

**FEDERAL FISCAL YEAR 2018
MONITORING REPORT
ON THE
NEW JERSEY DIVISION OF VOCATIONAL
REHABILITATION SERVICES (DVRS)
VOCATIONAL REHABILITATION
AND
SUPPORTED EMPLOYMENT PROGRAMS**



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

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SECTION 1: THE 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 the New Jersey Division of Vocational Rehabilitation Services (DVRS) 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;
- 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 June 5 through June 8, 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 Tonya Stellar and Jessica Davis (Vocational Rehabilitation Program Unit); Christopher Pope (Office of the Director of State Monitoring and Program Improvement Division); Terrence Martin (Technical Assistance Unit); Melinda Giancola, Andy Kerns and Vernita Washington (Data Collection and Analysis Unit); and David Miller (Fiscal 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 expresses appreciation to the representatives of DVRS for their cooperation and assistance extended throughout the monitoring process. RSA also appreciates the participation of the State Rehabilitation Council (SRC), the Client Assistance Program (CAP), and other stakeholders in the monitoring process, including DVRS' partners from the New Jersey Department of Labor and Workforce Development (LWD). Finally, RSA thanks staff from DVRS' newly formed Business Outreach Team for sharing with RSA its many initiatives related to employer engagement and the provision of business services.

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 program performance data tables 1 through 9 in Appendix A of this report. The data used in the analysis are those collected and reported by VR agencies based on RSA Policy Directive 14-01, which was implemented prior to changes in reporting requirements pursuant to Section 101(a)(10) of the Rehabilitation Act, as amended by Title IV of 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 DVRS' performance for FFYs 2015, 2016, and the first 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 DVRS 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.

From FFY 2015, through FFY 2017, the total number of applicants for the VR program increased from 13,522 individuals in FFY 2015, to 14,022 individuals in FFY 2016, and decreased notably in FFY 2017, to 13,405 individuals. The total number of individuals with disabilities determined eligible for VR services increased slightly from 14,461 in FFY 2015, to 14,516 individuals in FFY 2016, and decreased in FFY 2017, to 14,042. Although the number of individuals with an individualized plan for employment (IPE) who received services increased slightly from 16,164 individuals in FFY 2015, to 16,220 individuals in FFY 2017, during the review period, an average of 30 percent of individuals who had an IPE, did not receive any VR services. From FFY 2015, through FFY 2017, DVRS was operating under an order of selection (OOS). Nevertheless, FFY 2015 was the only year in which individuals remained on DVRS's waiting list at year-end.

From October 1, 2014, through June 30, 2017, 4,925 individuals exited as applicants, of which 1,330 individuals, or 27 percent, were under the age of 25 at service record closure. Over the same period, 98 individuals exited from trial work experience (TWE); however, DVRS reported that 142 individuals were determined ineligible because they could not benefit from VR services due to the severity of their disabilities (Table 9a). Thus, DVRS did not provide TWEs to 44 individuals, over the three-year period, prior to making the determination that these individuals were ineligible for the VR program based on the severity of their disabilities.

The number of individuals with disabilities who exited without employment outcomes, after eligibility determination, but before an IPE was signed and VR services provided, decreased from 4,939 individuals whose service records were closed in FFY 2015, to 4,104 individuals in FFY 2016, and 3,083 individuals in the first three quarters of FFY 2017. Of the 12,126 individuals who exited at this stage of the VR process, 4,816 individuals, or 40 percent, were under the age of 25 at service record closure over the period of review.

Employment Outcomes

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

All Individuals Served

The number of individuals served whose service records were closed after achieving an employment outcome decreased slightly from 3,818 individuals in FFY 2015, to 3,803 individuals in FFY 2016, an increase in the percentage from 29.7 percent to 31.2 percent, respectively of all individuals whose service records were closed. At the same time, the number and percentage of individuals who did not achieve employment, and whose service records were closed, increased from 2,274 individuals, or 17.7 percent of all individuals whose service records were closed, in FFY 2015, to 2,408 individuals, or 19.8 percent, in FFY 2016. As a result, DVRS's employment rate remained relatively stable, decreasing slightly from 62.7 percent in FFY 2015, to 61.2 percent in FFY 2016.

The number of individuals who achieved supported employment outcomes increased from 477 individuals in FFY 2015, to 555 individuals in FFY 2016. Of these supported employment outcomes, 89.1 percent were in competitive employment in FFY 2015, which increased to 95.1 percent in FFY 2016.

From FFY 2015 through FFY 2016, the median hourly earnings for individuals who achieved competitive employment outcomes remained constant at \$10.00 per hour. The median hours worked also remained constant at 30 hours per week over the same period. The quarterly median earnings for competitive employment outcomes remained constant at \$3,900 over the period. From FFY 2015 to FFY 2016, the percentage of competitive employment outcomes meeting substantial gainful activity (SGA) decreased slightly from 60.0 percent to 57.3 percent; and the percentage of competitive employment outcomes with employer-provided medical insurance decreased slightly from 20.5 percent to 19.9 percent.

Of the 10,279 individuals who exited with employment from FFY 2015 through the first three quarters of FFY 2017, 9,983 individuals, or 97.1 percent, exited the VR system with competitive

employment outcomes. Of those 296 individuals who exited with non-competitive employment outcomes, 38 percent were under the age of 25 at service record closure.

Individuals Served Under the Age of 25

The number of individuals under the age of 25 whose service records were closed after achieving an employment outcome decreased slightly from 1,174 individuals, or 28 percent of those whose service records were closed, in FFY 2015, to 1,109 individuals, or 28.5 percent, in FFY 2016. At the same time, the number and percentage of individuals under the age of 25 who did not achieve employment and whose service records were closed decreased slightly from 630 individuals, or 15 percent, in FFY 2015, to 619 individuals, or 15.9 percent. DVRS's employment rate decreased slightly for individuals under the age of 25 from 65.1 percent in FFY 2015, to 64.2 percent in FFY 2016.

From FFY 2015 through FFY 2016, the median hourly earnings for individuals under the age of 25 who achieved competitive employment outcomes increased from \$9.00 to \$9.20 per hour. Similar to all individuals served whose service records were closed, the median hours worked for these outcomes remained constant at 25 hours per week, which accounts for five fewer hours per week than individuals over the age of 25 at service record closure. The quarterly median earnings for competitive employment outcomes for this population decreased from \$3,250 in FFY 2015, to \$3,120 in FFY 2016, which was nearly \$1,200 less than the amount individuals over the age of 25 earned. From FFY 2015 through FFY 2016, the percentage of competitive employment outcomes meeting SGA decreased slightly from 48.4 percent to 44.4 percent; however, the percentage of competitive employment outcomes with employer-provided medical insurance increased slightly from 11.4 percent to 13.0 percent.

VR Services Provided

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

In terms of postsecondary education for all individuals whose service records were closed in FFY 2016—

- 4.0 percent received bachelor degree training;
- 3.7 percent received junior or community college training; and
- 0.9 percent received graduate degree training.

In FFY 2016, DVRS provided more community college training (4.9 percent) and bachelor degree training (7.1 percent) to individuals under the age of 25 compared to individuals over the age of 25 at service record closure with 3.3 percent of individuals over the age of 25 who received community college training and 2.8 percent who received bachelor degree training.

In terms of other training-related services in FFY 2016, for all individuals served—

- 23.2 percent received miscellaneous training;
- 9.9 percent received occupational or vocational training; and

- 6.6 percent received on-the-job training.

Of all individuals served whose cases were closed in FFY 2016, DVRS provided minimal job readiness training (2.1 percent); basic academic remedial or literacy training (0.1 percent); and no registered apprenticeship training (0.0 percent).

Of all the individuals who received career services, and whose service records were closed in FFY 2016—

- 62.5 percent received assessment services;
- 12.1 percent received job search assistance;
- 12.0 percent received job placement assistance;
- 4.6 percent received on-the-job supports (supported employment);
- 1.4 percent received on-the-job supports (short term); and
- 0.7 percent received benefits counseling.

In FFY 2016, DVRS reported that 79.6 percent of individuals whose service records were closed received vocational rehabilitation counseling and guidance, and 6.5 percent received information and referral services. In terms of other services provided by DVRS to all individuals in FFY 2016, the agency reported that—

- 13.7 percent received rehabilitation technology;
- 10.1 percent received transportation services;
- 3.2 percent received “other services; and
- 1.6 percent received maintenance services.

DVRS reported that of individuals served whose service records were closed, 0.8 percent received interpreter services, 0.1 percent received personal attendant services, and 0.6 percent received technical assistance services.

This performance for all individuals served is similar to the types of career services and other services that DVRS provided to individuals under the age of 25 whose cases were closed in FFY 2016.

Outcomes by Disability Type

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

Of all the individuals DVRS served in FFY 2016, the top three types of disabilities consisted of the following:

- Individuals with psychosocial/psychological disabilities (33.3 percent of all individuals and 24.9 percent of individuals under the age of 25 at service record closure);
- Individuals with intellectual/learning disabilities (31.7 percent of all individuals and 60.8 percent of individuals below the age of 25 at service record closure); and

- Individuals with physical disabilities (19.4 percent of all individuals and 6.2 percent of individuals under the age of 25 at service record closure).

Further, DVRS reported the following employment rates for individuals with the above disability types in FFY 2016:

- Individuals with psychosocial/psychological disabilities (52.3 percent for all individuals and 60.1 percent individuals under the age of 25 at service record closure);
- Individuals with intellectual/learning disabilities (63.2 percent for all individuals and 65.8 percent for individuals under the age of 25 at service record closure); and
- Individuals with physical disabilities (58.0 percent for all individuals and 60.7 percent for individuals under the age of 25 at service record closure).

In FFY 2016, DVRS reported higher employment rates for each disability type when comparing those for individuals under the age of 25 to those individuals over the age of 25 at service record closure. In FFY 2016, DVRS' highest employment rate for all individuals served was for those individuals with auditory/communicative impairments (82.8 percent), while the highest employment rate for individuals under age 25 at service record closure was for those individuals with visual impairments (100 percent). However, both of these disability types represent very low percentages of the individuals served by DVRS in FFY 2016. In FFY 2016, DVRS served very few individuals with visual impairments (0.5 percent), due in large part to a separate State VR agency in New Jersey that serves individuals who are blind or visually impaired.

