federal award are assigned, tracked, recorded, and reported within the applicable period of performance for that Federal award, thereby ensuring the grantees are managing the award in compliance with Federal requirements (2 C.F.R. § 200.303(a)). The proper assignment of Federal and non-Federal funds to the correct period of performance is necessary for LRS to correctly account for VR and Supported Employment program funds so that RSA can be assured that the agency has satisfied requirements for, among other things, match (34 C.F.R. § 361.60), maintenance of effort (MOE) (34 C.F.R. § 361.62), and the reservation and expenditure of VR funds for the provision of pre-employment transition services (34 C.F.R. § 361.65(a)(3)).

An obligation means “orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period” (2 C.F.R. § 200.71). For expenditures to be allowable under the Federal award, agencies must demonstrate that the obligation occurred within the period of performance of the Federal award. EDGAR regulations at 34 C.F.R. § 76.707 explain when a State incurs an obligation for various kinds of services and property. Expenditures must be for payment of actual obligations. Obligations must be charged to a Federal award and must occur within the appropriate period of performance. Therefore, in order to properly account for and liquidate expenditures, grantees must be able to assign an obligation to a Federal award based upon the date the obligation was made (34 C.F.R. §§ 76.703 and 76.709).

Analysis: During the on-site visit, RSA and LRS discussed the agency’s ability to track and report obligations in its various systems. The case management system used by LRS is programmed to default to the year of appropriation funds, and the system can identify the FFY and program fund source (e.g., FFY 2018 VR) for purchased services based on the date that purchased services are authorized by VR Counselors. After VR services are provided, CRPs and vendors submit an invoice and LRS staff members approve the invoice as well as validate and release the payment. At that time the payment process moves to the Louisiana Workforce Commission (LWC) fiscal office for payment. The payment is coded based on a program fund source (e.g., 1040 for VR), but the payment no longer retains the FFY assignment. The LWC fiscal office can determine whether to use year of appropriation VR funds from one award or eligible carryover funds from a prior year’s award to pay the invoice. This decision is typically based on a first in, first out approach. However, for SF-425 report development and submission, the agency has not established a process for tracking and reporting obligations based on the date the obligations were made in the case management system, which has not historically been used for SF-425 reports. RSA was informed that there are concerns with using authorizations and contracts as obligations because the services may never be rendered. Since EDGAR requirements at 34 C.F.R. § 76.707 identify when obligations are made for various kinds of services and property, it is incumbent on the State VR agency to ensure that its financial management systems are sufficient to permit the preparation of reports required by general and program specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

While on-site, RSA inquired about the process used to report unliquidated Federal obligations on the SF-425 report. RSA was informed by LWC/LRS staff that for the FFY 2017 year of appropriation report ending September 30, 2017, expenditures paid during the first 25 days of October were identified and reported as obligations on the report. This process does not meet the obligation requirements at 34 C.F.R. § 76.707, resulting in an incorrect SF-425 report. Without accurate tracking of unliquidated obligations, the VR agency is unable to provide the information RSA needs to accurately determine whether the VR award qualifies for a carryover year and a budget period extension.

Conclusion: Based upon RSA’s analysis, it has determined that LRS is not in compliance with the Federal requirements in 34 C.F.R. §§ 361.12 and 76.702, and 2 C.F.R. § 200.302 to accurately account for and report obligations and ensure expenditures are paid from the correct Federal award for the VR award. Additionally, the agency did not have sufficient internal controls to ensure that: 1) obligations and expenditures assigned to a FFY were only for allowable costs under the DSU’s approved State plan; 2) all obligation dates were correctly recorded in the agency’s accounting system; and 3) all obligations and expenditures were accurately reported on the appropriate Federal Financial Reports for the appropriate awards.

RSA is concerned that LRS’ financial management system does not meet Federal requirements because the agency is not able to ensure—

- Accurate data collection and financial accountability, as required by 34 C.F.R. § 361.12;
- The proper disbursement of and accounting for Federal funds, as required by 34 C.F.R. § 76.702; and
- Obligations and expenditures are assigned and liquidated within the period of performance of the Federal award in accordance with the award’s terms and conditions, as required by 34 C.F.R. § 76.707 and 2 C.F.R. § 200.302.

As a recipient of Federal VR funds, LRS must have procedures in place that ensure proper and efficient administration of its VR program, and that enable LRS to carry out all required functions. The methods of administration must ensure accurate data collection and financial accountability (34 C.F.R. § 361.12 and 2 C.F.R. § 200.302).

Corrective Action Steps:

RSA requires that LRS—

5.2.1 Make requisite changes to its financial data collection and analysis process to bring it into compliance so that LRS can—

- Ensure all Federal and non-Federal obligations (including benchmark contracts, VR services purchased through authorizations, and personal services by LRS employees) are properly accounted for and obligated to the correct FFY award in the agency’s financial management system;
- Account for and accurately liquidate all expenditures from the correct FFY award, commensurate with the period of performance for the corresponding obligations based on when they were assigned; and

- Accurately report obligations and liquidations on the SF-425 report for the corresponding period of performance for Federal awards;
- 5.2.2 Update and implement policies and procedures to accurately account for and report all obligations and expenditures to the correct period of performance, ensuring the policies address—
- The assignment of obligations to the appropriate FFY award and the liquidation of such funds based upon the assignment of the obligation; and
 - The obligation of contract services in the financial management system to ensure liquidations are based upon the FFY in which the contracts were obligated; and
- 5.2.3 Develop and implement a written internal control process, including a monitoring component, to ensure ongoing compliance with Federal requirements for the areas mentioned in corrective actions 5.2.1 and 5.2.2.

Agency Response: LRS concurs. Revisions have been made to the reporting process.

Request for Technical Assistance: No technical assistance was requested.

5.3 Unallowable Sources of Match in the VR Program

Issue: Does LRS meet non-Federal share requirements in 34 C.F.R. § 361.60.

Requirement: VR implementing regulations require a State to incur a portion of expenditures under the VR services portion of the Unified or Combined State Plan from non-Federal funds to meet its cost sharing requirements (34 C.F.R. § 361.60(b)). The Federal share for expenditures made by the State, including expenditures for the provision of VR services and the administration of the VR services portion of the Unified or Combined State Plan, is 78.7 percent. The State's share is 21.3 percent. The non-Federal share of expenditures reported by September 30 of the year of appropriation must be sufficient to permit the drawdown of Federal funds needed to pay obligations incurred during the year of appropriation, plus the amount of Federal funds, if any, the grantee plans to carry over for obligation and expenditure during the carryover period of the award. Non-Federal funds obligated during the year of appropriation of an award are allowable match for the VR program if those obligations are liquidated.

In addition, expenditures made from cash contributions provided by private organizations, agencies, or individuals and that are deposited in the State agency's account may be used as part of the non-Federal share if the funds are earmarked for any other purpose under the VR services portion of the Unified or Combined State Plan, provided the expenditures do not benefit in any way the donor, employee, officer, or agent, any member of his or her immediate family, his or her partner, an individual with whom the donor has a close personal relationship, or an individual, entity, or organization with whom the donor shares a financial or other interest. The Secretary does not consider a donor's receipt from the State unit of a subaward or contract with funds allotted under this part to be a benefit for the purposes of this paragraph if the subaward or contract is awarded under the State's regular competitive procedures (34 C.F.R. § 361.60(b)(3)(iii)).

Furthermore, the VR program regulations permit VR agencies to spend Federal VR funds for small business enterprises, including those established under the Randolph-Sheppard program, for the provision of management and supervision provided by the DSU along with the acquisition by the State unit of vending facilities or other equipment, initial stocks and supplies, and initial operating expenses (34 C.F.R. § 361.49(a)(5)).

As a recipient of Federal VR funds, LRS must have procedures that ensure the proper and efficient administration of its VR program and enable LRS to carry out all required functions, including financial reporting (34 C.F.R. § 361.12). In accordance with the Uniform Guidance in 2 C.F.R. § 200.302(a), a State's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the award, must be sufficient to permit the preparation of reports required by general and program specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. The Uniform Guidance requires the financial management system of each non-Federal entity to provide for the identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received (2 C.F.R. § 200.302(b)). In addition, EDGAR provisions at 34 C.F.R. § 76.702 require States to use fiscal control and fund accounting procedures that ensure proper disbursement of and accounting for Federal funds.

Analysis: RSA found two areas of concern that fall within the match (non-Federal share) focus area. These concerns are identified below.

A. Reversion to Donor of Private Donations

In FFY 2017, LRS included \$100,000 received by LWC from the national office of Jobs for America's Graduates (JAG), Inc., as part of the non-Federal share reported as match for the VR program. RSA was provided a copy of the check verifying that it came from the national office. A review of the national JAG website confirmed that it is organized as a private non-profit corporation with tax-exemption status as a 501(c)(3) corporation by the Internal Revenue Service. In the State of Louisiana, the JAG program is administered by the Louisiana Department of Education (LDOE). Local schools apply to receive a grant to administer one of the JAG programs and receive at least \$50,000 to run the program.

RSA and LRS discussed the \$100,000 donation from JAG, Inc. during the on-site visit and RSA inquired into the reason or purpose of the donated funds and requested LRS to provide any documentation that it received. LRS indicated there was no agreement with JAG Inc. and subsequent to the on-site visit it did not provide any documentation such as a contract or agreement. Federal regulations governing the VR program permit private entities, such as JAG, Inc., to contribute funds to a State VR agency to assist it in satisfying its non-Federal share requirements so long as the donor does not benefit from the expenditure of those funds (34 C.F.R. § 361.60(b)(3)(iii)). RSA learned from LRS that accounting adjustments were made to FFY 2017 JAG expenditures, through the journal voucher process, and those expenditures were coded to the \$100,000 donation, which was reported on the FFY 2017 VR SF-425 as match for the VR award. RSA understands that neither the \$100,000 donation, nor the Federal VR funds drawn down based upon these funds, were administered through a contract awarded under the State's regular competitive procedures; rather, funds were utilized for services that LRS has paid

on a fee-for-services basis with the Louisiana JAG programs administered through the school system. As a result, JAG, Inc., benefited from the expenditure of its donated funds because the Louisiana JAG programs is an entity with whom the donor shares a financial or other interest, and Louisiana JAG programs directly received payment from the donated funds to provide VR services on a fee-for-service basis rather than under a contract awarded under the State's regular competitive process.

B. Unallowable Randolph-Sheppard Expenditures Reported as VR Match

As the State Licensing Agency (SLA) for the Randolph-Sheppard program, LRS does not levy set-aside rates on vendors, but collects vending machine income from State-owned property and deposits that income into a Blind Vendors Trust Fund. In accordance with 34 C.F.R. § 395.1(s), "set-aside funds" means any income from vending machines on Federal property. A review of the State rule for the Randolph-Sheppard Trust Fund Policy (LAC 67:VII.Chapter 21), § 2111((D) - Expenditures), revised October 2015 by LWC, indicates that trust fund money from vending machines located on State-owned property or on property leased by the State agency, or on other property shall be distributed for any purpose consistent with the Randolph-Sheppard Program as may be determined by the SLA with the active participation of the Blind Vendors Trust Fund Board. Therefore, vending machine income from either Federal or State-owned locations in Louisiana is treated as set-aside funds under the Randolph-Sheppard program.