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 81.9 percent to 82.8 percent, while the total number of these individuals decreased from 9,036 to 8,536 individuals. DVRS completed timely eligibility determinations for 83.5 percent of the individuals whose service records were closed during the first three quarters of FFY 2017.

In terms of serving individuals under the age of 25 at service record closure, DVRS' performance was similar to its performance for all individuals. From FFY 2015 through FFY 2016, the percentage of individuals under the age of 25 at service record closure, who were determined eligible within 60 days from the date of application, increased from 83.1 percent to 84.2 percent, while the total number of these individuals decreased from 3,065 to 2,878 individuals. DVRS completed timely eligibility determinations for 84.1 percent of the individuals under the age of 25 whose service records were closed during the first three quarters of FFY 2017.

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 for whom DVRS developed an IPE within 90 days from the date of application decreased from 91.3 percent to 81.6 percent. DVRS developed timely IPEs for 79.6 percent of the individuals whose service records were closed during the first three quarters of FFY 2017.

For individuals served under the age of 25, DVRS' performance was similar to its performance for all individuals. From FFY 2015 through FFY 2016, the percentage of individuals under the age of 25 at service record closure, who received timely IPEs, decreased from 86.9 percent to 71.5 percent. DVRS developed timely IPEs for 70.2 percent of the individuals under the age of 25 whose service records were closed during the first three quarters of FFY 2017.

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.

The following represent the three highest occupational categories for individuals who achieved employment outcomes whose service records were closed in FFY 2016:

- Office and administrative support occupations (17 percent, with a median hourly wage of \$10.00);
- Personal care and service occupations (14.8 percent, with a median hourly wage of \$9.34); and
- Sales and related occupations (10.2 percent, with a median hourly wage of \$9.09).

In terms of those individuals who obtained an employment outcome in supported employment the above occupations are similar to the most commonly occurring occupations in these outcomes for FFY 2016; and the median hourly wages are also consistent with wages earned for those occupations.

For individuals under the age of 25 who exited the VR system in FFY 2016 with an employment outcome, the following occupational categories represent the three highest percentages of all individuals whose cases were closed:

- Personal care and service-related occupations (19.2 percent, with a median hourly wage of \$9.00);
- Office and administrative support (15.1 percent with a median hourly wage: \$9.00); and
- Sales and related occupations (12.7 percent with a median hourly wage: \$9.00).

In FFY 2016, individuals who obtained employment outcomes in military specific occupations and in farming, fishing, and forestry earned the highest median hourly wages; however, very few individuals obtained outcomes in these fields. The lowest median hourly wage was for individuals who obtained an employment outcome in food preparation and serving related occupations (\$9.00 per hour).

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 following reasons for exit represent the highest percentages that DVRS reported for individuals who did not achieve employment outcomes in FFY 2016:

- No longer interested in receiving services or further services (53.8 percent of all individuals);
- Unable to locate or contact (27.4 percent of all individuals); and
- All other reasons (12.9 percent of all individuals).

For individuals under the age of 25 at the time of exit who did not achieve an employment outcome, DVRS reported the same above reasons for exit as occurring most frequently. DVRS did not offer an explanation for the very high percentage of individuals exiting for these reasons.

C. Internal Controls

RSA 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

Prior to the on-site monitoring review, RSA requested documentation from DVRS outlining its policies and procedures related to the case service record; reporting on the RSA-911; and internal control process (e.g., ensuring data accuracy, reliability, and timely submission), along with a description of case file organization or documents used by DVRS staff to organize case files. DVRS provided RSA with a description of various attributes of its case management system, including sections for Case File Organization and Quality Assurance from its NJDVRS Best Practices Manual last revised in March 2015.

DVRS reported on four attributes of its case management system that facilitate accurate, reliable, and timely collection and reporting of data on the RSA-911. First, DVRS explained that its case management system permits the agency to use technology for efficient case management with numerous reports and layouts for day to day monitoring, including RSA-113 and RSA-911 reports. Second, DVRS indicated that because it receives regular updates with new releases and the system provider hosts monthly user calls, its case management system and users are regularly updated with usability improvements and functionality in response to WIOA regulations and RSA case service report RSA-911 changes. Third, DVRS stated that in order to report accurate data on the RSA-911, it uses the optimum approach to design the system to reduce any data error and the exact terminology as listed in the RSA-911 System Guide. DVRS also formed what the agency refers to as the “Best Practice Team” consisting of DVRS MIS Unit and field staff to test case management system adaptations before implementing them system-wide. This team also determines when to provide training to DVRS staff using the case management system. Fourth, DVRS shared that it has a help desk that supports DVRS staff with case management system issues. DVRS explained that it runs an edit checker to identify errors as they occur rather than waiting to address errors at the time of submitting RSA-911 data. DVRS also reports errors and software bugs and stays connected to developments with the provider’s user community. Finally, DVRS reported that it partners with the Department of Information Technology to respond to technical issues and its Accounting Office to address payment and vendor-related issues.

DVRS's Case file organization policies detail where DVRS staff are to store service record documents in paper-based case files. For example, the left side of the case should contain all DVRS forms requiring signatures (e.g., signed application for services and signed IPEs), while the right side of the case should be separated into three categories: medical documentation, income documentation, and other documentation (e.g., correspondence, reports, and receipts). DVRS’s quality assurance policies are limited to requirements related to the agency’s application for VR services, and a document titled Survey Interview Narrative. Based upon the materials DVRS submitted and from discussions with the agency on-site, it is unclear whether or not DVRS has formalized policies related to internal case file reviews in its Case Services Policy Manual, the NJDVRS case management system’s Best Practices Manual, or elsewhere. While Chapter 6 of the Case Services Policy Manual outlines requirements for the contents of the case record and Chapter 7 delineates case recording standards, these policies do not outline how DVRS’ central office management, district office staff, or VR counselors ensure case files meet these standards. In other words, the information DVRS shared with RSA concerning internal controls focused primarily on case management requirements (e.g., having a signed IPE in place); however, it was lacking when it came to describing how DVRS ensures the accuracy and reliability of the data being collected and reported. During on-site conversations, it was evident that DVRS occasionally implemented case file reviews; however, it was clear that these reviews, usually led by central office staff, addressed more qualitative aspects of individual service records (e.g., selection of IPE goals or VR service provision) and did not assess the reliability and validity of data reported on the RSA-911 (e.g., verification of earnings). RSA validated these concerns during the review of DVRS’ service records.

Data Verification Review

RSA conducted a review of 31 service records comprised of individuals who did and did not achieve employment, and 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, hourly wage at exit, employment status at exit, type of exit, and date of exit.

Of the 31 service records reviewed, 32.3 percent did not include a signed application, or the date the individual signed the application was different from the date entered in the case management system. Of these service records, 77.4 percent did not have documentation showing that DVRS notified individuals of their eligibility determination, while 32.3 percent of all service records reviewed failed to meet the necessary documentation requirements for the IPE. For example, the individual or the VR counselor did not sign or date the IPE, or the date the individual signed the IPE did not match the date entered into DVRS' case management system.

Of the service records reviewed wherein the individual achieved employment, 28.6 percent did not include verification of the start date for employment, while 78.6 percent did not include verification of the individual's employment status at closure. Additionally, 78.6 percent of the service records reviewed did not include documentation of the hourly wage at closure, while 6.5 percent (two service records) did not include documentation of the type of closure. Relatedly, 36.7 percent of the service records reviewed did not include documentation of the date of closure that also matched the date DVRS entered in its case management system. Overall, two of the service records RSA reviewed were free from any errors.

D. Observations and Recommendations

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

Observation 2.1: Attrition

During the review period, individuals with disabilities, including those under the age of 25 at service record closure, who were applicants or in need of and eligible for VR services, exited the VR system without receiving the necessary services to achieve an employment outcome.

In terms of individuals who exited the VR program as applicants—

- From October 1, 2014 to June 30, 2017, 4,925 individuals exited prior to eligibility determinations, 27 percent or 1,330 of whom were under the age of 25 at service record closure during this time period;
- In FFY 2016, 21.8 percent, or 7,996 individuals, exited as applicants; in FFY 2015, 18.1 percent, or 6,114 individuals, exited as applicants; and during the first three quarters of FFY 2017, 20.3 percent, or 6,567 individuals, exited as applicants; and
- In FFY 2016, 472 individuals under the age of 25 exited as applicants, while 501

individuals under the age of 25 exited as applicants in FFY 2015 and 357 individuals under the age of 25 exited as applicants during the first three quarters of FFY 2017.

In terms of individuals determined eligible for VR services, who exited the VR program without employment outcomes, before an IPE was signed or before receiving services—

- From October 1, 2014 through June 30, 2017, 12,126 individuals exited at this stage of the VR process, of whom 40 percent were under the age of 25 at service record closure; and
- Specifically, 38.4 percent or 4,939 individuals exited from this stage of the VR process in FFY 2015; 33.7 percent or 4,104 individuals exited in FFY 2016; and 34 percent or 3,083 individuals exited during the first three quarters of FFY 2017.

Recommendation 2.1: Attrition

RSA recommends that DVRS—

- 2.1.1 Conduct surveys of individuals, particularly those under the age of 25, who exit at application or who are determined eligible and exit prior to IPE development, to determine the reasons why these individuals are withdrawing from the VR program; and
- 2.1.2 Based on the information obtained through these surveys, develop goals with measurable targets and strategies to achieve these goals, to decrease the number of individuals exiting the VR program at these stages of the process.

Agency Response: DVRS thanks RSA for the observation and recommendation to study and determine why individuals exit the VR program at various stages without receiving services to achieve an employment outcome. This is an issue of concern to DVRS and we plan to utilize RSA suggestions to improve performance by increasing monitoring through better reporting and establishing measurable targets.

Request for Technical Assistance: None at this time.