In FFY 2017, LRS reported \$294,678 of expenditures from Randolph-Sheppard set-aside funds as match for the VR program. During the on-site visit, RSA reviewed the expenditures from these funds and learned that \$203,971.69 was expended on legal fees that LRS paid to a private law firm to defend itself during arbitration/legal proceedings from vendor and elected-committee complaints. The elected committee complaint specifically questioned the use of the trust funds as a source to fund the SLA's legal defense, which an arbitration panel allowed.

A review of RSA PD-92-09 (Federal Financial Participation in the Payment by States of Arbitration Panel Damages Awards under the Randolph-Sheppard Act), identifies an RSA policy statement that attorney fees cannot be paid from State VR funds required to match Federal Title I VR funds, and that attorney fees cannot be paid from Randolph-Sheppard set-aside funds because this is not an allowable use of these funds under the Randolph-Sheppard Act and regulations. Therefore, the \$203,971.69 that LRS expended on legal fees paid to a private law firm are not an allowable source of match for the VR program.

Conclusion: Based upon RSA's analysis, it has determined that LRS is not in compliance with the Federal requirements in 34 C.F.R. § 361.60(b)(3)(iii), related to the use of private contributions as match under the VR program because JAG, Inc., benefited from the donation when LRS assigned Louisiana JAG program expenditures to the donated funds and reported them as match for the VR program. Additionally, LRS is not in compliance with 34 C.F.R. § 361.49(a)(5) and PD-92-09, because it reported legal fees paid by Randolph-Sheppard set aside funds as match for the VR program. For these reasons, RSA has questioned the \$100,000 JAG donation and the \$203,971.69 in legal fees paid with Randolph-Sheppard set aside funds that were reported as non-Federal share for the VR program in FFY 2017.

Corrective Action Steps:

RSA requires that LRS—

- 5.3.1 Cease using Title I funds, including non-Federal funds from private entities such as JAG, Inc. used to match the VR program, in a manner that inappropriately benefits the private entity, as required by 34 C.F.R. § 361.60(b)(3)(iii);
- 5.3.2 Cease using Randolph-Sheppard set-aside funds spent on SLA legal funds as match for the VR program;
- 5.3.3 Revise SF-425 reports to reflect accurate non-Federal expenditures and ensure accurate reporting of non-Federal share in future submissions;
- 5.3.4 Develop and implement internal control policies and procedures to prohibit reversion of funds to benefit private donors, as well as mechanisms to ensure that Randolph-Sheppard set-aside expenditures reported as match for the VR program are for allowable program expenditures that do not include legal fees; and
- 5.3.5 Provide an assurance that LRS will expend funds and report expenditures only for those costs that are allowable under the VR program, regardless of whether they are paid with Federal or non-Federal funds used for matching purposes.

Agency Response: LRS provides the following response:

5.3.1 LRS does not concur. No formal contract or agreement existed for the donation. The funds were expended on non-JAG expenses.

5.3.2 Contract Attorney Fees - LRS does not concur. The draft audit cites RSA Policy Directive 92-09 as the basis for a finding that the fees charged by a private law firm paid to do legal work for our Randolph-Sheppard program are not an allowable cost for matching purposes or otherwise. We believe that this finding extends PD 92-09 beyond its stated scope. The “Subject” that the PD 92-09 addresses is stated as being “Federal Financial Participation in the Payment by States of Arbitration Panel Damages Awards under the Randolph-Sheppard Act.” In its first paragraph it notes that several arbitration panels have ordered SLAs “to pay retroactive compensatory damages and/or attorney fees to prevailing blind vendors.” This is the sole topic that PD-92-09 addresses. It concludes stating that the prohibition against using Federal funds to pay arbitration panel awards would include “panel-ordered SLA payments of vendor attorney fees.” The term “vendor” here refers to the blind vendor or vendors who were awarded payment of their legal fees by an arbitration panel. In the following paragraph, this PD further states that this also extends to “panel-ordered SLA payments of vendor attorney fees.” Thus, the limited prohibition on the use of Federal funds this PD addresses is arbitration panel damage awards, including damage awards of the vendor’s attorney fees. PD 92-09 does not state a general rule that an SLA may not use Federal RSA funding to pay contract attorneys.

We note that the concluding paragraph of PD 92-09 states, “Panel awards or attorney fees cannot be paid from State VR funds required to match Federal Title I VR funds.” Clearly this is referring to arbitration panel awards of attorney fees to the prevailing blind vendor(s) in an arbitration proceeding, for panel awards of such payments are the sole topic referenced and analyzed in PD 92-09.

Use of Set-Aside Funds to Pay Legal Fees

LRS does not concur that set aside funding was used as a Federal match in Federal year 2017 for Randolph Sheppard legal fees. LRS does not collect a set-aside. Also, the very issue -- the propriety of utilizing the funds that were used to pay the legal fees at issue -- was heard and decided by a panel of arbitrators in an RSA arbitration conducted by the US Department of Education, Rehabilitation Services Administration -- specifically, Case Number R-S/11-07 and 11-08. According to the arbitration panel decision dated August 8, 2017:

“LSA RS 23:3045.B specifically allows Trust Fund money from State vending machines to be distributed for any purpose consistent with the provisions of the Act. Therefore, the Arbitration Panel concludes that the expenditures by LWC’s from the Trust Fund for payment of the contested legal fees is not in violation of State and Federal law.”

This decision was not appealed and, as the “law of the case,” governs the resolution of this specific issue – the legality of using these specific funds to pay for the legal services cited in this audit. In effect, this draft audit finding, if issued, would REVERSE the arbitration decision and, therefore, is contrary to the prior resolution of this issue in the US Department of Education arbitration. The Louisiana Workforce Commission respectfully asserts that US Department of Education auditors are bound by the arbitration decision and do not possess the authority to reverse or disregard such a decision through the mechanism of an audit finding.

RSA Response: Concerning LRS’ response to corrective action 5.3.1, the national Jobs for America’s Graduates, Inc. (JAG) file a 2016 IRS form 990, confirming the agency is a private non-profit organization filing as a 501(c)(3) corporation. The IRS 990 filed for National JAG, headquartered in Alexandria, Virginia, includes data in Schedule I, Part II, for Grants and Other Assistance to Domestic Organizations and Domestic Governments. A review of this document demonstrates that JAG provided \$100,000 to the Louisiana Workforce Commission. The document further states the purpose of the grant or assistance is “To Support and Encourage Growth and Sustainment of JAG State Affiliates.” RSA has determined that the information on the IRS Form 990 confirms that the \$100,000 was a donation from a private entity that was provided with a restricted purpose. RSA’s documentation review and discussions with LRS during the on-site visit, as well as an LRS email from May 11, 2018, clarified that the \$100,000 was expended on activities that benefitted the JAG program and recorded as match for the VR award during FFY 2017. This confirmation supports that, during the period of the review, a reversion to donor noncompliance action existed, as identified in 34 C.F.R. § 361.60(b)(3)(iii). The LRS response indicates that the expenditures are not currently assigned to activities that benefit the JAG program. However, neither the LRS response nor any allowable accounting adjustments – reassigning the \$100,000 to activities that do not benefit the JAG program (made after the period of review) – refute either the actions taken by the agency during the period of the review or the original assignment of the funds to activities benefiting the JAG program in FFY 2017. The finding stands as written.

Regarding LRS’ response to corrective action 5.3.2, this finding addresses unassigned vending machine income, considered set-aside funds in accordance with the definition of the term in 34 C.F.R. § 395.1(s), expended on attorney’s fees as match for the VR program. This is further substantiated by the very same arbitration panel decision LRS cites above (Case Number R-S/11-07 and 11-08):

“While Louisiana may not have a set-aside fund assessment upon blind vendors, by operation of State law, funds (specifically, unassigned vending machine income resulting from contracts between the SLA and 3rd party vending machine contractors) are caused to be set aside from the net proceeds of vending facilities located on State-owned property (or on property leased by the State/State agencies) in order to fund the Blind Vendors Trust Fund, triggering the spending restrictions under §107(b)(3) of the Act.”

LRS posits in its response that the arbitration decision would permit the use of funds from the Louisiana Blind Vendors Trust fund to pay for legal fees associated with the arbitration. However, LRS incorrectly correlates the ability to use Blind Vendors Trust Funds to pay for legal fees with the ability to record and use those funds as match for the VR program. PD-92-09 makes clear that a determination of allowability of such costs is based on the extent to which they fall under the rubric of VR services for groups, specifically the Small Business Enterprise Program for individuals with significant disabilities (including the Randolph-Sheppard program), or whether they can be considered costs incurred in the administration of the Title I State Plan. The allowable services under services to groups authority include acquisition of facilities or equipment; management and supervision; initial operating expenses, stocks and supplies; and maintenance and repair of equipment. Consistent with VR statute, implementing regulations, and sub-regulatory guidance, there is no precedent to permit the use of legal fees for SLA arbitration panels, paid with set-aside funds, as match for the VR program. The finding stands as written.

Request for Technical Assistance: No technical assistance was requested.

5.4 Internal Control Deficiencies

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

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

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

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

In addition, the Uniform Guidance at 2 C.F.R. § 200.62(a)(3) defines “internal control over compliance requirements for Federal awards” as a process implemented by a grantee that provides reasonable assurance that, among other things, that transactions are accurately recorded and accounted for to demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with the Uniform Guidance, 2 C.F.R. § 200.303, among other things, requires a non-Federal entity to—

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

Additionally, 2 C.F.R. § 200.302(a) requires that a State's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the award, must be sufficient to permit the—

- Preparation of reports required by general and program specific terms and conditions; and
- Tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of Federal award.

Furthermore, provisions at 2 C.F.R. § 200.302(b)(4) require that the financial management system of each non-Federal entity must ensure—

- Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes.

In its guidance *The Role of Internal Control, Documenting Internal Control, and Determining Allowability & Use of Funds*, the Department made clear to grantees that internal controls represent those processes by which an organization assures operational objectives are achieved efficiently, effectively, and with reliable, compliant reporting.

Therefore, an internal control deficiency would exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or correct processes that might lead to noncompliance with Federal and State requirements.

Analysis: RSA found areas of concern, listed below, that fall within the internal control focus area.

A. Duplication of Funds for Students under IDEA

The State of Louisiana is a participant in the Jobs for America's Graduates (JAG) program. Information from the national JAG website indicates that JAG is organized typically through a non-profit corporation with a board of directors; however, some States operate through a State agency with an oversight body. In Louisiana, JAG is operated through the LDOE, which reviews applications and approves the individual JAG programs operated out of schools in local parishes. During on-site discussions with LRS management and review of the agency's policies regarding VR services, RSA learned that LRS uses the JAG programs as a provider for pre-employment transition services. In addition, LRS has a written procedure that governs the rate-setting methodology it uses to assign costs for purchased VR services, including pre-employment transition services. The procedures include a formula to set rates based on the total cost allocated for the service, including variables such as costs, length of service, and capacity of classes to establish daily or monthly rates for services. Using this formula, LRS established pre-employment transition service rates for the provision of workplace readiness training in a group or classroom setting, resulting in a \$496 monthly fee for the provision of pre-employment transition services. LRS indicated that the \$496 monthly rate is used to pay for pre-employment transition services provided by agency CRPs, as well as JAG programs in schools.