Observation 2.2: Quality of Employment Outcomes

From October 1, 2014 through June 30, 2017, individuals who exited the VR program with employment earned median hourly wages significantly below the median hourly wages earned by all individuals in the State:

- In FFY 2015, all individuals who exited the VR program with employment earned a median hourly wage of \$10.00 per hour, while individuals below the age of 25 earned a median hourly wage of \$9.00 per hour compared to the State's median hourly wage of \$19.86;
- In FFY 2016, all individuals who exited the VR program with employment earned a median hourly wage of \$10.00 per hour, while individuals below the age of 25 earned a median hourly wage of \$9.20 per hour compared to the State's median hourly wage of \$20.17; and

- In the first three quarters of FFY 2017, all individuals who exited the VR program with employment earned a median hourly wage of \$10.20 per hour, while individuals below the age of 25 at service record closure earned a median hourly wage of \$9.17 per hour compared to the State’s median hourly wage of \$20.43.

Over this period, the individuals who exited the VR program with employment outcomes earned wages slightly above the tenth percentile of earnings for all individuals in the State:

- The statewide tenth percentile was \$9.33 per hour compared to \$9.52 per hour for individuals served by DVRS in FFY 2015;
- The statewide tenth percentile was \$9.52 per hour compared to \$10.00 per hour for individuals served by DVRS in FFY 2016; and
- The statewide tenth percentile was \$9.67 per hour compared to \$10.20 per hour for the individuals served by DVRS during the first three quarters in FFY 2017.

Recommendation 2.2: Quality of Employment Outcomes

RSA recommends that DVRS—

- 2.2.1 Develop measurable goals and strategies to improve the agency’s performance related to the wages individuals with disabilities earn after exiting the VR program; and
- 2.2.2 Evaluate the reasons why individuals with disabilities are earning wages at approximately the tenth percentile when compared to all individuals in the State; and determine if the necessary VR services, including effective training services, job search and placement services, and other supports are being provided to assist individuals with achieving high-quality employment.

Agency Response: DVRS thanks RSA for the observation and recommendation to evaluate the deviation in wages for people with disabilities between the states median hourly wage and individuals who exited the VR program. This has been a long-term issue for DVRS, and we are hopeful that the Workforce Innovations Opportunity Act (WIOA) emphasis on career pathways will bring wages closer to the states median hourly wage. As per RSA, DVRS will review its current service matrix and develop measurable goals and strategies to increase consumer wages. DVRS is also hopeful that the new minimum wage law in NJ which increases the minimum wage to \$15 per hour will have a positive effect.

Request for Technical Assistance: None at this time.

E. Findings and Corrective Actions

RSA’s review of the performance of DVRS 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 DVRS determining the eligibility of applicants for VR services within the statutory 60-day time frame from the date of application.

Requirement: In accordance with Section 102(a)(6) of the Rehabilitation Act and 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 DVRS to make eligibility determinations for VR applicants. FFY 2016 data reported by DVRS on the RSA-911 show—

- 84.2 percent of all individuals served whose service records were closed in FFY 2016 had an eligibility determination made within the required 60-day period; and
- 82.1 percent of individuals under the age of 25 whose service records were closed in FFY 2016, had an eligibility determination made within the required 60-day period.

At the time of the on-site review, DVRS 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). As a result, DVRS requested additional time to query the necessary case files to provide RSA with supporting data. Following the on-site portion of the monitoring review, DVRS determined, through its case management system, that it could not establish substantial compliance with the 60-day time frame for eligibility determination because DVRS reported that roughly 20 percent of all applicants for whom DVRS extended eligibility, had signed the agency's "Eligibility Extension Case Note."

RSA provided technical assistance to DVRS clarifying that the Federal regulations in 34 C.F.R. § 361.41 do not require an applicant to document his or her agreement with an eligibility extension beyond the 60-day time frame with his or her signature. However, Chapter 2.3: Application for NJDVRS Services (page 25) of the NJDVRS Case Services Policy Manual states, "The VR Counselor notifies the individual NJDVRS applicant that exceptional and unforeseen circumstances beyond the control of the agency preclude the agency from completing the determination within the prescribed time and the applicant must agree to eligibility in writing by signing the eligibility extension document..."

Conclusion: As demonstrated by performance data, DVRS 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). Furthermore, DVRS was not in compliance with its own policy in Chapter 2.3 of the NJDVRS Case Services Policy Manual that requires client signature on the eligibility extension document.

Corrective Action Steps:

RSA requires that DVRS—

- 2.1.1 Comply with Section 102(a)(6) of the Rehabilitation Act and 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 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;
- 2.1.3 Develop procedures for VR counselors and supervisors to track and monitor the timeliness of eligibility determinations; and
- 2.1.4 Provide training to DVRS staff related to the agency's requirement to document the applicant's agreement to an eligibility extension with a signature in accordance with DVRS' policy or revise the policy to remove the signature requirement.

Agency Response: DVRS is concerned that timely eligibility determinations were not made in all cases. We have already proactively begun to address this issue by developing new tracking reports that supervisors can review with counselors. In addition, agency wide training is currently under development that will emphasize the requirements under 34 C.F.R. § 361.41(b)(1) and the need for timely eligibility determinations.

Request for Technical Assistance: None at this time.

2.2 Untimely Development of the IPE

Issue: Is DVRS 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 DVRS to develop IPEs for individuals determined eligible for VR services. In particular, FFY 2016 data reported by DVRS on the RSA-911 show—

- 81.6 percent of all individuals served whose service records were closed in FFY 2016, had an IPE developed within the Federally required 90-day period; and
- 71.5 percent of individuals under the age of 25 at exit whose service records were closed in FFY 2016, had an IPE developed within the Federally required 90-day period.

Conclusion: As the FFY 2016 performance data demonstrate, DVRS 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, RSA determined that the agency did not develop IPEs in a timely manner pursuant to 34 C.F.R. § 361.45(a)(1) and within the required 90-day period pursuant to 34 C.F.R. § 361.45(e) and Section 102(b)(3)(F) of the Rehabilitation Act.

Corrective Action Steps:

RSA requires that DVRS—

- 2.2.1 Comply with 34 C.F.R. § 361.45(a)(1) and (e) and Section 102(b)(3)(F) of the Rehabilitation Act to ensure IPEs are developed within the 90-day statutory time frame from date of eligibility determination;
- 2.2.2 Assess and evaluate current procedures for tracking and monitoring VR 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 specific to timely IPE development.

Agency Response: As with untimely eligibility determinations, DVRS will be developing new tracking reports that will allow management to better monitor the progress of cases. In addition, training will be conducted emphasizing federal timeline requirements and proper case extension procedures when needed.

Request for Technical Assistance: None at this time.

2.3 Internal Controls for Case File Documentation

Issue: Do DVRS’s internal controls ensure that case files adhere to the record of service requirements at 34 C.F.R. § 361.47. Specifically, in fulfilling these requirements, do the internal controls ensure that DVRS adheres to the requirements for processing referrals and applications pursuant to 34 C.F.R. § 361.41, the development of the IPE pursuant to 34 C.F.R. § 361.45, and the requirements for closing the record of services of an individual who has achieved an employment outcome pursuant to 34 C.F.R. § 361.56.

Requirement: Pursuant to 34 C.F.R. § 361.47(a), VR agencies must maintain for each applicant and eligible individual a record of services that includes, to the extent pertinent, documentation including, but not limited to, the individual’s application for VR services, the individual’s IPE, and information related to closing the service record of an individual who achieves an

employment outcome. Furthermore, VR agencies, in consultation with the SRC, if the State has such a Council, must determine the type of documentation that the VR agency must maintain for each applicant and eligible individual in order to meet these requirements in accordance with 34 C.F.R. § 361.47(b).

VR agencies must, in accordance with 34 C.F.R. § 361.41(a), establish and implement standards for the prompt and equitable handling of referrals of individuals for VR services, including referrals of individuals made through the one-stop service delivery systems under Section 121 of WIOA. The standards must include timelines for making good faith efforts to inform these individuals of application requirements and to gather information necessary to initiate an assessment for determining eligibility and priority for services. Further, once an individual has submitted an application for VR services, including applications made through common intake procedures in one-stop centers under Section 121 of WIOA, an eligibility determination must be made within 60 days (34 C.F.R. § 361.41(b)(1)), unless specific circumstances prohibit this in accordance with 34 C.F.R. § 361.41(b)(1)(i) and (ii). In fulfilling these requirements, the VR agency records the date it receives the application for VR services from the individual.

Federal regulations in 34 C.F.R. § 361.45 outline the requirements for the development of the IPE and 34 C.F.R. § 361.46 outline the mandatory content of the IPE.

Pursuant to 34 C.F.R. § 361.56, the service records for individuals who have achieved an employment outcome may only be closed if: an employment outcome described in the individual's IPE in accordance with 34 C.F.R. § 361.46(a)(1) has been achieved and is consistent with an individual's unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice; the employment outcome is maintained for an appropriate period of time, but not less than 90 days to ensure stability of the employment outcome and the individual no longer needs VR services; the outcome is considered to be satisfactory and agreed to by the qualified rehabilitation counselor employed by the DSU and the individual who must also agree that the individual is performing well in the employment; and the individual has been informed of post-employment services through appropriate modes of communication. Under 34 C.F.R. § 361.47(a)(15), prior to closing a service record, VR agencies must maintain documentation verifying that the provisions of 34 C.F.R. § 361.56 have been satisfied. More specifically, under 34 C.F.R. § 361.47(a)(9), VR agencies must maintain documentation verifying that an individual who obtains employment is compensated at or above minimum wage and that the individual's wage and level of benefits are not less than that customarily paid by the employer for the same or similar work performed by individuals without disabilities.

Analysis: While on-site, RSA reviewed 31 service records, which included service records of individuals who did, and did not, achieve employment. Of the service records reviewed, 10 records, or 33 percent of all service records, included discrepancies with the date of application. In some of these service records, the applicant or the VR counselor did not sign or date the application or the date on the application did not match the data entered into DVRS' case management system.

Of the 31-service records RSA reviewed, 24 of them, or 77 percent, had errors related to the date of eligibility or documentation did not exist to confirm that DVRS informed the individual that

he or she had been determined eligible for VR services. In the seven service records that did not have errors, the VR counselor had included a copy of the template letter DVRS used to notify the individual that he or she was eligible.