LRS indicated that the JAG services are provided in a classroom setting, and the class includes students with disabilities, as well as students who do not have a disability that meet the JAG criteria. Since LDOE administers the JAG programs, which operate out of local schools, all students have access to the JAG services, regardless of whether the student has a disability. LRS indicated that students with disabilities participating in the JAG program receive services over a nine-month period in their junior and senior years. Based on the \$496 per month fee, which may be prorated if students' monthly participation is less than standard hours, LRS may pay up to \$4,464 per year, resulting in a potential total of \$8,928 for two years of services. However, according to the LDOE website page for JAG, the individual JAG programs in the State receive \$50,000 to offset the service provider's salary for the provision of JAG services to all students in the program. Discussions with LRS indicated that students with disabilities receiving JAG services in the schools are referred to LRS, which processes these referrals and confirms whether the student meets the definition of a student with a disability. Once LRS has determined the student can receive pre-employment transition services, LRS begins paying for JAG services based on its \$496 monthly fee. In contrast, LRS indicated the costs for students receiving JAG services who are not affiliated with LRS are not based on a comparable \$496 per month fee; rather, those costs are paid for with funds available to LDOE. RSA understands this to mean the \$50,000 JAG grant or additional LDOE funds pay for these costs, in accordance with the JAG grant requirements identified on the Louisiana JAG website.

Federal regulations require LRS to establish procedures that enable it to administer the VR program in an efficient manner to ensure it can carry out all VR functions properly (34 C.F.R. § 361.12). Furthermore, Uniform Guidance provisions at 2 C.F.R. § 200.303(b) require LRS to establish internal controls that ensure the agency complies with all Federal requirements. The Federal cost principles require that costs be allowable, reasonable, and allocable to the program (2 C.F.R. §§ 200.403 through 200.405). For costs to be reasonable, consideration must be given to market prices for comparable goods and services (2 C.F.R. § 200.404(c)). To be allocable to a program, the cost must be relative to the benefit received (2 C.F.R. § 200.405(a)). Because LRS

is paying for services for students with disabilities who already have access to these services through the LDOE, the costs represent a duplication of effort based on the JAG services the schools are already providing, using funds from JAG grants and LDOE funds, consistent with JAG grant requirements on the Louisiana JAG webpage. In addition, LRS pays a \$496 monthly rate of payment for JAG services provided to students with disabilities under pre-employment transition services. The LRS monthly rate does not appear to be comparable to the level of cost for other students to receive the same services, because these costs are based on the salary of the service provider, as opposed to the fee-for-service mechanism used by LRS. Therefore, LRS cannot ensure that all expenditures incurred for the provision of purchased VR services are allowable, reasonable and allocable to the VR program, and LRS cannot assure that it is administering the VR program in a proper and efficient manner and ensuring financial accountability. For these reasons, LRS has not complied with the VR administration and internal control requirements set forth at 34 C.F.R. § 361.12 and 2 C.F.R. § 200.303(b), respectively.

B. Insufficient Supporting Documentation for Third-Party Cooperative Arrangements

The Uniform Guidance at 2 C.F.R. § 200.303(c) requires grantees to have internal controls sufficient to ensure the grantee evaluates and monitors the agency's activities to ensure compliance with Federal requirements. In addition, 2 C.F.R. § 200.328(a) requires LRS to be responsible for the operation of all grant-supported activities. VR implementing regulations at 34 C.F.R. § 361.12 require LRS to employ methods of administration necessary for properly administering and carrying out all functions under the State Plan. These methods include procedures to ensure accurate data collection and financial accountability. As such, LRS must monitor and evaluate grant-supported activities to ensure compliance of all activities performed under the VR program.

Prior to the on-site visit, LRS informed RSA that it had nine TPCAs in effect during FFY 2017. RSA's review of the TPCA contracts and discussions with the agency during the on-site visit indicated that the value of cooperating agency staff members is used as match for the VR program. RSA requested payment verification for three TPCAs, including two invoices with supporting documentation submitted by the cooperating agencies for the time spent providing VR services for each TPCA. RSA's review of the documentation indicated that the cooperating agency staff time spent working on the TPCA, of which a portion of certified expenditures is reported as match for the VR program, was not consistently supported across the TPCAs.

Specifically, of the six total sets of invoices and supporting documentation, only one included a mechanism (an hourly log) that detailed and tracked the entirety of time that all cooperating agency staff members spent providing VR services under the TPCA. The hourly log provided information about services provided to students but did not include individualized attendance and progress reports. The second invoice and supporting documentation for the same TPCA did not include such a mechanism to demonstrate the time spent working on the TPCA.

The invoices and supporting documentation for the second TPCA (LSU Paycheck) included a recording of hours worked on several programs during the month, but the documentation provided was for only two of the six individuals working on the TPCA and charging their salary to its budget. Supporting documentation for this TPCA did not include attendance and progress reports.

Supporting documentation for the third TPCA (Bossier) included a list of students served as well as attendance and progress reports identifying the days that students attended class. A breakout of monthly salary and benefits was included, as well as mileage reimbursement logs, but no documentation of cooperating agency staff time spent working on the TPCA program was provided.

Conclusion: LRS does not maintain effective internal controls over the Federal VR award necessary to provide reasonable assurances that it is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award, as required by 34 C.F.R. §§ 361.3(a) and 361.12, and 2 C.F.R. §§ 200.302 and 200.303. Specifically, LRS did not satisfy the requirements in 34 C.F.R. § 361.12, and 2 C.F.R. §§ 200.302(a) and 200.303(a) that require a State's financial management systems to be sufficient to permit the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal requirements, and that funds are spent solely on authorized VR activities, because an internal control deficiency exists related to the payment of JAG services for students with disabilities who already have access to these services through the school system. Additionally, LRS did not demonstrate the agency's costs for pre-employment transition services provided through JAG are reasonable, because those costs are not comparable to the level of costs charged to other students receiving the same JAG services.

Additionally, LRS does not have internal controls established to require consistent and verifiable supporting documentation from TPCA cooperating agencies to support certified expenditures worked on TPCAs, including the non-Federal share reported as match for the VR program. Specifically, the supporting documentation for the three sample TPCAs did not demonstrate all time spent working on the TPCAs and other cost objectives to demonstrate the relative benefits received by the VR program, as required by Uniform Guidance cost principles.

Corrective Action Steps:

RSA requires that LRS—

- 5.4.1 Revise its written policies and procedures governing the manner in which LRS will determine that its payment for all VR services, including pre-employment transition services, are reasonable and necessary in accordance with Uniform Guidance;
- 5.4.2 Implement internal control procedures to ensure that LRS does not provide funding for VR services, including pre-employment transition services, when those services are already accessible to the individual; and
- 5.4.3 Develop or revise written policies and procedures governing the oversight of grant-supported activities, as required by 2 C.F.R. § 200.328(a), particularly with respect to—
 - Requiring uniform requirements for supporting documentation submitted by TPCA cooperating agencies in the contracts;
 - Staff members' review of TPCA invoices during payment processing; and
 - Ensuring certified expenditures of cooperating agency staff time spent providing services under TPCAs with LRS are verified before reporting the non-Federal portion as match for the VR program.

Agency Response: LRS provides the following response:

5.4.2 LRS does not concur. IDEA does not fund JAG high school programs. According to the draft audit report, “Since LDOE administers the JAG programs, which operate out of local schools, all students have access to the JAG services, regardless of whether the student has a disability.” In 2016, the JAG-LA program was tasked to expand the number of JAG programs in Louisiana. In order to accomplish this task, meetings were conducted with several Louisiana Departments, including LWC. The Vocational Rehabilitation program’s “Pre-Employment Transition Services” reserve was identified as being potentially available to service students with disabilities receiving pre-employment transition services through the JAG curriculum. LRS provided JAG with a copy of the LRS curriculum to ensure that the needed areas were addressed with students with disabilities who were eligible or potentially eligibility for pre-employment transition services. Because LRS needed to provide pre-employment transition services statewide as required by WIOA, LRS saw this as an opportunity to expand pre-employment transition services to students throughout the State by working collaboratively with the JAG program. In the absence of final VR regulations, LRS exercised due diligence by conducting rehab-net inquiries, reviewing other State’s information and their work with RSA. With these efforts, the number of JAG programs was anticipated to increase from 69 to 115. Without Vocational Rehabilitation funding, the additional programs would not have been established to provide Pre-Employment Transition Services. LRS only funds JAG services to students with disabilities as defined within WIOA. Since no funding for JAG originated within the Louisiana Department of Education and funding for this program was received by interagency transfers from several other departments, the Louisiana JAG program was moved to the Louisiana Workforce Commission and is currently housed under the Office of Workforce Development, along with LRS. Now that the program resides under LWC, greater internal controls are in place to identify specific costs per student to ensure that the Vocational Rehabilitation program is only paying a reasonable fee in proportion that benefits students with disabilities, who have been identified as needing Pre-Employment Transition Services.

LRS has also identified inaccurate information concerning the rate methodology for Pre-Employment Transition Services. This report appears to indicate that LDOE was reimbursed \$496.00 per month for each student in the JAG program, for a total of \$8,928 if the student participated for two years. This fee in actuality is pro-rated by the number of days in attendance. For SFY 2017, the average cost per student in JAG was \$2,296.06, and for SFY 2018, \$2,901.90, for a total average of \$2,598.98 for the two years combined. In summary, the cost of services was more reasonable than reported in the draft report.

5.4.3 LRS concurs with this finding. All new contracts (TPCAs) have wording in them specific to being reasonable, allocable, allowable and necessary. LRS has requested technical assistance from WINTAC regarding the TPCAs.

The questioned time sheet for Grant Parish that states a Pre-Employment Transition Services specialist worked 20 hours at \$242 per hour was answered in the email, which stated that the actual time sheet is \$242 per day for 20 days.

RSA Response: RSA appreciates LRS’ response and its assurance to implement greater internal controls now that the LA JAG program has been moved to the Office of Workforce

Development (OWD). Concerning the LRS response to corrective action 5.4.2, the agency did not include any documentation, or otherwise provide sufficient information, to demonstrate that it has implemented the required internal controls over its expenditure of Federal funds used for pre-employment transition services, particularly funds used for the LA JAG program. Pursuant to Sections 101(a)(11)(D) of the Rehabilitation Act and 34 C.F.R. § 361.22(b) of its implementing regulations, the VR agency and the State education agency (SEA) must develop and implement a formal agreement that describes the roles and responsibilities, including financial responsibilities of each agency and qualified personnel, responsible for transition services and pre-employment transition services, among other requirements. Section 101(c) of the Rehabilitation Act makes clear that none of its requirements is to be construed as reducing the obligations of the local educational agency under the Individuals with Disabilities Education Act (IDEA) for any transition services that are also considered special education or related services and considered necessary for ensuring free appropriate public education to students with disabilities within that State. Specifically, VR funds may not be spent for the provision of pre-employment transition services that were already provided through the school system as special education and related services under IDEA. While it is permissible for VR to collaborate with schools to extend or adapt programs for the provision of pre-employment transition services, the services provided by the school may not be charged to the VR program simply because it would also constitute a VR service. Pursuant to Section 101(c) of the Rehabilitation Act, if the service is one that is already an obligation under IDEA, then it must be paid by the school system, not the VR program.