In recording the start date of VR services under the IPE, DVRS reported that it uses the date the VR counselor finalizes the IPE in the case management system. As a result, this date was often different from the date the VR counselor and/or the eligible individual signed the IPE. Specifically, 10 records, or 33 percent of all service records reviewed, included dates in the case management system that did not match the date that the VR counselor and/or the eligible individual signed the IPE. Some of these service records did not include both the signature of the eligible individual and the VR counselor.

For the individuals whose service records were closed with an employment outcome, results of the service record review demonstrated that the documentation DVRS maintained in its service records was insufficient in terms of verifying the employment status of the individuals at the time of closure. Of the service records reviewed, 11 out of 14 records, or 79 percent, did not include documentation that verified the employment status at the time of service record closure. Oftentimes, the VR counselor's case note, which provided these details, was a copy of a previous case note developed when the individual began employment and based on the eligible individual's self-report.

Further, 11 out of 14 records reviewed, or 79 percent, did not include sufficient documentation to substantiate the individual's hourly wage at the time of exit. Similarly, these case notes were copies of previous case notes and, in some instances, RSA could not find any evidence that DVRS verified that the individual remained employed before DVRS closed the service record. In these instances, RSA observed that the service records reviewed lacked documentation to support that VR counselors verified that the individual maintained employment for at least 90 days and that the employment continued to be stable at the time of closure, as required in 34 C.F.R. § 361.56(b). Furthermore, the service records reviewed lacked documentation as to whether the individual no longer needed VR services, the individual and VR counselor considered the employment outcome to be satisfactory, and both agreed that the individual is performing well in employment in accordance with 34 C.F.R. § 361.56(c). Due to the lack of supporting documentation, RSA was not able to verify whether DVRS informed the individual of the availability of post-employment services as required by 34 C.F.R. § 361.56(d).

For the service records of individuals who did and did not obtain employment, 11 out of 30 service records reviewed, or 37 percent, had errors in terms of the date of exit in that the case management system date did not match the date of the letter DVRS sent to the eligible individual informing him or her that it was closing his or her service record.

DVRS must maintain documentation (either hardcopy or electronic documents) to verify accurate reporting of Federal requirements, including the individual's date of application, the date VR services began under the IPE, and specific information related to the employment outcome. For some of the service records reviewed, DVRS did not maintain case files that substantiated these reporting requirements, indicating that its internal controls in this area need

improvement. Therefore, without documentation that the data elements were valid, RSA was unable to verify whether the date of application, the date VR services began under the IPE, and the employment outcomes that DVRS reported on the RSA-911 were completely accurate.

Conclusion: As a result of the analysis, RSA determined that DVRS' internal controls did not ensure the service record requirements at 34 C.F.R. § 361.47 were met. Specifically, DVRS' internal controls did not ensure the following requirements were met: processing referrals and applications pursuant to 34 C.F.R. § 361.41, the development of the IPE pursuant to 34 C.F.R. § 361.45, and the requirements for closing the record of services of an individual who has achieved an employment outcome pursuant to 34 C.F.R. § 361.56.

Corrective Action Steps:

RSA requires that DVRS—

- 2.3.1 Develop internal control policies and procedures to ensure that the provisions of 34 C.F.R. § 361.47 have been met and through service record documentation, the requirements at 34 C.F.R. § 361.41, 34 C.F.R. § 361.45, and 34 C.F.R. § 361.46 are met;
- 2.3.2 Review and develop instrumentation for conducting both management-led and peer service record reviews; and
- 2.3.3 Develop mechanisms to collect and aggregate the results of these reviews and use the results to inform the training and evaluation of staff.

Agency Response: DVRS thanks RSA for their case reviews and understands that case service administrative errors have occurred that are not in alignment with current federal regulations. The accuracy of case information and proper documentation is of critical operational importance. DVRS has already begun to address these issues through staff training and the hiring of additional management/supervisory staff. DVRS has also proposed a new quality control unit that will develop data validation procedures, update internal control policies, and begin conducting case service record reviews.

Request for Technical Assistance: None at this time.

F. Technical Assistance

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

Trial Work Experience

- In FFY 2015, DVRS reported that 46 individuals with disabilities were determined to be too severe to benefit from VR services and, as a result, DVRS found these individuals ineligible for the VR program. However, DVRS only reported that seven individuals exited the VR program from trial work experience(s). In FFY 2016, DVRS determined 45 individuals ineligible for the VR program, after determining that these individuals' disabilities were too severe to benefit from VR services, yet only 26 individuals were reported to have exited from trial work experience(s) in FFY 2016. As a result, 58 of the

individuals DVRS determined ineligible for VR services, based upon the severity of their disabilities, did not receive a trial work experience from FFY 2015 through FFY 2016, in accordance with Federal requirements.

- RSA provided technical assistance to DVRS, in accordance with 34 C.F.R. § 361.42(e)(1), that prior to DVRS determining that an individual with a disability is unable to benefit from VR services in terms of an employment outcome because of the severity of that individual's disability, and the individual is determined ineligible for VR services, DVRS must provide a trial work experience to conduct an exploration of the individual's abilities, capabilities, and capacity to perform in realistic work situations and fulfill other requirements related to trial work experiences at 34 C.F.R. § 361.42(e)(2).

Internal Controls

- RSA reviewed 2 C.F.R. § 200.303 outlining the requirements DVRS must follow regarding internal controls as a non-Federal entity receiving Federal funds.
- RSA discussed how enhanced internal controls would help DVRS ensure the accuracy and validity of the data being collected and reported to RSA. RSA explained that data from the RSA-911 are used to create performance indicators for the VR program, reported to Governors, Congress, and the public to ensure that the VR program is functioning at a level that meets expectations. The RSA-911 is also a tool used for fiscal reporting. RSA reiterated that it is imperative that a system of internal controls be implemented as a measure of checks and balances to ensure proper expenditure of funds. Internal controls serve as a mechanism to prevent waste, fraud, abuse, and mismanagement of funds and other resources.
- RSA explained that DVRS should implement controls to look at data reasonableness to verify, for example, that the wage an individual earns is consistent with the occupation in which the individual is employed. RSA also recommended that the agency review its data at a macro-level prior to submission to assess potential coding errors or trends that would not be caught by individual record edit checks.
- RSA also suggested that DVRS implement case service record reviews (supervisor-led or peer-led), beyond those conducted by its central office staff, as part of its internal control procedures. These reviews would serve as a mechanism to ensure that staff are adequately trained and are following procedures. They would also serve as a mechanism for DVRS to identify policies and procedures that may need to be developed or improved.

Non-Delegable Functions

- RSA discussed with DVRS the non-delegable functions of the DSU in accordance with 34 C.F.R. § 361.13(c)(1), including all decisions affecting eligibility for VR services, the nature and scope of available VR services and the provision of these services, the determination to close the record of services of an individual who has achieved an employment outcome in accordance with 34 C.F.R. § 361.56, policy formulation and implementation, the allocation and expenditure of VR funds, and DVRS' participation in the one-stop service delivery system established under Title I of WIOA.

- While on-site DVRS explained that some of its performance related to timely eligibility determinations and IPE development is related to staffing shortages. DVRS indicated that if it were able to recruit and hire more VR counselors, the agency would be in a better position to improve its performance in these areas and others. DVRS explained that because of statewide hiring freezes, its designated State agency, New Jersey LWD, has not permitted DVRS to bring on new staff, although the agency has the funds necessary to do so. RSA explained that it would be willing to provide additional technical assistance related to the non-delegable functions of DVRS to both DVRS and LWD, should the agencies request it. RSA also reviewed issues related to the non-delegable functions that were documented in RSA's FFY 2010 monitoring report of DVRS issued on May 19, 2011.

SECTION 3: FOCUS AREA—VR SERVICES, INCLUDING PRE-EMPLOYMENT TRANSITION SERVICES AND TRANSITION SERVICES, FOR STUDENTS AND YOUTH WITH DISABILITIES

A. Purpose

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

B. Service Delivery Overview

VR agencies 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” as defined in 34 C.F.R. § 361.5(c)(51). 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 DVRS’ service delivery system and implementation of VR services, including pre-employment transition services and transition services follows.

Structure of Service Delivery

DVRS provides a continuum of VR services through approximately 125 VR counselors assigned to 17 district offices serving 21 counties across the State of New Jersey. DVRS has assigned VR counselors as liaisons to 640 public high schools across 605 districts to provide pre-employment transition services and other VR services to students with disabilities. Of those VR counselors, 18 serve as “Pre-ETS leads” for planning pre-employment transition services in a “Pre-ETS unit” with transition-only caseloads, while the remaining 107 VR counselors serve students, youth, and adults with disabilities. Students with disabilities may self-refer, or be referred to DVRS by

school personnel in local educational agencies (LEAs), including: teachers, school psychologists, guidance counselors, and Child Study Teams, by submitting an online or hard copy referral form to DVRS.

DVRS created the Pre-ETS unit in January 2016, to coordinate the provision of the five required activities under pre-employment transition services, and ensure the consistent delivery of such services. The Program Planning and Development Specialist and 18 Pre-ETS leads assigned to the Unit are responsible for—

- Conducting outreach to all LEAs;
- Coordinating the identification of all students with disabilities in need of pre-employment transition services;
- Facilitating parental agreement for students to receive pre-employment transition services;
- Timely submission of relevant documentation to the local field office to determine eligibility and develop the individualized plan for employment (IPE);
- Attending individualized education program (IEP) meetings;
- Providing guidance related to the coordination and implementation of pre-employment transition services to VR counselors, LEA staff and 605 Child Study Teams providing job exploration counseling under pre-employment transition services; and
- Reviewing VR counselor statistics reported specific to the provision of pre-employment transition services for all 17 district offices.

DVRS reported that VR counselors, including the Pre-ETS leads, provide job exploration counseling, counseling on enrollment opportunities in comprehensive transition programs and postsecondary education at institutions of higher education, and instruction in self-advocacy to students who are potentially eligible and eligible for VR services.

In addition to direct service provision by VR counselors and Pre-ETS leads, all five pre-employment transition services also are available to students with disabilities who are potentially eligible or who have been determined eligible for VR services through fee-for-service authorizations to vendors and centers for independent living (CILs), as well as Project SEARCH programming, and pre-employment transition services contracts (further described under Provision of Pre-Employment Transition Services).

Outreach and Identification of Students and Youth with Disabilities

The VR counselors, including Pre-ETS leads, are responsible for conducting outreach to their assigned schools to establish communication and partnerships with the Child Study Team's case manager who facilitates transition planning and the development of the IEP. During the on-site visit, VR counselors reported the need for increased outreach to students with disabilities who do not have IEPs, including those students in need of accommodations under Section 504 of the Rehabilitation Act. In addition, VR counselors reported that, prior to the WIOA amendments to the Rehabilitation Act, LEAs referred students to DVRS two years prior to exit. The formal interagency agreement between DVRS, the New Jersey Commission for the Blind and Visually Impaired (CBVI), and the New Jersey Department of Education's Office of Special Education

Programs (OSEP) (effective November 2002) states that the directors of these programs “agree to facilitate the ease and timeliness of referrals from schools to local vocational rehabilitation offices,” and that DVRS and CBVI will open a case for a student “two years prior to exiting from school or graduation.”

However, DVRS and CBVI elected to make pre-employment transition services available to students with disabilities starting at 14 years of age. As a result, DVRS continues to re-educate its staff and LEA personnel that outreach should begin when a student with a disability turns 14 years old, not during the last two years prior to exit, in order to determine if pre-employment transition services are needed and to begin the provision of such services. DVRS’ current policies specific to the provision of pre-employment transition services and transition services (revised December 2017) clarify that VR counselors should initiate outreach to students and youth with disabilities, who are in need of transition services, as early as possible. VR counselors assigned to each secondary school are available to provide technical assistance regarding DVRS’ referral process; in-service training and consultation to schools and community partners; and education seminars and presentations to school personnel, students, and their families regarding the transition process.

In March 2016, DVRS established a pre-employment transition services fund (fund type 13), to provide pre-employment transition services to students with disabilities between the ages of 14 and 21. The agency’s Administrative Memorandum (AM) 16-010 clarified that VR counselors will serve in-school students and will no longer be focused just on seniors and students closer to graduation. Although DVRS management informed staff through AM 17-023 (issued in November 2017) that it expanded fund type 13 to include potentially eligible students that have not applied for VR services, a VR case can be opened at any time during the transition process. In March 2018, DVRS issued AM 18-003 further clarifying that staff are to use fund code 13 to track and report pre-employment transition services provided to potentially eligible and eligible students (VR case type) through approved vendors. Prior to leaving the school setting, DVRS counselors determine eligibility within 60 days of a student applying for VR services and develop IPEs within 90 days from eligibility determination for those students with disabilities who require additional transition services or other VR services.

DVRS last completed the triennial comprehensive statewide needs assessment (CSNA) in FFY 2014 and its new CSNA was due in FFY 2017. The CSNA must include an assessment of the needs of individuals with disabilities in the State of New Jersey, including the need for pre-employment transition services and transition services. DVRS may include the CSNA projections in its fiscal forecasting model used to determine the number of students in need of required activities, the cost to provide or arrange for required activities, the cost to engage in pre-employment transition coordination activities, and the funds available and remaining to engage in authorized activities in subsequent years. At the time of the on-site visit, DVRS reported it was focused on ensuring the required activities under pre-employment transition services are available statewide to all students with disabilities in need of such services. To that end, at the time of the on-site visit, DVRS had not begun to engage in the nine authorized activities under pre-employment transition services.

Provision of Pre-Employment Transition Services

At the time of the on-site review, DVRS provided pre-employment transition services to students with disabilities who were potentially eligible (non-applicants and applicants) and those determined eligible for VR services, through the direct provision of services by VR counselors, fee-for-service authorizations, and contracts.

In May 2018, DVRS implemented 17 pre-employment transition services contracts that were retroactive to April 1, 2018, and scheduled to remain in place until March 31, 2019. Some of these contracts were limited to students with disabilities determined eligible for VR services. The majority of these contracts included the provision of workplace readiness training, work-based learning opportunities (e.g., internships, employer site visits, job shadowing), and counseling on enrollment opportunities in postsecondary education at institutions of higher education.

As of June 14, 2018, DVRS reported the expansion of available pre-employment transition services to potentially eligible and eligible students with disabilities through 10 vendors covering all 21 counties and 12 CILs covering 18 counties. DVRS provides pre-employment transition services through the issuance of fee-for-service authorizations to vendors and CILs by VR counselors using the agency's case management system. Agency approved vendors and CILs provide job exploration counseling, counseling on postsecondary options, work-based learning experiences, and instruction in self-advocacy.

DVRS also provides pre-employment transition services, including job exploration counseling, workplace readiness training, work-based learning experiences, and instruction in self-advocacy in coordination with five LEAs at five Project SEARCH sites available in three of the 21 counties. The Project SEARCH curriculum focuses on team building, workplace safety, technology, self-advocacy, maintaining employment, financial literacy, health and wellness, preparing for employment, and three internship rotations. Project SEARCH programming also includes individualized VR services (e.g., transportation and job coaching services through worksite job skills trainers) that are provided to eligible students under an approved IPE using Title I funds under Section 110 of the Rehabilitation Act not reserved for the provision of pre-employment transition services.

DVRS continues to develop its capacity to capture, track, and report pre-employment transition services provided through its contracts to potentially eligible students who have not applied for VR services. DVRS reported it is developing procedures to collect the required information and documentation for students in receipt of pre-employment transition services through DVRS contracts.

In December 2017, DVRS revised transition-related policies in Chapter 15 of the NJDVRS Case Services Policy Manual in an effort to align with the statutory provisions of the Rehabilitation Act and the regulations. The policy provides guidance specific to transition planning; outreach; the scope of, and the population to receive, pre-employment transition services; transition services; and the responsibilities of pre-employment transition counselors. RSA and DVRS reviewed and discussed the draft transition-related policies during the monitoring review. RSA provided on-site technical assistance further summarized in Section E of this focus area.

Provision of Transition Services

DVRS policies require that transition services “must promote or facilitate the accomplishment of long-term rehabilitation goals and intermediate rehabilitation objectives” and that such services are “the responsibility of the local education agency while a student is in school along with appropriate vocational assessments.” While on-site, RSA clarified that VR services, including transition services, described in 34 C.F.R. § 361.48(b) may be provided under an approved IPE to students with disabilities who have been determined eligible for VR services even while enrolled in an educational program. Transition services may include, but are not limited to: assessments; vocational guidance and counseling; vocational training; postsecondary education; and job development, search, and placement services. RSA provided technical assistance during the monitoring review that is summarized under Section E of this focus area.

At the time of the review, DVRS counselors had not begun providing group transition services to students and youth with disabilities under the services to groups authority (34 C.F.R. § 361.49(a)(7)).

State Educational Agency (SEA) Agreement

The most recent formal interagency agreement between DVRS, CBVI, and the New Jersey Department of Education’s OSEP (effective November 2002), includes provisions related to consultation and technical assistance to students and the IEP team, inclusion of transition planning in each student’s IEP, and requirements that the VR agencies will open a case for a student two years prior to exiting school if requested by the student. The existing agreement does not include all of the minimum requirements for a formal interagency agreement with the SEA at 34 C.F.R. § 361.22(b) of the VR regulations.

At the time of the review, DVRS was developing its formal interagency agreement with CBVI and OSEP that includes the requirements of the Rehabilitation Act and the Individuals with Disabilities Education Act (IDEA), as amended in 2004, to ensure that students with disabilities are prepared for employment, postsecondary education, and community living upon exit from high school. The prior formal interagency agreement was in effect from November 2002 until September 30, 2005, or until the parties determined a need for modification or renewal. At the time of the on-site review, DVRS stated its intention to execute a formal interagency agreement by September 2018, that includes the requirements under the Rehabilitation Act, as amended by Title IV of WIOA (effective July 22, 2014), and IDEA, as amended in 2004.

Prior to the on-site monitoring review, DVRS provided RSA with a draft SEA agreement that RSA reviewed and discussed with DVRS during the on-site monitoring review. RSA provided technical assistance during the monitoring review further summarized under Section E of this focus area.

IPE Development for Students and Youth with Disabilities

Although DVRS’ IPE policy requires that “an IPE be developed within 90 days from the date of eligibility determination and the VR counselor shall consider the IEP when developing a student’s IPE” (Chapter 4, Section 4.1), the agency’s policies do not require that an IPE must be

developed as early as possible during the transition planning process and not later than the time a student with a disability determined to be eligible for VR services leaves the school setting (34 C.F.R. § 361.22(a)(2)).

At the time of the review, the agency's IPE policies did not include a description of a "projected post-school outcome" that may be used when developing IPEs for students with disabilities, and revised to a specific vocational goal during the career development process in accordance with 34 C.F.R. § 361.46(a)(1). RSA provided technical assistance during the monitoring review further summarized under Section E of this focus area.

C. Observations and Recommendations

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

Observation 3.1: Reporting of Pre-Employment Transition Services

Although DVRS communicated that it is providing pre-employment transition services through various mechanisms (e.g., contracts and directly by VR counselors), and reported expenditures for such services on the SF-425, during the first three quarters of program year (PY) 2017, performance data reported on the RSA-911 did not reflect the provision of pre-employment transition services to each individual in receipt of such services reported on-site by DVRS.

- For the first quarter of PY 2017 (July 1-September 30, 2017), DVRS reported providing pre-employment transition services to four individuals, of whom none were potentially eligible individuals. Of those individuals reported, DVRS reported that one individual received job exploration counseling and four received workplace readiness training.
- During the second quarter of PY 2017 (October 1-December 31, 2017), DVRS reported providing pre-employment transition services to eight individuals, none of whom were potentially eligible for VR services. Of those individuals reported, one received counseling on enrollment opportunities in postsecondary education programs at institutions of higher education, three received workplace readiness training, and one received instruction in self-advocacy.
- As of the third quarter of PY 2017 (January 1-March 30, 2018), DVRS reported that 34 individuals received pre-employment transition services, of whom 13 individuals were potentially eligible for VR services. Of those who received pre-employment transition services, seven received counseling on enrollment opportunities in postsecondary education programs at institutions of higher education, six individuals received instruction in self-advocacy, 13 individuals received job exploration counseling, 16 individuals received work-based learning experiences, and 15 individuals received workplace readiness training.
- DVRS provided RSA with an internal agency report that reflected 157 potentially eligible students in receipt of pre-employment transition services, as of April 13, 2018. Of those, 51 individuals were reported as having received "paid" (purchased) pre-employment transition services.
- DVRS reported expending \$1,362,685 on the provision of pre-employment transition services on its FFY 2016 Final SF-425.