The lack of a formal contract with JAG demonstrated the need to develop internal controls surrounding the expenditure of VR funds, and for LRS and the school system to discuss the responsibilities of each entity when it comes to the provision of pre-employment transition services for students with disabilities. RSA also disagrees with LRS' statement that the LA JAG is not funded with IDEA funds or that no funds originate from the LA Department of Education. LRS reported during the monitoring process and in an email dated May 11, 2018, that LA JAG is funded through IDEA, TANF, Delta Regional Authority, donations from AT&T and Entergy, State general funds appropriated to LDOE, and LRS funds provided for pre-employment transition services, which included the one-time donation by JAG. These same funding sources were identified on LA JAG's website.

RSA requested a copy of the curriculum used for LRS students with disabilities receiving pre-employment transition services from LA JAG. LRS provided RSA a copy of the core and non-core competencies all JAG students will receive prior to graduation. LRS and JAG confirmed that students with disabilities receive pre-employment transition services along with all other JAG students using the same curriculum based on the core and non-core competencies.

RSA agrees with LRS that LDOE can be reimbursed up to \$496.00 per month for each student for a maximum of \$4,464.00 per school year, up to \$8,928 over two years, using a pro-rated fee based on the student's attendance. The report has been edited to reflect this clarification. The remainder of the finding stands as written.

Regarding LRS' response to 5.4.3, RSA appreciates the clarification provided by LRS. RSA has removed the reference to the Grant Parish TPCA. RSA maintains this finding as modified.

Request for Technical Assistance: No additional technical assistance was requested.

D. Technical Assistance

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

Prior Approval

RSA provided technical assistance on prior approval, including the most common categories that VR agencies have submitted to RSA, in accordance with Uniform Guidance at 2 C.F.R. § 200.407. In addition, since the time of the on-site visit RSA published TAC-18-02, which provides further guidance and outlines a streamlined budget submission of prior approval requests for general purpose equipment and participant support costs.

Period of Performance

RSA clarified for LRS that RSA formula awards are 12-month awards that are eligible for a carryover period if certain requirements are met, including non-Federal share and an unobligated Federal fund balance. RSA explained the need to track non-Federal and Federal obligations and unobligated balances funds to make this determination. RSA directed LRS to review EDGAR 34 C.F.R. §76.707, which identifies when an obligation is made for cost categories including payroll costs, contracts, and purchased services. RSA emphasized the requirement to report unliquidated obligations on the SF-425 report, exactly as the obligations are accounted for at the end of the reporting period (e.g., September 30). RSA also clarified that obligations cannot be made for funds that have not yet been awarded, as the period of performance does not begin until October 1 of the appropriation year.

Administrative Costs in TPCAs

LRS requested clarification about administrative costs and whether they can be included in a TPCA budget. RSA verified on-site that administrative costs of a TPCA are not allowable as match for the VR program, in accordance with 34 C.F.R. § 361.28(c), but administrative costs may be paid with Federal funds in a TPCA budget if those costs meet the Uniform Guidance Federal Cost principles of reasonable, necessary and allocable to the TPCA program.

Reviewing Rates of Payments for VR Services

RSA provided technical assistance to LRS stating that a periodic review of fees for VR services, including pre-employment transition services and supported employment services, would help ensure fees are reasonable and necessary under the VR program.

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

A. Purpose

The Departments of Education and Labor issued the Workforce Innovation and Opportunity Act (WIOA) Joint Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions; Final Rule (Joint WIOA Final Rule) to implement Title I of WIOA. These joint regulations apply to all core programs of the workforce development system established by Title I of WIOA and the joint regulations are incorporated into the VR program regulations through subparts D, E, and F of 34 C.F.R. part 361.

WIOA strengthens the alignment of the public workforce development system's six core programs through unified strategic planning requirements, common performance accountability measures, and requirements governing the one-stop delivery system. WIOA places heightened emphasis on coordination and collaboration at the Federal, State, local, and Tribal levels to ensure a streamlined and coordinated service delivery system for job seekers, including those with disabilities, and employers.

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

B. Implementation of WIOA Joint Final Rule

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

WIOA Partnership

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

entities and supportive service agencies. Exploring how these activities are led and sustained may be useful in assessing how these initiatives are progressing within a State.

LRS reported that it engages with businesses and other stakeholders in partnership with the one-stop centers for the purposes of unified planning, development and identification of career pathways and apprenticeships, development of sector strategies, and other related workforce development activities. LRS works with the Employment Initiative Program Coordinator, who is responsible for the coordination of employment activities statewide and serves as LRS' direct contact with its business network. The Employment Initiative Program Coordinator serves as a liaison for the State Workforce Development Board (SWDB) to LRS' Regional Employment Development Specialists (REDS), who are located in each region of the State, to enhance business relationships between the VR agency and local businesses. REDS are responsible for obtaining and distributing job leads and information to LRS' regional offices.

LRS has representation on all local workforce development boards (LWDBs) by staff that include its regional managers, district supervisors, and employment specialists to support and maintain partnerships with the businesses and its workforce partners in each region of the State. Furthermore, LRS has established a memorandum of understanding (MOU) with each of the LWDBs that identifies and defines the roles of each partner program. LRS has 15 signed MOUs describing the participation of its VR program as a required partner in the one-stop system. These MOUs are renewed every three years.

Governance

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

SWDB

The Executive Director of Louisiana Workforce Commission (LWC) represents the VR agency on the SWDB and serves as an ex-officio member. LRS explained that ex-officio member is the title used in the State of Louisiana and this designation allows the appointee to serve for the individual's entire tenure. The Executive Director for LWC represents all three Title I programs—Adult, Dislocated Worker, and Youth programs, Title III—Wagner-Peyser program, and Title IV—VR program, all of which are programs under LWC. The Office of Workforce Development (OWD), which serves as the designated State agency for the VR program, is housed within LWC.

The SWDB implements sector strategies through eight regional sector partnerships in the State. These partnerships include medical, construction, and information technology sectors developed through businesses and educational programs in partnership with LWDBs. The SWDB worked

jointly with its State partners to develop the State Plan, while using local labor market data collected by the LWDBs.

LWDB

The State has 15 LWDBs established to represent each local workforce area in Louisiana. LRS district managers and other regional staff represent each local LWDB. Through representation by the LRS' regional staff on each LWDB, LRS works in coordination with its one-stop partners to jointly develop coordinated strategies for local businesses, educational providers and other service providers. All 15 LWDBs have signed and executed MOUs and IFAs that have been individually developed.

One-Stop Operations

Physical accessibility of the one-stops is assessed upon request from a local area, but the Equal Employment Office (EEO) primarily monitors physical accessibility. There is not a current formal process to evaluate effectiveness of the one-stop centers. LRS indicated that it has a presence at the job centers in the form of several full-time and part-time LRS employees. LRS employees at the job centers are subject to the same quality assurance process as all other LRS employees to ensure effectiveness of services and that the agency's policies and procedures are followed.

The State's 15 MOUs and IFAs have been individually developed in accordance with each region based on a common model that is used during negotiations. Cost objectives in the operation budget are reviewed and proportionate benefit and usage are used to allocate costs. MOUs are negotiated for a three-year period. Procedures for amending the MOUs are established and partners can notify the LWDB if modifications are necessary. Any modification to an approved MOU requires approval by the board.

Performance Accountability

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

LRS has made progress toward a unique identifier for consumers across partners in the one-stop centers. Partners meet regularly to discuss performance accountability issues. This includes regular follow-up with individuals exiting the program and identifying and reviewing repeat customers and market penetration.

OWD is the office that has been designated to lead the collection and reporting of the data for the shared outcome. LRS has established a data sharing agreement with the Office of Unemployment Insurance Administration (OUIA). The agreement, signed on December 7, 2015, enables the OUIA to share confidential data with OWD collected through Louisiana's unemployment

insurance (UI) system for use in its Federal and State reporting requirements, and program evaluation. LRS has made recent upgrades to its case management system so that specific LRS staff can import UI data into the system quarterly to assist in facilitating reporting requirements of Section 116 of WIOA for all participants who exit the VR program.

C. Observations and Recommendations

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

D. Findings and Corrective Actions

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

E. Technical Assistance

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

Representative on the SWDB

LRS, administers the VR program, one of the core workforce development programs authorized under the Rehabilitation Act, as amended by Title IV of WIOA, which is housed within the Louisiana Workforce Commission (LWC). LWC also houses the Adult, Dislocated Worker, and Youth programs and Wagner-Peyser – four additional core workforce development programs authorized under Titles I and III of WIOA. The Office of Workforce Development (OWD), which serves as the designated State agency for the VR program, is housed within LWC.

During RSA's on-site monitoring of the VR program, RSA learned that LRS is represented on the State Workforce Development Board (SWDB) by the Executive Director of LWC, who also represents the programs authorized under Titles I and III of WIOA.

Section 101(b)(1)(C)(iii)(I)(aa) of WIOA requires that the State Board be comprised of, among others, representatives from "the lead State officials with primary responsibility for the core programs" (see also 20 C.F.R. § 679.110(b)(3)(iii)(A)(1)). The preamble to the final regulations explains further that 20 C.F.R. § 679.110(b)(3)(iii)(A)(1)(i) through (iii) were modified for purposes of the final regulations to make clear that the Title IV VR program must be represented by a single, unique representative (see 81 FR 56072, 56074 (Aug. 19, 2016)). In other words, one representative cannot represent all of the core programs authorized under Titles I, III, and IV of WIOA.

In addition, 20 C.F.R. § 679.110(e) requires that State Board members representing core programs, such as the VR program, be individuals who have optimum policy-making authority for the core program that they represent. Pursuant to 20 C.F.R. § 679.120(a): (a) A representative with "optimum policy-making authority" is an individual who can reasonably be expected to

speak affirmatively on behalf of the entity he or she represents and to commit that entity to a chosen course of action.

Finally, the VR regulations at 34 C.F.R. § 361.13(c)(1) specify certain functions that are the sole responsibility of the VR agency, including participation as a partner in the workforce development system. This would include the VR program's participation on the State Board pursuant to 20 C.F.R. § 679.110(b)(3)(iii)(A)(1)(iii) and 20 C.F.R. § 679.120(a). The VR program director does not have the authority to delegate this authority to another entity or individual (34 C.F.R. § 361.13(c)(2)). In other words, the director of LRS does not have the authority to delegate to the Executive Director of LWC the authority to represent the VR program on the State Board.

Therefore, the State Board is not in compliance with Section 101(b) of WIOA and 20 C.F.R. § 679.110(b)(3)(iii)(A)(1)(iii) of its implementing regulations by having the Executive Director of LWC represent Titles I, III, and IV of WIOA on the State Board. After consultation with the U.S. Department of Labor's Employment and Training Administration (ETA) on this matter, RSA recommends that Louisiana revise its State Board composition by appointing the LRS director to the State Board to represent the VR program. Enforcement of this matter falls under the jurisdiction of ETA.

One-Stop Cost Allocation

RSA indicated that, in relation to one-stop infrastructure cost allocation, the agency's periodic reconciliation of budgeted to actual costs can include a review of the methodology to determine the extent to which chosen methodologies are measuring proportionate use of the one-stop centers by partners, to ensure contributions are reflective of Uniform Guidance requirements. Additionally, RSA noted that language in some MOUs did not appear consistent with Uniform Guidance requirements because costs were not adjusted for existing partners when new partners were added, and the MOU stated partners would continue to pay for infrastructure costs even if they left the one-stop. RSA clarifies that substantive changes to the MOU require an amendment to the MOU, and the IFAs must be updated when new one-stop partners are added or leave, in addition to simply reconciling costs, to ensure one-stop partners are providing contributions that are proportionate to their use of the one-stop and relative benefits received.