- From FFYs 2016 through 2018, DVRS issued inconsistent and sometimes noncompliant guidance for its staff related to the provision and reporting of pre-employment transition services that may have resulted in inaccurate reporting.
- DVRS did not provide RSA with internal policies or procedures describing how staff are to document and report actual time spent providing pre-employment transition services, including required, authorized, and pre-employment transition coordination activities.

RSA provided technical assistance regarding the scope of pre-employment transition services further summarized in Section E of this focus area.

Recommendation 3.1: Reporting of Pre-Employment Transition Services

RSA recommends that DVRS—

- 3.1.1 Modify the current tracking and reporting system in order to ensure DVRS is capturing and reporting each of the five required activities provided to each potentially eligible student with a disability (non-applicants and applicants) and VR eligible students in receipt of such service(s), whether provided in-house or purchased, as required on the RSA-911 Case Service Report;
- 3.1.2 Analyze, revise, and implement policies and guidance consistent with Section 113 of the Rehabilitation Act and 34 C.F.R. § 361.48(a);
- 3.1.3 Develop and issue staff procedures to track and report the staff time spent directly providing or arranging for the provision of each of the three sets of pre-employment transition services activities (required, authorized, and pre-employment transition coordination activities); and
- 3.1.4 Analyze the expenditures reported on the SF-425 as pre-employment transition services expenditures to determine whether those expenditures have been coded and reported for each required activity provided as a direct service to an individual (in-house or purchased) on the RSA-911; and if the expenditures are for staff time spent providing the required service(s), engaging in pre-employment transition coordination activities and/or authorized activities.

Agency Response: DVRS thanks RSA for the observation and recommendation to improve performance through timely tracking of pre-employment transition services. DVRS agrees that accurate reporting is critical to charting the growth pre-employment transition services, as well as the effectiveness of those services. To this end, DVRS has begun developing new reports in our electronic case management system AWARE that will allow each office manager to track the provision of pre-employment transition services in their local office. DVRS also appreciates the quarterly dashboards that have been developed by RSA to review pre-employment transition services usage. The latest chart for quarter three PY 2018 indicates that pre-employment transition services data is being captured. DVRS will also be developing internal controls to ensure accurate coding of staff time, accurate SF-425 reporting ensuring only the activities under pre-employment transition services are being captured.

Request for Technical Assistance: None at this time.

D. Findings and Corrective Actions

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

3.1 State Educational Agency (SEA) Agreement with the New Jersey Department of Education, Office of Special Education Programs (OSEP)

Issue: Does DVRS have an executed SEA agreement that is in compliance with the statutory requirements in the Rehabilitation Act, as amended by Title IV of WIOA.

Requirement: In accordance with Section 101(a)(11)(D) of the Rehabilitation Act and 34 C.F.R. § 361.22(b), VR agencies are required to enter into formal interagency agreements with SEAs in order to facilitate the seamless transition of students with disabilities from the receipt of educational services, including pre-employment transition services, in school to the receipt of vocational rehabilitation services.

Pursuant to Section 101(a)(11)(D) of the Rehabilitation Act, the formal interagency agreement must describe, at a minimum, consultation and technical assistance 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 VR services; transition planning by State VR agency and school personnel that facilitates the development and implementation of IEPs under section 614(d) of IDEA; the roles and responsibilities, including financial responsibilities of each agency; and procedures for outreach to and identification of students with disabilities who need transition services. In addition, 34 C.F.R. § 361.22(b) of the VR regulations require that the formal interagency agreement include coordination necessary to satisfy documentation requirements set forth in Section 511 of the Rehabilitation Act and 34 C.F.R. part 397, with regard to students and youth with disabilities who are seeking subminimum wage employment and an assurance that neither the SEA nor the LEA will enter into an agreement with an employer holding a Section 14(c) certificate under the Fair Labor Standards Act for the purpose of operating a program in which students or youth with disabilities are paid subminimum wage.

Analysis: DVRS' existing agreement with OSEP is not in compliance with the minimum requirements of a formal interagency agreement with a SEA pursuant to Section 101(a)(11)(D) of the Rehabilitation Act, as amended by Title IV of WIOA, and 34 C.F.R. § 361.22(b). DVRS executed the current SEA agreement with OSEP and CBVI on November 27, 2002, effective until September 30, 2005, "or until the parties determine a need for modification or renewal." As such, the existing SEA agreement has not been updated since 2002, and does not delineate the responsibilities of DVRS staff to provide consultation and technical assistance to assist educational agencies in planning for the transition of students and youth from school to post-school activities, including pre-employment transition services and other VR services, as required by Section 101(a)(11)(D)(i) of the Rehabilitation Act and 34 C.F.R. § 361.22(b)(1).

In addition, the agreement does not provide for the responsibilities of each party or entity with respect to providing transition planning in order to facilitate the development of the IEP per Section 101(a)(11)(D)(ii) of the Rehabilitation Act and 34 C.F.R. § 361.22(b)(2).

Furthermore, the SEA agreement does not include the financial responsibilities of each agency or provisions for determining the State lead agencies and qualified personnel responsible for transition services and pre-employment transition services, as required by Section 101(a)(11)(D)(iii) of the Rehabilitation Act and 34 C.F.R. § 361.22(b)(3).

The SEA agreement does not include procedures for outreach to and identification of students with disabilities in need of transition services and pre-employment transition services pursuant to Section 101(a)(11)(D)(iv) of the Rehabilitation Act and 34 C.F.R. § 361.22(b)(4). It also does not include a description of the purpose of the VR program, eligibility requirements, application procedures or the scope of services that can be provided to eligible individuals.

Finally, the agreement does not address the coordination and documentation requirements with regard to students and youth with disabilities who are seeking subminimum wage employment in 34 C.F.R. § 361.22(b)(5), including the assurance that neither the SEA nor LEA will enter into a contract or other arrangement with entities for the purpose of operating a program under which a youth with a disability is engaged in work compensated at a subminimum wage (34 C.F.R. § 361.22(b)(6)).

During the on-site monitoring review, DVRS reported it met with OSEP and CBVI on May 9, 2018, to discuss revising and aligning its agreement with the current statutory and regulatory requirements. RSA reviewed the draft SEA agreement and provided on-site technical assistance further summarized in Section E of this focus area.

Conclusion: Pursuant to Section 101(a)(11)(D) of the Rehabilitation Act and 34 C.F.R. § 361.22(b), DVRS must enter into a formal interagency agreement with OSEP that is in compliance with the statutory and regulatory requirements. As a result of the analysis, RSA determined that the current SEA agreement does not address the statutory requirements (effective July 22, 2014), nor the regulatory requirements (effective September 19, 2016). As such, DVRS is not in compliance with Section 101(a)(11)(D) of the Rehabilitation Act, or the regulations at 34 C.F.R. § 361.22(b).

Corrective Action Steps:

RSA requires that DVRS—

- 3.1.1 Revise the current SEA agreement with CBVI and OSEP to comply with the requirements at Section 101(a)(11)(D) of the Rehabilitation Act and 34 C.F.R. § 361.22(b); and
- 3.1.2 Submit the revised formal interagency agreement between DVRS, OSEP and CBVI for RSA's review, as part of DVRS' corrective actions associated with the FFY 2018 Section 107 Monitoring Review.

Agency Response: DVRS appreciates the technical assistance provided by RSA staff to help develop our SEA agreement. DVRS has completed the MOU in collaboration with CBVI and the NJ Department of Education. The agreement is in the process of being reviewed by the Offices of the LWD, NJDOE, and DHS Commissioners. DVRS will forward a copy to RSA for review.

Request for Technical Assistance: None at this time.

E. Technical Assistance

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

Waiver of Statewideness for Project SEARCH Programming

Although DVRS requested a waiver of statewideness in its PY 2018 modification to the VR services portion of the Combined State Plan for its Project SEARCH Program, it does not receive non-Federal funds for the non-Federal share of the cost of services provided at each site from the local public agency partners. Section 101(a)(4) of the Rehabilitation Act and 34 C.F.R. § 361.26 permit DVRS to request a waiver of statewideness through its State Plan (description b) from RSA prior to implementing services in discrete areas of the State, so long as a local public agency is providing non-Federal funds to meet the non-Federal share of the costs of those services. Project SEARCH programming is available in New Jersey at five sites: Overlook Medical Center Project, Hackensack Meridian Health Project, Holy Name Medical Center Project, Jefferson Health Project, and TD Bank Project. These five sites cover Union, Bergen and Camden counties (three of the 21 counties) in New Jersey and, as confirmed through review of the contracts, are funded entirely with Federal funds.

DVRS requested a waiver of statewideness for its “Project SEARCH program in four counties.” Although the State Plan description does not include the scope of services, the statement of work in the contracts includes: employability skills training; career development and placement; work experiences through three internship rotations; peer support; support through skills trainers (job coaches); worksite accommodations; and other costs, including administrative costs. Some contracts include partial salaries for directors (e.g., director of supported employment). Although Project SEARCH contracts have not been charged to the reserve, RSA clarified that supported employment services (34 C.F.R. § 361.5(c)(54)) are not pre-employment transition services (34 C.F.R. § 361.48(a)). DVRS communicated that some specialized services, including pre-employment transition services, are provided by supported employment providers.

Although five LEAs are part of the Project Search programming, DVRS clarified that a student with a disability does not have to be served by a specific LEA or district to participate in and receive services through one of the five Project SEARCH sites.

Students in their last year of high school, or those who have recently graduated from high school, are referred by LEAs to the New Jersey Project SEARCH Steering Committee consisting of DVRS, LEAs, employers, the Division of Developmental Disabilities (DDD), and other partners. DVRS is part of the interview panel after which students participate in a skills assessment to determine if they are eligible for and ready to participate in the Project SEARCH program.