APPENDIX A: PROGRAM AND FISCAL PERFORMANCE DATA TABLES

This appendix contains the program and fiscal performance data tables used throughout the review. Data were drawn from the RSA-113 (Quarterly Cumulative Caseload Report), the RSA-911 (Case Service Report), and SF-425 (Federal Financial Report). The RSA-113 report is a quarterly submission that provides cumulative information at the end of the Federal fiscal year. The data from the RSA-113 cover both open and closed cases as reported to RSA at the end of the Federal fiscal year. The RSA-911 contains information on cases closed during the Federal fiscal year covered by the report and does not include information related to those cases remaining open in the next Federal fiscal year.

Program Performance Tables

Table 1. Louisiana Combined Agency Summary Statistics from RSA 113: FFYs 2015-2017

Row	Performance category	2015	2016	2017
1	Number of total applicants	8,762	7,914	5,581
2	Number of total eligible individuals	9,305	8,901	6,775
3	Agency implementing order of selection (Yes/No)	Yes	Yes	Yes
4	Number of individuals on order of selection waiting list at year-end	191	560	1,785
5	Percent eligible of individuals had IPE who received no services	27.2	29.4	45.5
6	Number of individuals in plan receiving services	11,762	11,752	9,204

Data source: RSA-113

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

Row	Performance category	2015 Number	2015 Percent	2016 Number	2016 Percent	2017* Number	2017* Percent
1	Exited as applicants	855	12.0	752	9.3	507	7.9
2	Exited from trial work experience	51	0.7	68	0.8	48	0.7
3	Exited with employment	2,347	33.0	2,282	28.2	1,409	22.0
4	Exited without employment	1,320	18.6	2,388	29.5	2,511	39.2
5	Exited from OOS waiting list	33	0.5	383	4.7	726	11.3
6	Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	2,501	35.2	2,230	27.5	1,201	18.8
7	Employment rate*		64.0		48.9		35.9
8	Competitive employment outcomes	2,294	97.7	2,237	98.0	1,380	97.9
9	Average hourly earnings for competitive employment outcomes**	\$11.76		\$12.02		\$12.10	
10	Average hours worked for competitive employment outcomes	31.9		32.1		32.2	
11	Median hourly earnings for competitive employment outcomes	\$9.35		\$9.92		\$10.00	
12	Median hours worked for competitive employment outcomes	35.0		35.0		35.0	
13	Quarterly median earnings for competitive employment outcomes***	\$4,160.00		\$4,160.00		\$4,160.00	
14	Competitive employment outcomes meeting SGA	1,414	61.6	1,357	60.7	837	60.7
15	Competitive employment outcomes with employer-provided medical insurance	561	24.5	542	24.2	290	21.0

Data source: RSA-911

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

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

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

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

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

Row	Performance category	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Exited as applicants	274	13.9	213	8.3	102	6.1
2	Exited from trial work experience	19	1.0	14	0.5	21	1.3
3	Exited with employment	458	23.3	508	19.9	283	17.0
4	Exited without employment	308	15.7	774	30.3	616	37.0
5	Exited from OOS waiting list	10	0.5	130	5.1	221	13.3
6	Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	898	45.7	917	35.9	422	25.3
7	Employment rate*		59.8		39.6		38.5
8	Competitive employment outcomes	437	95.4	488	96.1	273	96.5
9	Average hourly earnings for competitive employment outcomes**	\$9.01		\$9.73		\$9.87	
10	Average hours worked for competitive employment outcomes	28.5		28.9		29.7	
11	Median hourly earnings for competitive employment outcomes	\$8.00		\$8.50		\$8.52	
12	Median hours worked for competitive employment outcomes	30.0		30.0		30.0	
13	Quarterly median earnings for competitive employment outcomes***	\$2,925.00		\$3,120.00		\$3,380.00	
14	Competitive employment outcomes meeting SGA	192	43.9	214	43.9	126	46.2
15	Competitive employment outcomes with employer-provided medical insurance	62	14.2	70	14.3	29	10.6

Data source: RSA-911

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

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

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

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

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

Row	Performance category	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Exited as applicants	581	11.3	539	9.7	405	8.5
2	Exited from trial work experience	32	0.6	54	1.0	27	0.6
3	Exited with employment	1,889	36.8	1,774	32.0	1,126	23.8
4	Exited without employment	1,012	19.7	1,614	29.1	1,895	40.0
5	Exited from OOS waiting list	23	0.4	253	4.6	505	10.7
6	Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	1,603	31.2	1,313	23.7	779	16.4
7	Employment rate*		65.1		52.4		37.3
8	Competitive employment outcomes	1,857	98.3	1,749	98.6	1,107	98.3
9	Average hourly earnings for competitive employment outcomes**	\$12.41		\$12.65		\$12.65	
10	Average hours worked for competitive employment outcomes	32.8		33.0		32.8	
11	Median hourly earnings for competitive employment outcomes	\$10.00		\$10.00		\$10.00	
12	Median hours worked for competitive employment outcomes	40.00		40.00		40.00	
13	Quarterly median earnings for competitive employment outcomes***	\$4,420.00		\$4,667.00		\$4,550.00	
14	Competitive employment outcomes meeting SGA	1222	65.8	1143	65.4	711	64.2
15	Competitive employment outcomes with employer-provided medical insurance	499	26.9	472	27.0	261	23.6

Data source: RSA-911

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

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

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

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

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

Row	Source of Referral	2015 Percent	2016 Percent	2017* Percent
1	Educational Institutions (elementary/secondary)	12.4	18.9	13.8
2	Educational Institutions (postsecondary)	0.9	1.2	1.4
3	Medical Health Provider (Public or Private)	8.3	6.8	7.9
4	Welfare Agency (State or local government)	0.1	0.0	0.1
5	Community Rehabilitation Programs	2.5	2.2	3.4
6	Social Security Administration (Disability Determination Service or District office)	0.5	0.4	0.4
7	One-stop Employment/Training Centers	0.5	0.7	0.3
8	Self-referral	46.1	43.1	46.0
9	Other Sources	18.3	16.8	17.8
10	American Indian VR Services Program	0.0	0.0	0.0
11	Centers for Independent Living	0.0	0.0	0.0
12	Child Protective Services	0.0	0.0	0.0
13	Consumer Organizations or Advocacy Groups	0.0	0.0	0.0
14	Employers	0.0	0.1	0.0
15	Faith Based Organizations	0.0	0.0	0.0
16	Family/Friends	0.0	0.0	0.0
17	Intellectual and Developmental Disabilities Providers	0.0	0.1	0.2
18	Mental Health Provider (Public or Private)	0.0	0.0	0.0
19	Public Housing Authority	0.0	0.0	0.0
20	State Department of Correction/Juvenile Justice	8.0	7.3	7.1
21	State Employment Service Agency	0.2	0.2	0.2
22	Veteran's Administration	0.0	0.0	0.0
23	Worker's Compensation	0.0	0.0	0.0
24	Other State Agencies	0.0	2.2	0.0
25	Other VR State Agencies	2.1	0.0	1.3
26	Total Identified Referral Sources	100.0	99.9	99.9
27	Other Referral Sources (unknown)	0.0	0.1	0.1

Data source: RSA-911

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

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

Row	Source of Referral	2015 Percent	2016 Percent	2017 Percent
1	Educational Institutions (elementary/secondary)	42.1	56.5	48.0
2	Educational Institutions (postsecondary)	1.0	0.7	1.1
3	Medical Health Provider (Public or Private)	3.7	2.5	2.6
4	Welfare Agency (State or local government)	0.1	0.0	0.2
5	Community Rehabilitation Programs	1.3	1.7	1.7
6	Social Security Administration (Disability Determination Service or District office)	0.2	0.0	0.0
7	One-stop Employment/Training Centers	0.1	0.0	0.0
8	Self-referral	24.2	17.4	21.3
9	Other Sources	21.5	15.6	19.6
10	American Indian VR Services Program	0.0	0.0	0.0
11	Centers for Independent Living	0.0	0.0	0.0
12	Child Protective Services	0.0	0.0	0.0
13	Consumer Organizations or Advocacy Groups	0.0	0.0	0.0
14	Employers	0.0	0.0	0.1
15	Faith Based Organizations	0.0	0.0	0.0
16	Family/Friends	0.0	0.0	0.0
17	Intellectual and Developmental Disabilities Providers	0.1	0.2	0.5
18	Mental Health Provider (Public or Private)	0.0	0.0	0.0
19	Public Housing Authority	0.0	0.0	0.0
20	State Department of Correction/Juvenile Justice	4.5	3.4	4.3
21	State Employment Service Agency	0.0	0.0	0.0
22	Veteran's Administration	0.0	0.0	0.0
23	Worker's Compensation	0.0	0.0	0.0
24	Other State Agencies	1.4	0.0	0.0
25	Other VR State Agencies	0.0	1.7	0.5
26	Total Identified Referral Sources	100.0	99.8	100.0
27	Other Referral Sources	0.0	0.2	0.0

Data source: RSA-911

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

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

Row	Source of Referral	2015 Percent	2016 Percent	2017 Percent
1	Educational Institutions (elementary/secondary)	1.0	1.5	1.7
2	Educational Institutions (postsecondary)	0.9	1.4	1.5
3	Medical Health Provider (Public or Private)	10.0	8.8	9.8
4	Welfare Agency (State or local government)	0.2	0.0	0.1
5	Community Rehabilitation Programs	2.9	2.5	4.0
6	Social Security Administration (Disability Determination Service or District office)	0.6	0.6	0.5
7	One-stop Employment/Training Centers	0.6	1.0	0.4
8	Self-referral	54.5	55.0	54.7
9	Other Sources	17.1	17.3	17.2
10	American Indian VR Services Program	0.0	0.0	0.0
11	Centers for Independent Living	0.0	0.0	0.0
12	Child Protective Services	0.0	0.0	0.0
13	Consumer Organizations or Advocacy Groups	0.0	0.0	0.0
14	Employers	0.0	0.1	0.0
15	Faith Based Organizations	0.0	0.0	0.0
16	Family/Friends	0.0	0.0	0.0
17	Intellectual and Developmental Disabilities Providers	0.0	0.0	0.0
18	Mental Health Provider (Public or Private)	0.0	0.0	0.0
19	Public Housing Authority	0.0	0.0	0.0
20	State Department of Correction/Juvenile Justice	9.3	9.1	8.1
21	State Employment Service Agency	0.3	0.3	0.3
22	Veteran's Administration	0.0	0.0	0.0
23	Worker's Compensation	0.1	0.0	0.0
24	Other State Agencies	0.0	0.0	0.0
25	Other VR State Agencies	2.4	2.4	1.5
26	Total Identified Referral Sources	100.0	100.0	99.6
27	Other Referral Sources	0.0	0.0	0.4

Data source: RSA-911

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

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

Row	Disability Type	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Visual - Individuals served	172	4.7	173	3.7	165	4.2
2	Visual - Employment rate		60.5		64.2		40.6
3	Auditory and Communicative - Individuals served	373	10.2	355	7.6	345	8.8
4	Auditory and Communicative - Employment rate		80.2		68.5		58.6
5	Physical - Individuals served	885	24.1	1,055	22.6	951	24.3
6	Physical - Employment rate		62.8		50.8		32.1
7	Intellectual and Learning disability - Individuals served	738	20.1	1,295	27.7	910	23.2
8	Intellectual and Learning disability - Employment rate		63.4		43.4		32.0
9	Psychosocial and psychological- Individuals served	1,499	40.9	1,792	38.4	1,549	39.5
10	Psychosocial and psychological- Employment rate		61.4		46.3		35.1

Data source: RSA-911

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

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

Row	Disability Type	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Visual - Individuals served	15	2.0	21	1.6	15	1.7
2	Visual - Employment rate		46.7		52.4		20.0
3	Auditory and Communicative - Individuals served	52	6.8	46	3.6	49	5.5
4	Auditory and Communicative - Employment rate		63.5		37.0		40.8
5	Physical - Individuals served	103	13.4	118	9.2	117	13.0
6	Physical - Employment rate		59.2		39.0		35.0
7	Intellectual and Learning disability - Individuals served	390	50.9	826	64.4	544	60.5
8	Intellectual and Learning disability - Employment rate		60.0		37.8		28.5
9	Psychosocial and psychological- Individuals served	206	26.9	271	21.1	174	19.4
10	Psychosocial and psychological- Employment rate		59.7		45.0		36.8

Data source: RSA-911

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

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

Row	Disability Type	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Visual - Individuals served	157	5.4	152	4.5	150	5.0
2	Visual - Employment rate		61.8		65.8		42.7
3	Auditory and Communicative - Individuals served	321	11.1	309	9.1	296	9.8
4	Auditory and Communicative - Employment rate		82.9		73.1		61.5
5	Physical - Individuals served	782	27.0	937	27.7	834	27.6
6	Physical - Employment rate		63.3		52.3		31.7
7	Intellectual and Learning disability - Individuals served	348	12.0	469	13.8	366	12.1
8	Intellectual and Learning disability - Employment rate		67.2		53.3		37.2
9	Psychosocial and psychological- Individuals served	1,293	44.6	1,521	44.9	1,375	45.5
10	Psychosocial and psychological- Employment rate		61.6		46.5		34.9

Data source: RSA-911

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

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

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017* Number	2017* Percent
0 – 60 days	4,877	78.6	5,964	81.9	4,778	81.7
More than 60 days	1,324	21.4	1,319	18.1	1,069	18.3
Total eligible	6,201	100	7,283	100	5,847	100

Data source: RSA-911

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

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

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 60 days	1,292	77.2	1,943	83.4	1,298	84.2
More than 60 days	382	22.8	386	16.6	244	15.8
Total eligible	1,674	100	2,329	100	1,542	100

Data source: RSA-911

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

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

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 60 days	3,585	79.2	4,021	81.2	3,480	80.8
More than 60 days	942	20.8	933	18.8	825	19.2
Total eligible	4,527	100	4,954	100	4,305	100

Data source: RSA-911

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

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

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 90 days	804	88.8	2,138	83.6	1,972	84.0
More than 90 days	101	11.2	419	16.4	377	16.0
Total served	905	100	2,557	100	2,349	100.0

Data source: RSA-911

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

*Eligibility occurred on or after July 22, 2014

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

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 90 days	109	79.0	623	83.2	536	81.6
More than 90 days	29	21.0	126	16.8	121	18.4
Total served	138	100	749	100	657	100

Data source: RSA-911

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

*Eligibility occurred on or after July 22, 2014

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

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 90 days	695	90.6	1,515	83.8	1,436	84.9
More than 90 days	72	9.4	293	16.2	256	15.1
Total served	767	100	1,808	100	1,692	100

Data source: RSA-911

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

*Eligibility occurred on or after July 22, 2014

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

Row	Services Provided**	2015 Percent	2016 Percent	2017 Percent
1	Training- Graduate degree training	0.2	0.1	0.2
2	Training- Bachelor degree training	6.8	7.1	8.4
3	Training- Junior or community college training	2.3	3.0	3.4
4	Training- Occupational or vocational training	5.3	6.0	5.0
5	Training- On-the-job training	1.3	2.1	3.1
6	Training- Apprenticeship training	0.0	0.0	0.0
7	Training- Basic academic remedial or literacy training	0.0	0.0	0.1
8	Training- Job readiness training	19.9	23.9	23.0
9	Training- Disability-related skills training	0.8	0.7	1.0
10	Training- Miscellaneous training	3.7	3.3	3.5
11	Career- Assessment	72.2	68.4	66.1
12	Career- Diagnosis and treatment of impairment	12.8	9.4	7.9
13	Career- Vocational rehab counseling and guidance	98.4	99.2	99.1
14	Career- Job search assistance	4.6	3.2	1.4
15	Career- Job placement assistance	47.0	31.0	26.4
16	Career- On-the-job supports-short term	0.1	1.7	2.3
17	Career- On-the-job supports-SE	19.3	14.3	10.0
18	Career- Information and referral services	14.9	12.2	12.7
19	Career- Benefits counseling	0.4	0.4	0.2
20	Career- Customized employment services	0.0	0.0	0.0
21	Other services- Transportation	21.1	20.4	20.5
22	Other services- Maintenance	5.4	5.1	5.7
23	Other services- Rehabilitation technology	20.3	16.0	16.7
24	Other services- Reader services	0.1	0.2	0.3
25	Other services- Interpreter services	3.5	1.9	2.9
26	Other services- Personal attendant services	0.1	0.1	0.3
27	Other services- Technical assistance services	0.3	0.3	0.2
28	Other services- Other services	21.8	21.8	20.3

Data source: RSA-911

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

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

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

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

Row	Services Provided**	2015 Percent	2016 Percent	2017 Percent
1	Training- Graduate degree training	0.0	0.0	0.1
2	Training- Bachelor degree training	4.3	4.1	5.5
3	Training- Junior or community college training	1.7	2.1	2.8
4	Training- Occupational or vocational training	3.8	3.0	3.0
5	Training- On-the-job training	0.9	4.2	9.0
6	Training- Apprenticeship training	0.0	0.0	0.0
7	Training- Basic academic remedial or literacy training	0.1	0.1	0.0
8	Training- Job readiness training	22.1	39.2	33.8
9	Training- Disability-related skills training	0.1	0.2	0.3
10	Training- Miscellaneous training	2.3	3.4	2.0
11	Career- Assessment	73.8	55.7	54.3
12	Career- Diagnosis and treatment of impairment	4.3	2.5	2.7
13	Career- Vocational rehab counseling and guidance	98.0	99.5	99.1
14	Career- Job search assistance	3.1	2.7	0.3
15	Career- Job placement assistance	55.7	31.1	24.0
16	Career- On-the-job supports-short term	0.1	2.5	3.4
17	Career- On-the-job supports-SE	33.7	18.6	14.6
18	Career- Information and referral services	13.3	11.8	9.7
19	Career- Benefits counseling	0.0	0.3	0.1
20	Career- Customized employment services	0.0	0.0	0.0
21	Other services- Transportation	11.1	11.5	11.7
22	Other services- Maintenance	3.7	2.8	4.4
23	Other services- Rehabilitation technology	8.0	5.0	6.1
24	Other services- Reader services	0.0	0.2	0.1
25	Other services- Interpreter services	2.7	0.6	1.7
26	Other services- Personal attendant services	0.1	0.0	0.0
27	Other services- Technical assistance services	0.0	0.0	0.0
28	Other services- Other services	14.2	12.2	13.5

Data source: RSA-911

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

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

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

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

Row	Services Provided**	2015 Percent	2016 Percent	2017 Percent
1	Training- Graduate degree training	0.3	0.1	0.3
2	Training- Bachelor degree training	7.5	8.2	9.3
3	Training- Junior or community college training	2.5	3.4	3.6
4	Training- Occupational or vocational training	5.8	7.2	5.6
5	Training- On-the-job training	1.4	1.2	1.4
6	Training- Apprenticeship training	0.0	0.0	0.0
7	Training- Basic academic remedial or literacy training	0.0	0.0	0.1
8	Training- Job readiness training	19.3	18.1	19.7
9	Training- Disability-related skills training	1.0	0.9	1.2
10	Training- Miscellaneous training	4.1	3.3	3.9
11	Career- Assessment	71.7	73.2	69.6
12	Career- Diagnosis and treatment of impairment	15.0	12.1	9.4
13	Career- Vocational rehab counseling and guidance	98.6	99.0	99.1
14	Career- Job search assistance	5.0	3.4	1.7
15	Career- Job placement assistance	44.7	31.0	27.1
16	Career- On-the-job supports-short term	0.0	1.4	2.0
17	Career- On-the-job supports-SE	15.4	12.7	8.7
18	Career- Information and referral services	15.3	12.3	13.6
19	Career- Benefits counseling	0.6	0.4	0.3
20	Career- Customized employment services	0.0	0.0	0.0
21	Other services- Transportation	23.7	23.8	23.1
22	Other services- Maintenance	5.9	6.0	6.1
23	Other services- Rehabilitation technology	23.5	20.1	19.8
24	Other services- Reader services	0.1	0.2	0.4
25	Other services- Interpreter services	3.8	2.3	3.2
26	Other services- Personal attendant services	0.1	0.2	0.4
27	Other services- Technical assistance services	0.4	0.5	0.2
28	Other services- Other services	23.9	25.4	22.3

Data source: RSA-911

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

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

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

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

Row	SOC for Competitive Integrated Employment Outcomes	2015 Percent	2015 Median Hourly Wage	2016 Percent	2016 Median Hourly Wage	2017 Percent	2017 Median Hourly Wage
1	Architecture and Engineering Occupations	0.5	\$18.00	0.6	\$20.50	0.6	\$28.76
2	Arts, Design, Entertainment, Sports, and Media	0.5	\$12.13	0.6	\$15.25	0.8	\$11.00
3	Building and Grounds Cleaning and Maintenance	4.5	\$8.30	3.1	\$8.54	7.5	\$8.53
4	Business and Financial Operations Occupations	5.4	\$14.00	6.8	\$12.45	4.3	\$12.30
5	Community and Social Services Occupations	2.2	\$16.30	1.7	\$15.00	2.2	\$17.00
6	Computer and Mathematical Occupations	0.7	\$16.34	0.9	\$14.28	0.6	\$16.69
7	Constructive and Extraction Occupations	2.4	\$15.00	2.5	\$15.00	5.1	\$13.00
8	Education, Training, and Library Occupations	2.9	\$16.83	2.5	\$19.50	3.1	\$17.25
9	Farming, Fishing, and Forestry Occupations	0.2	\$20.43	0.1	\$24.40	0.4	\$11.50
10	Food Preparation and Serving Related Occupations	4.4	\$8.00	4.9	\$8.00	9.8	\$8.25
11	Healthcare Practitioners and Technical Occupations	3.2	\$19.64	2.7	\$20.20	4.1	\$18.55
12	Healthcare Support Occupations	1.4	\$9.88	1.3	\$9.00	0.9	\$10.00
13	Installation, Maintenance, and Repair Occupations	33.1	\$8.00	33.9	\$8.26	20.7	\$8.50
14	Legal Occupations	0.2	\$12.50	0.1	\$14.00	0.4	\$23.08
15	Life, Physical, and Social Science Occupations	0.1	\$14.43	0.5	\$13.40	0.5	\$22.31
16	Management Occupations	1.7	\$14.13	2.2	\$17.50	2.4	\$16.00
17	Military Specific Occupations	0	\$0.00	0	\$0.00	0	\$0.00
18	Office and Administrative Support Occupations	8.3	\$9.51	7.4	\$10.00	9.5	\$10.00
19	Personal Care and Service Occupations	1.7	\$8.34	2.1	\$8.00	3.9	\$8.29
20	Production Occupations	15.6	\$10.00	13.1	\$10.00	10.6	\$10.00
21	Protective Service Occupations	1.2	\$10.44	1.0	\$11.72	1.1	\$12.00
22	Randolph-Sheppard vending facility clerk*	0.0	\$10.00	0	\$0.00	0	\$0.00
23	Randolph-Sheppard vending facility operator*	0.0	\$30.06	0.4	\$10.94	0.4	\$9.62
24	Sales and Related Occupations	4.7	\$8.84	4.6	\$9.00	4.7	\$9.24
25	Transportation and Material Moving Occupations	5.1	\$13.25	6.9	\$13.07	6.4	\$11.50
26	Total competitive employment outcomes	2,294	\$9.35	2,237	\$9.92	1,380	\$10.00