While on-site, DVRS reported that (and contracts confirmed) all of the Project SEARCH sites are funded with Federal Title I funds, and not supported by State funds or public agency partners providing any of the non-Federal Share. At the time of the review, the participating partners—LEA, DVRS and the employer in the five existing project SEARCH sites in New Jersey—use

their own funds to meet their own costs. Any non-Federal funds used by the LEAs are not used to meet the non-Federal share of the costs of the VR program for those particular services.

To provide VR services in one or more political subdivisions of a State that increase services or expand the scope of services in that political subdivision beyond which are available statewide, the regulations at 34 C.F.R. § 361.26(a)(1) require that the non-Federal share of the cost of these services is met from funds provided by a local public agency (including funds contributed to a local public agency by a private agency, organization, or individual). Because Project SEARCH results in an increase of services or an expanded scope of services in some political subdivisions of the State, but not others, DVRS would need to receive a waiver of statewideness to fund those Project SEARCH sites. However, to be eligible for a waiver of statewideness, DVRS must receive non-Federal share from the local public agencies overseeing Project SEARCH in each political subdivision where Project SEARCH results in increased or expanded services. Since DVRS does not receive non-Federal share from each LEA overseeing Project SEARCH in each political subdivision where Project SEARCH results in increased or expanded services, DVRS would not be eligible to receive a waiver of statewideness for its Project SEARCH sites.

Therefore, to satisfy the requirement of 34 C.F.R. § 361.26(a), and, allow DVRS to request a waiver of statewideness, the LEAs must transfer to DVRS either part or all of the non-Federal funds LEAs currently use to pay LEA expenses at the five existing (and any new) Project SEARCH sites for the cost of the Project SEARCH services. Once this financial arrangement is in place, DVRS may request a waiver of statewideness for the five existing LEAs, and any new Project SEARCH sites.

RSA provided technical assistance that DVRS may count the interagency transfer of funds from the LEA to DVRS as meeting the non-Federal share of the costs of those services for purposes of the VR program, as would be required by 34 C.F.R. § 361.26(a)(1).

Planning for the Provision of Pre-Employment Transition Services

RSA provided technical assistance to DVRS 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 pre-employment transition services and coordination activities, in order for DVRS to reasonably identify the funds available and remaining to engage in authorized activities (34 C.F.R. § 361.48(a)(3)). At the time of the on-site monitoring review, DVRS had not engaged in authorized activities, rather focusing on the provision of required activities to all students with disabilities in need of such services.

Formal Interagency Agreement between the State Educational Agency (SEA) and DVRS

While on-site, RSA and DVRS discussed the regulatory requirements specific to the formal interagency agreement as described in 34 C.F.R. § 361.22(b) and the need for DVRS to incorporate the following requirements into the next formal interagency agreement:

- The definitions of “student with a disability” (34 C.F.R. 361.5(c)(51)), “youth with a disability (34 C.F.R. 361.5(c)(58)) and “pre-employment transition services” (34 C.F.R. § 361.5(c)(42));
- Consultation and technical assistance services provided to the educational agencies (not families and students) by DVRS staff to assist in transition planning, including the provision of pre-employment transition services and other VR services (e.g., transition services) (34 C.F.R. 361.22(b)(1));
- Transition planning to develop the IPE in coordination with the IEP (34 C.F.R. 361.22(b)(2);
- Criteria for determining which entity is responsible for similar services since transition services and pre-employment transition services can be both VR services under the VR program; or special education or related services under IDEA (81 FR 55629, 55687 (August 19, 2016));
- Procedures for outreach to and identification of students not only in need of transition services, but also pre-employment transition services who are between the ages of 14-21, and a process for referring potentially eligible students starting at the age of 14, rather than two years prior to exit, since New Jersey has elected to make pre-employment transition services available to students with disabilities at age 14 (34 C.F.R. § 361.22(b)(4));
- Data elements and supporting documentation OSEP/LEAs must provide to DVRS with a pre-employment transition services referral (i.e., unique identifier or social security number, date of birth, race, ethnicity, disability) (RSA-PD-16-04); and
- Description of the process and timelines that will be used to ensure that the LEAs will provide Section 511 documentation of completion of the required actions to DVRS (34 C.F.R. § 361.22(b)(5)).

RSA clarified that the draft SEA agreement needs additional detail describing how the LEAs will transmit the required documentation to DVRS when it becomes aware that a student is seeking subminimum wage employment, and within the required timeframes (34 C.F.R. § 361.22(b)(5) and 34 C.F.R. § 397.30).

RSA further clarified that the LEAs must transmit the required documentation described in 34 C.F.R. § 397.30 to DVRS, as requirements under Section 511 of the Rehabilitation Act and 34 C.F.R. part 397 must be satisfied before an entity holding a 14(c) certificate may hire or continue to employ an individual with a disability at subminimum wage.

RSA also requested that DVRS include in the formal interagency agreement that IPEs for students will be developed within 90 days from the date of eligibility determination, and prior to exit, pursuant to 34 C.F.R. §§ 361.22(a)(2) and 361.45(e).

RSA recommended including in the SEA agreement that applicants and recipients of VR services will be informed of the availability and purpose of the Client Assistance Program in accordance with Section 20 of the Rehabilitation Act.

Provision of Pre-Employment Transition Services

RSA provided technical assistance related to the nature and scope of pre-employment transition services (34 C.F.R. § 361.48(a)(2)) and provided examples of such services from the preamble to the final regulations (81 FR 55629, 55694-55695 (August 19, 2016)).

RSA also clarified that required activities may be provided concurrently. Specifically, workplace readiness training may be provided at an employment site, while a student is participating in a work-based learning experience.

RSA provided technical assistance related to the following:

- Mechanisms (fee-for-service contracts and VR counselor staff) through which DVRS is currently making required activities available to students with disabilities who are potentially eligible or eligible for VR services, and those receiving services under an IPE;
- Scope of pre-employment transition services; and
- Statewide availability of pre-employment transition services to students who are potentially eligible (non-applicants and applicants) for VR services (34 C.F.R. § 361.48(a)(1)).

RSA further clarified that pre-employment transition services do not include administrative costs (34 C.F.R. § 361.5(c)(2)). RSA also provided guidance related to interagency transfers and third-party cooperative arrangements (34 C.F.R. § 361.28), should DVRS determine it is necessary to use such mechanisms to coordinate the provision of pre-employment transition services with LEAs while receiving other sources of match.

Policies and Procedures

Prior to the on-site review, DVRS incorrectly communicated to staff that in- and out-of-school youth could receive pre-employment transition services, which included evaluations (i.e., learning, psychological, social, driver and career assessments); trial work experiences; and skill certifications. RSA clarified that DVRS may provide transition services (34 C.F.R. § 361.48(b)(18)), and that consultation and technical assistance is to be provided to educational agencies, not families and students (34 C.F.R. § 361.22(b)(1)). RSA also reviewed transition-related policies in the NJDVRS Case Services Policy Manual specific to the provision of pre-employment transition services. RSA provided technical assistance regarding the following:

- The definition of a “student with a disability” and the nature and scope of services available only to students with disabilities enrolled in an educational program (34 C.F.R. §§ 361.5(c)(51) and 361.48(a)(2), respectively);
- Aptitude, psychological and neuropsychological testing; comprehensive career assessments; trial work experiences; and group transition services;
- Pre-employment transition services are an early start at job exploration and should enrich, not delay the transition planning process, application to VR, and the continuum of VR services (81 FR 55629, 55692 (August 19, 2016));

- Procedures for outreach to and referral of students potentially eligible for VR services to the VR program, and referral and application processes for students with disabilities starting at the age of 14 (34 C.F.R. §§ 361.22(b)(4) and 361.41(a));
- Inclusion of data elements required to be submitted with student referrals for the provision of pre-employment transition services (RSA-PD-16-04);
- Potentially eligible students who have applied and meet the eligibility requirements for the VR program may be presumed to benefit from VR services; however, they are not presumed to be eligible for VR services, as are beneficiaries of Social Security Administration benefits under titles II or XVI of the Social Security Act (34 C.F.R. § 361.42);
- DVRS policies and procedures should include required, authorized and pre-employment transition coordination activities; and tracking staff time spent on required, authorized and pre-employment transition coordination activities in the E-Cost Allocation electronic system (34 C.F.R. § 361.48(a)(2)(3) and (4));
- Tracking and reporting the provision of each required activity provided to each student in receipt of such services (RSA-PD-16-04), whether provided in-house or purchased by DVRS;
- Group and individualized transition services for students and youth with disabilities (34 C.F.R. §§ 361.49(a)(7) and 361.48(b)(18));
- Continuation of pre-employment transition services initiated prior to an individual being assigned to a closed order of selection priority category (34 C.F.R. § 361.36(e)(3)(i) and (ii));
- Inclusion of time frames for eligibility determination (34 C.F.R. § 361.41(b)) and IPE development within 90 days from the date of eligibility determination and prior to exit from high school (for students), as well as the use of projected post-school employment outcomes on IPEs developed for eligible students or youth (34 C.F.R. §§ 361.22(a)(2), 361.45(e) and 361.46(a)(1), respectively); and
- Extensive technical assistance to DVRS and staff from the Client Assistance Program related to DVRS' college policies and Federal regulations related to the financial participation of individuals with disabilities, who receive Social Security benefits, in the cost of VR services.

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 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

Supported employment services are provided in New Jersey through DVRS, DDD, the Division of Mental Health and Addiction Services (DHMAS), and providers of supported employment and extended services. As an “Employment First” State, DVRS and its partners provide services and supports necessary for an individual to be successful in competitive integrated employment. DVRS contracts the provision of supported employment services with 72 service providers through fee-for-service contracts. DVRS receives a State appropriation to provide extended services through 70 service providers to individuals with the most significant disabilities, prior to and after a determination that the individual is Medicaid eligible, or eligible to receive extended services through other sources of funding.