Data source: RSA-911

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

*RSA specific occupational classifications

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

Row	SOC for Competitive Integrated Employment Outcomes	2015 Percent	2015 Median Hourly Wage	2016 Percent	2016 Median Hourly Wage	2017 Percent	2017 Median Hourly Wage
1	Architecture and Engineering Occupations	0.2	\$11.00	0.4	\$12.38	0	\$0.00
2	Arts, Design, Entertainment, Sports, and Media	0.7	\$9.20	0.4	\$69.00	1.5	\$8.75
3	Building and Grounds Cleaning and Maintenance	2.7	\$8.40	2.7	\$8.00	5.1	\$8.75
4	Business and Financial Operations Occupations	2.3	\$10.00	7.6	\$10.00	4.0	\$10.00
5	Community and Social Services Occupations	0	\$0.00	0	\$0.00	0	\$0.00
6	Computer and Mathematical Occupations	0.7	\$13.50	0.2	\$16.58	1.5	\$16.69
7	Constructive and Extraction Occupations	0.9	\$12.23	1.8	\$15.00	2.2	\$13.10
8	Education, Training, and Library Occupations	1.1	\$12.00	1.0	\$21.15	2.2	\$15.31
9	Farming, Fishing, and Forestry Occupations	0	\$0.00	0.4	\$12.38	0	\$0.00
10	Food Preparation and Serving Related Occupations	5.0	\$7.75	0.4	\$69.00	1.5	\$8.75
11	Healthcare Practitioners and Technical Occupations	1.4	\$13.55	2.7	\$8.00	5.1	\$8.75
12	Healthcare Support Occupations	1.4	\$9.07	7.6	\$10.00	4.0	\$10.00
13	Installation, Maintenance, and Repair Occupations	58.1	\$7.75	0	\$0.00	0	\$0.00
14	Legal Occupations	0	\$0.00	0.2	\$16.58	1.5	\$16.69
15	Life, Physical, and Social Science Occupations	0.2	\$14.43	1.8	\$15.00	2.2	\$13.10
16	Management Occupations	0.2	\$10.34	1.0	\$21.15	2.2	\$15.31
17	Military Specific Occupations	0	\$0.00	0.4	\$12.38	0	\$0.00
18	Office and Administrative Support Occupations	5.7	\$9.00	0.4	\$69.00	1.5	\$8.75
19	Personal Care and Service Occupations	1.8	\$7.56	2.7	\$8.00	5.1	\$8.75
20	Production Occupations	11.0	\$10.00	7.6	\$10.00	4.0	\$10.00
21	Protective Service Occupations	0.5	\$15.09	0	\$0.00	0	\$0.00
22	Randolph-Sheppard vending facility clerk*	0	\$0.00	0.2	\$16.58	1.5	\$16.69
23	Randolph-Sheppard vending facility operator*	0	\$0.00	1.8	\$15.00	2.2	\$13.10
24	Sales and Related Occupations	3.9	\$8.00	1.0	\$21.15	2.2	\$15.31
25	Transportation and Material Moving Occupations	2.1	\$12.00	0.4	\$12.38	0	\$0.00
26	Total competitive employment outcomes	437	\$8.00	488	\$8.50	273	\$8.52

Data source: RSA-911

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

*RSA specific occupational classifications

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

Row	SOC for Competitive Integrated Employment Outcomes	2015 Percent	2015 Median Hourly Wage	2016 Percent	2016 Median Hourly Wage	2017 Percent	2017 Median Hourly Wage
1	Architecture and Engineering Occupations	0.5	\$18.00	0.6	\$22.00	0.7	\$28.76
2	Arts, Design, Entertainment, Sports, and Media	0.5	\$13.00	0.7	\$15.25	0.6	\$15.40
3	Building and Grounds Cleaning and Maintenance	4.9	\$8.27	3.2	\$8.98	8.1	\$8.53
4	Business and Financial Operations Occupations	6.1	\$14.95	6.5	\$14.00	4.4	\$13.00
5	Community and Social Services Occupations	2.7	\$16.30	2.2	\$15.00	2.7	\$17.00
6	Computer and Mathematical Occupations	0.7	\$17.48	1.1	\$13.55	0.4	\$14.11
7	Constructive and Extraction Occupations	2.7	\$15.00	2.7	\$15.00	5.9	\$13.00
8	Education, Training, and Library Occupations	3.3	\$17.43	2.9	\$19.50	3.3	\$17.25
9	Farming, Fishing, and Forestry Occupations	0.2	\$20.43	0.6	\$22.00	0.5	\$12.00
10	Food Preparation and Serving Related Occupations	4.3	\$8.00	0.7	\$15.25	9.7	\$8.35
11	Healthcare Practitioners and Technical Occupations	3.7	\$19.89	3.2	\$8.98	4.0	\$19.84
12	Healthcare Support Occupations	1.3	\$10.00	6.5	\$14.00	0.9	\$9.75
13	Installation, Maintenance, and Repair Occupations	27.2	\$8.00	2.2	\$15.00	17.2	\$9.00
14	Legal Occupations	0.2	\$12.50	1.1	\$13.55	0.5	\$23.08
15	Life, Physical, and Social Science Occupations	0.1	\$28.78	2.7	\$15.00	0.6	\$22.31
16	Management Occupations	2.0	\$14.25	2.9	\$19.50	2.9	\$16.00
17	Military Specific Occupations	0	\$0.00	0.6	\$22.00	0	\$0.00
18	Office and Administrative Support Occupations	8.9	\$10.00	0.7	\$15.25	9.8	\$10.51
19	Personal Care and Service Occupations	1.6	\$8.46	3.2	\$8.98	3.5	\$9.00
20	Production Occupations	16.7	\$10.00	6.5	\$14.00	11.0	\$9.25
21	Protective Service Occupations	1.4	\$10.19	2.2	\$15.00	1.3	\$12.00
22	Randolph-Sheppard vending facility clerk*	0.1	\$10.00	1.1	\$13.55	0	\$0.00
23	Randolph-Sheppard vending facility operator*	0.1	\$30.06	2.7	\$15.00	0.5	\$9.62
24	Sales and Related Occupations	4.8	\$9.00	2.9	\$19.50	4.5	\$10.00
25	Transportation and Material Moving Occupations	5.8	\$13.38	0.6	\$22.00	7.0	\$11.52
26	Total competitive employment outcomes	1,857	\$10.00	1,749	\$10.00	1,107	\$10.00

Data source: RSA-911

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

*RSA specific occupational classifications

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

Row	Reason for Closure	2015 Number	2015 Percent	2016 Number	2016 Percent	2017* Number	2017* Percent
1	Unable to locate or contact	1,113	23.4	1,776	30.5	1,932	38.7
2	Disability too significant to benefit from VR services - ineligible	27	0.6	28	0.5	29	0.6
3	No longer interested in receiving services or further services	3,095	65.0	3,450	59.3	2,570	51.5
4	Death	51	1.1	52	0.9	26	0.5
5	Transferred to another agency	15	0.3	14	0.2	2	0.0
6	No disabling condition – ineligible	23	0.5	21	0.4	48	1.0
7	No impediment to employment - ineligible	14	0.3	16	0.3	16	0.3
8	Transportation not feasible or available	11	0.2	3	0.1	5	0.1
9	Does not require VR services - ineligible	46	1.0	72	1.2	47	0.9
10	All other reasons	238	5.0	238	4.1	210	4.2
11	Extended employment	0	0.0	0	0.0	0	0.0
12	Individual in institution other than a prison or jail	9	0.2	13	0.2	7	0.1
13	Individual is incarcerated in a prison or jail	118	2.5	138	2.4	99	2.0

Data source: RSA-911

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

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

Row	Reason for Closure	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Unable to locate or contact	337	22.3	610	29.8	493	35.7
2	Disability too significant to benefit from VR services - ineligible	8	0.5	8	0.4	14	1.0
3	No longer interested in receiving services or further services	1,035	68.6	1,282	62.6	768	55.6
4	Death	3	0.2	2	0.1	2	0.1
5	Transferred to another agency	5	0.3	5	0.2	0	0.0
6	No disabling condition - ineligible	8	0.5	7	0.3	8	0.6
7	No impediment to employment - ineligible	3	0.2	4	0.2	5	0.4
8	Transportation not feasible or available	2	0.1	2	0.1	0	0.0
9	Does not require VR services - ineligible	9	0.6	19	0.9	12	0.9
10	All other reasons	66	4.4	73	3.6	57	4.1
11	Extended employment	0	0.0	0	0.0	0	0.0
12	Individual in institution other than a prison or jail	0	0.0	4	0.2	2	0.1
13	Individual is incarcerated in a prison or jail	33	2.2	32	1.6	20	1.4

Data source: RSA-911

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

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

Row	Reason for Closure	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Unable to locate or contact	776	23.9	1,166	30.9	1,439	39.9
2	Disability too significant to benefit from VR services - ineligible	19	0.6	20	0.5	15	0.4
3	No longer interested in receiving services or further services	2,060	63.4	2,168	57.5	1,802	49.9
4	Death	48	1.5	50	1.3	24	0.7
5	Transferred to another agency	10	0.3	9	0.2	2	0.1
6	No disabling condition - ineligible	15	0.5	14	0.4	40	1.1
7	No impediment to employment - ineligible	11	0.3	12	0.3	11	0.3
8	Transportation not feasible or available	9	0.3	1	0.0	5	0.1
9	Does not require VR services - ineligible	37	1.1	53	1.4	35	1.0
10	All other reasons	172	5.3	165	4.4	153	4.2
11	Extended employment	0	0.0	0	0.0	0	0.0
12	Individual in institution other than a prison or jail	9	0.3	9	0.2	5	0.1
13	Individual is incarcerated in a prison or jail	85	2.6	106	2.8	79	2.2

Data source: RSA-911

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

Table 10a. Provision of Pre-Employment Transition Services PY 2017 Quarter 1 (PY17Q1)

Number of Individuals Receiving Services by Type

Individuals Who Have Received a Pre-ETS Service	JEC * Provided by Staff	JEC * Purchased	WBLE ** Provided by Staff	WBLE ** Purchased	CEO *** Provided by Staff	CEO *** Purchased	WRT **** Provided by Staff	WRT **** Purchased	ISO ***** Provided by Staff	ISO ***** Purchased
3,742	91	0	0	253	14	0	0	1,501	90	0

Table 10b. Provision of Pre-Employment Transition Services PY 2017 Quarter 2 (PY17Q2)

Number of Individuals Receiving Services by Type

Individuals Who Have Received a Pre-ETS Service	JEC * Provided by Staff	JEC * Purchased	WBLE ** Provided by Staff	WBLE ** Purchased	CEO *** Provided by Staff	CEO *** Purchased	WRT **** Provided by Staff	WRT **** Purchased	ISO ***** Provided by Staff	ISO ***** Purchased
3,866	45	0	1	388	14	0	0	2,221	18	0

* *Job exploration counseling*

** *Work-based learning experiences*

*** *Counseling on opportunities for enrollment in comprehensive transition or postsecondary educational programs*

**** *Workplace readiness training*

***** *Instruction in self-advocacy*

Fiscal Data Tables

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

VR Resources and Expenditures	2015	2016	2017*
Total program expenditures	\$43,616,342	\$46,442,186	\$36,842,543
Federal expenditures	\$34,326,061	\$36,550,000	\$27,551,887
State agency expenditures (4 th quarter)	\$9,290,281	\$9,892,186	\$9,290,656
State agency expenditures (latest/final)	\$9,290,281	\$9,892,186	\$9,290,656
Federal formula award amount	\$53,471,877	\$55,250,730	\$55,178,741
MOE penalty from prior year	\$0	\$0	\$0
Federal award amount relinquished during reallocation	\$19,145,816	\$18,700,730	\$20,851,293
Federal award amount received during reallocation	\$0	\$0	\$0
Federal funds transferred from State VR agency	\$0	\$0	\$0
Federal funds transferred to State VR agency	\$0	\$0	\$0
Federal award amount (net)	\$34,326,061	\$36,550,000	\$34,327,448
Federal award funds deobligated	\$0	\$0	\$0
Federal award funds used	\$34,326,061	\$36,550,000	\$34,327,448
Percent of formula award amount used	64.19%	66.15%	62.21%
Federal award funds matched but not used	\$0	\$0	-\$1

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

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

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

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

Non-Federal Share (Match) and Maintenance of Effort (MOE)	2015	2016	2017*
Match required per net award amount	\$9,290,281	\$9,892,186	\$9,290,656
Match provided (actual)	\$9,290,281	\$9,892,186	\$9,290,656
Match difference**	\$0	\$0	\$0
Federal funds matched (actual)	\$34,326,061	\$36,550,000	\$34,327,447
Percent Federal funds matched	100.00%	100.00%	100.00%
Match from State appropriation	7,478,055	8,263,510	6,873,571
Percent match from State appropriation	80.49%	83.54%	73.98%
Match from Third-Party Cooperative Arrangements (TPCA)	384,676	330,796	160,815
Percent match from TPCAs	4.14%	3.34%	1.73%
Match from Randolph-Sheppard program	263,157	228,435	294,678
Percent match from Randolph-Sheppard Program	2.83%	2.31%	3.17%
Match from interagency transfers			825,000
Percent match from interagency transfers	0.00%	0.00%	8.88%
Match from other sources	1,164,393	1,069,444	1,136,592
Percent match from other sources	12.53%	10.81%	12.23%
MOE required	\$9,152,227	\$9,621,347	\$9,290,281
MOE: Establishment/construction expenditures	\$0	\$0	\$0
MOE actual	\$9,290,281	\$9,892,186	\$9,290,656
MOE difference**	-\$138,054	-\$270,839	-\$375

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

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

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

Non-Federal Share (Match) and Maintenance of Effort (MOE)	Source/Formula
Match required per net award amount	Non-Federal funds required based upon the net amount of the Federal award. Source/Formula: (Table 6.1 Federal award amount net divided by 0.787) multiplied by 0.213
Match provided (actual)	Amount of match (non-Federal share) provided, by the agency. Source/Formula: SF-425 line 10j lesser of the 4 th quarter or latest/final
Match difference**	The difference between match required to access the net Federal award funds and the actual amount of match provided by agency. Source/Formula: SF-425 lesser of the 4 th quarter or latest/final: ((Federal formula award amount divided by 0.787) multiplied by 0.213) minus SF-425 line 10j
Federal funds matched (actual)	Total amount of Federal funds the agency was able to match based upon the non-Federal share reported. The maximum amount of Federal funds the agency can access is limited to the Federal grant award amount. Source/Formula: (Match provided actual divided by .213) multiplied by .787
Percent of Federal funds matched	Percent of Federal funds matched. Source/Formula: Federal funds matched divided by Federal award amount net
Match from State appropriation	Match amount from State appropriation. Source/Formula: Data provided by State
Percent match from State appropriation	Match amount from State appropriation expressed as a percentage of total match provided. Source/Formula: Match from State appropriation divided by SF-425 line 10j
Match from TPCAs	Match amount from Third-Party Cooperative Arrangements (TPCAs). Source/Formula: Data provided by State
Percent match from TPCAs	Match amount from Third-Party Cooperative Arrangements (TPCAs) expressed as a percentage of total match provided. Source/Formula: Match from TPCAs divided by SF-425 line 10j
Match from Randolph-Sheppard program	Match amount from Randolph-Sheppard program. Source/Formula: Data provided by State
Percent match from Randolph-Sheppard Program	Match amount from Randolph-Sheppard program expressed as a percentage of total match provided. Source/Formula: Match from Randolph-Sheppard Program divided by SF-425 line 10j
Match from interagency transfers	Match amount from interagency transfers. Source/Formula: Data provided by State
Percent match from interagency transfers	Match amount from interagency transfers expressed as a percentage of total match provided. Source/Formula: Match from interagency transfers divided by SF-425 line 10j
Match from other sources	Match amount from all sources of match not previously listed. Source/Formula: Data provided by State
Percent match from other sources	Match amount from all other sources expressed as a percentage of total match provided. Source/Formula: Match from other sources divided by SF-425 line 10j

Non-Federal Share (Match) and Maintenance of Effort (MOE)	Source/Formula
Maintenance of Effort (MOE) required	<p>Maintenance of effort (MOE) is the level of non-Federal expenditures, minus establishment/construction expenditures for CRPs, established by the State's non-Federal expenditures two years prior, i.e. Recipient Share of Expenditures.</p> <p>Source/Formula: (For FFY two year prior) SF-425 4th quarter or latest/final report: line 10j minus line 12a. If non-Federal share is added in the prior carryover year, the additional amount is added to the MOE required. If an agency increases their Establishment/Construction expenditures in the prior carryover year, the increase is deducted from the FFY's total non-Federal share for MOE purposes.</p>
MOE: Establishment / construction expenditures	<p>Non-Federal share of expenditures for construction of facilities for community rehabilitation program (CRP) purposes and the establishment of facilities for community rehabilitation purposes.</p> <p>Source/Formula: SF-425 latest/final report: line 12a</p>
MOE actual	<p>Non-Federal share provided by agency minus establishment/construction expenditures for CRPs.</p> <p>Source/Formula: SF-425: Match provided actual minus establishment/construction expenditures. NOTE: If non-Federal share is added in the prior carryover year, the additional amount is added to the MOE actual. If an agency increases their Establishment/Construction expenditures in the prior carryover year, the increase is deducted from the FFY's total non-Federal share for MOE purposes.</p>
MOE difference**	<p>The difference between MOE required and the actual MOE provided.</p> <p>Source/Formula: MOE required minus MOE actual</p>

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

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

Program Income and Carryover	2015	2016	2017*
Program income received	\$1,890,679	\$1,744,504	\$804,066
Program income disbursed	\$1,890,679	\$1,744,504	\$804,066
Program income transferred	\$67,827	\$75,968	\$63,398
Program income used for VR program	\$1,822,852	\$1,668,536	\$740,668
Federal grant amount matched	\$34,326,061	\$36,550,000	\$34,327,447
Federal expenditures 9/30	\$28,516,097	\$32,678,511	\$27,551,887
Federal unliquidated obligations 9/30	\$5,809,964	\$1,471,201	\$1,130,667
Carryover amount	\$0	\$2,400,288	\$5,644,894
Carryover as percent of award	0.00%	6.57%	16.44%

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

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

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

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

RSA-2 Expenditures	2015	2016	2017
Total expenditures	\$50,426,593	\$50,321,890	\$40,817,539
Administrative costs	\$13,056,329	\$15,420,736	\$8,563,102
Administration as Percent expenditures	25.89%	30.64%	20.98%
Purchased services expenditures	\$23,953,601	\$22,110,580	\$21,396,297
Purchased services as a Percent expenditures	47.50%	43.94%	52.42%
Services to groups	\$1,082,097	\$919,911	\$0
Services to groups percentage	2.15%	1.83%	0.00%

**Expenditures for RSA-2 data represent current FFY expenditures and carryover from prior FFY. Therefore, these figures may differ from the expenditures in Tables 6.1, 6.2, and 6.3 which are from SF-425 reports.*

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

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

**Expenditures for RSA-2 data represent current FFY expenditures and carryover from prior FFY. Therefore, these figures may differ from the expenditures in Tables 6.1, 6.2, and 6.3 which are from SF-425 reports.*

APPENDIX B: DOCUMENTATION REVIEW RESULTS

Data Element	Number with required documentation	Number without required documentation	Percent with required documentation	Percent without required documentation
Date of Application	20	1	95%	5%
Date of Eligibility Determination	18	3	86%	14%
Date of IPE	20	1	95%	5%
Start Date of Employment in Primary Occupation at Exit or Closure	5	3	63%	37%
Hourly Wage at Exit or Closure	6	2	75%	25%
Employment Status at Exit or Closure	8	0	100%	0%
Type of Exit or Closure	20	1	95%	5%
Date of Exit or Closure	16	5	76%	24%

Summary	Number (of 30)	Percent (of 30)
Files with all required documentation	10	50%
Files with documentation for four or more data elements	19	90%
Files with no required documentation	0	0%

APPENDIX C: SUPPORTED EMPLOYMENT PROGRAM PROFILE

2017 Louisiana Combined Supported Employment Program Profile

Summary Statistics – Supported Employment Outcomes						
Performance category	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
Supported employment (SE) outcomes	450		334		54	
Competitive employment outcomes	430	95.6	325	97.3	52	96.3
Median hourly earnings for competitive employment outcomes	\$8.00		\$8.00		\$8.52	
Average hours worked for competitive employment outcomes	22.3		23.4		21.4	

Data source: RSA-911

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

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

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

Top Five Services Provided to Individuals in Competitive Supported Employment	
Services Provided	2017 Percent
Vocational rehab counseling and guidance	100.0
On-the-job supports-SE	100.0
Assessment	100.0
Job placement assistance	94.4
Other services	18.4

Data source: RSA-911

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

Top Five Occupations by Percentages of Employment Outcomes with Median Hourly Earnings for All Individuals Who Achieved Competitive Supported Employment Outcomes at Closure for FFY17		
SOC Code	2017 Percent	2017 Median Hourly Wage
Installation, Maintenance, and Repair Occupations	44.2	\$8.52
Building and Grounds Cleaning and Maintenance Occupations	17.3	\$8.00
Office and Administrative Support Occupations	11.5	\$8.26
Food Preparation and Serving Related Occupations	9.6	\$10.00
Transportation and Material Moving Occupations	5.8	\$9.00

Data source: RSA-911

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