DVRS uses an individual placement fee-for-service/billable hour model to provide supported employment services and other appropriate VR services necessary for an individual with a most significant disability. Specifically, DVRS reported providing services, which it characterized as supported employment services to individuals seeking supported employment outcomes, including discovery-related intake, assessment and activities; other types of assessments; 20 to 40 hours of pre-placement coaching services; community-based work evaluations; trial work experiences; pre-employment transition services; customized employment; job search, development and placement services; intensive supported employment job coaching; and time-limited job coaching services for individuals with significant or most significant disabilities who do not need intensive supported employment or extended services; retention services; and extended services. Notably, most of these services are VR services which are to be provided prior to job placement and subsequent to the start of supported employment services.

During July 2017, DVRS reported implementing customized employment services as supported employment services for individuals with most significant disabilities and complex barriers to employment described in AM 17-014 and in its Supported Employment Manual. Specifically, customized employment uses the “Discovery” process to identify an individual’s strengths,

skills, abilities, interests, through paid and unpaid experiences in order to develop customized vocational goals leading to competitive integrated employment. Customized employment services include discovery intake, assessment profile and community-based work evaluations; intake and report fees; informational interviews; job shadowing and job sample experiences; employment benchmark payments (e.g., first day, one week, four weeks and 90 days of employment). As noted previously, many of these services are VR services, and should not be provided as supported employment services, but rather support an individual in obtaining an employment goal of supported employment.

DVRS receives a State appropriation of approximately \$6,000,000 to provide extended services to individuals with most significant disabilities through the long-term follow along (LTFA) program. Such services are provided after an individual has achieved job stabilization and transitioned from DVRS' intensive supported employment services to an extended services provider through fee-for-service contracts with established rates of payment for extended job coaching services (e.g., \$53 per client per hour and \$68 per client in need of American Sign Language (ASL) per hour). A determination of Medicaid waiver eligibility triggers eligibility for services through DDD. As such, DVRS meets with DDD-eligible providers to determine the necessary LTFA services and funding source for necessary services (e.g., DDD may fund 20 hours per month, while DVRS funds 3 hours per month), once an individual is determined eligible for Medicaid. DVRS reported that it does not use title VI supported employment funds for extended services. Rather it uses its State appropriation to fund extended services for all individuals with the most significant disabilities, including youth with the most significant disabilities.

DVRS revised its supported employment policies (Chapter 11) in the NJDVRS Case Services Policy Manual (effective December 2017); Supported Employment Manual (effective July 2017), and issued Administrative Memos to address Federal requirements related to: extending the duration of supported employment services from 18 to 24 months (Section 7(39) of the Rehabilitation Act); competitive integrated employment and short-term basis (Section 7(38) of the Rehabilitation Act); customized employment (Sections 7(7) and 7(39) of the Rehabilitation Act); reservation and expenditure of 50 percent of Title VI funds on the provision of supported employment services, including extended services, to youth with most significant disabilities (Sections 12(c) and 603(d) of the Rehabilitation Act); and extended services for youth with most significant disabilities for up to four years, or until the youth reaches the age of 25, whichever occurs first (Section 604(b) of the Rehabilitation Act). DVRS established fund type 07 to authorize payment for supported employment and extended services for youth with the most significant disabilities between the ages of 14-24 (AM 16-017). While on-site, RSA provided technical assistance, as described in Section E of this focus area, on existing administrative memos, policies and procedures, to be updated and finalized by fall 2018.

In the VR services portion of the PY 2018 modification of the Combined State Plan, DVRS reported that it completed its most recent CSNA jointly with the SRC in FFY 2014. DVRS collected data from surveys completed by staff and consumers; public forums and stakeholder meetings with families, Association of People Supporting Employment First (APSE) members, the Statewide Parent Advocacy Network, One-Stop career staff, and representatives from the deaf community. Although the FFY 2014 CSNA did not identify the needs of individuals with the most significant disabilities, including their need for supported employment services, RSA

provided technical assistance clarifying that the CSNA is to be conducted every three years jointly with the SRC, and must identify the vocational needs of the populations identified in 34 C.F.R. § 361.29(a).

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 individuals who achieved a supported employment outcome increased from 477 individuals in FFY 2015 to 555 individuals in FFY 2016. During the first three quarters of FFY 2017, 452 individuals achieved a supported employment outcome;
- Of those individuals who achieved supported employment outcomes, the percentage that were competitive employment outcomes increased from 89.1 percent in FFY 2015 to 97.3 percent in FFY 2016 and the first three quarters of FFY 2017. As such, 12 individuals who achieved supported employment outcomes did not achieve competitive employment in the first three quarters of FFY 2017;
- The average hours worked per week for competitive employment outcomes decreased from 24.96 hours per week in FFY 2015 to 22.87 hours per week in the first three quarters of FFY 2017, while median hourly earnings remained consistent at \$9.00 per hour;
- The top five services provided to individuals who achieved a competitive employment outcome in supported employment during the first three quarters of FFY 2017 included: miscellaneous training (93.4 percent); assessment (89.5 percent); VR counseling and guidance (75.6 percent); job placement assistance (23.6 percent); and on-the-job supports-supported employment (21.8 percent); and
- In FFY 2017, the top five occupations for all individuals who achieved competitive supported employment outcomes at closure included: office and administrative support occupations, sales and related occupations, personal care and service occupations, food preparation and serving related occupations, and transportation and material moving occupations.

DVRS reported that miscellaneous training/tutoring is used as a case management sub-category to report those individuals served who received supported employment intensive job coaching services. In addition, DVRS reported it uses pre-vocational evaluations as the sub-service category for pre-placement, supported employment (SE) /time limited job coaching and trial work experience (TWE) with job coach, including American Sign Language (ASL).

C. Observations and Recommendations

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

Observation 4.1: Quality of Supported Employment Outcomes

Observation: While DVRS' data showed an increase in the percent of competitive supported employment outcomes, it also showed supported employment outcomes that did not meet

competitive wages during the reporting period. There was also a decline in the average hours worked per week and no improvement in the median hourly earnings per hour over the same period.

- Although the percentage of individuals who achieved competitive employment outcomes in supported employment increased from 89.1 percent in FFY 2015 to 97.3 percent in FFY 2016 and through the first three quarters of FFY 2017, the top five occupations yielded median hourly earnings of \$9.00 per hour; and
- The average hours worked per week decreased from 24.96 hours in FFY 2015 to 23.10 hours in FFY 2016, to 22.87 hours in the first three quarters of FFY 2017.

Recommendation 4.1: Quality of Supported Employment Outcomes

RSA recommends that DVRS—

- Develop measurable goals and strategies, including the use of the short-term basis, as needed, and the extended time frame for the provision of supported employment services, to improve the quality of the employment outcomes achieved by individuals with the most significant disabilities, including the average hours worked per week, the types of occupations, and the median hourly earnings for competitive employment outcomes.

Agency Response: DVRS thanks RSA for the observation and recommendation to raise the quality of supported employment outcomes. This issue is of critical importance to DVRS because its tied to achieving meaningful wages that lead to better employment outcomes, and a higher quality of life. Our CRP unit has recently developed a new monitoring tool for supported employment providers. This tool will measure, among other things, client wages, quality of employment outcome relative to vocational goal, records, case documentation, and effectiveness of service delivery. DVRS is also exploring new SE data management tools from Mathematica and plans on developing a new performance outcome report that will help CRP staff to provide technical assistance for underperforming SE providers.

Request for Technical Assistance: None at this time.

D. Findings and Corrective Actions

RSA's review of the DVRS' performance in this focus area resulted in the identification of the following finding and corrective actions.

4.1 Provision of VR Services Paid with Supported Employment Funds

Issue: Does DVRS use Supported Employment funds solely for the provision of supported employment services and extended services in compliance with the statutory requirements in the Rehabilitation Act, as amended by WIOA.

Requirement: Section 603(a) of the Rehabilitation Act and 34 C.F.R § 363.20(a) require that State supported employment funds (title VI funds) be used solely for the provision of supported employment services (Section 603(d) of the Rehabilitation Act).

Although Sections 103(a)(16) and 608(a) of the Rehabilitation Act and 34 C.F.R. §§ 361.48(b)(13) and 363.4(c)(1), respectively, permit States to use VR (Title I Section 110) funds for the provision of VR services, which includes supported employment services, supported employment funds can only be used for the provision of supported employment services, and extended services for youth with the most significant disabilities authorized in Section 604 of the Rehabilitation Act and 34 C.F.R. § 363.4(a).

“Supported employment services” are defined as on-going support services, including customized employment, and other appropriate services needed to support and maintain an individual with a most significant disability, including a youth with a most significant disability, in supported employment pursuant to Section 7(39) of the Rehabilitation Act, and 34 C.F.R. § 361.5(c)(54). “On-going support services” are defined at Section 7(27) of the Rehabilitation Act and 34 C.F.R. 361.5(c)(37), as services that are needed to support and maintain an individual with a most significant disability, including a youth with a most significant disability, in supported employment; based on a determination by the DSU of the individual’s need as specified in an individualized plan for employment; and furnished by the DSU from the time of job placement until transition to extended services, unless post-employment services are provided following transition, and thereafter by one or more extended service providers throughout the individual’s term of employment in a particular job placement.

“Extended services” are defined as on-going support services and other appropriate services that are needed to support and maintain an individual with a most significant disability, including a youth with a most significant disability, in supported employment and may be provided to a youth with a most significant disability by the DSU in accordance with Sections 7(13) and 604(b) of the Rehabilitation Act, and 34 C.F.R. § 361.5(c)(19) and 34 C.F.R. part 363.

Analysis: At the time of the on-site review, DVRS’ Supported Employment Guidelines (effective July 2017) and supported employment policies in the NJDVRS Case Services Policy Manual (effective December 2017) included services beyond the scope of ongoing support services (34 C.F.R. § 361.5(c)(37)), and the definition of supported employment services (34 C.F.R. § 361.5(c)(54)). Specifically, such services included: trial work experiences; community-based work evaluations and experiences; Discovery assessment, intake and service activities; pre-placement coaching (20 to 40 hours); time-limited job coaching services for individuals with significant disabilities rather than individuals with the most significant disabilities; job development and placement services; and internship development and supports. Administrative Memo 17-002 (issued February 13, 2017) provided guidance related to the fee increase for “supported employment and trial work experience.” The guidance clarified that supported employment includes, “pre-placement, time limited job coaching and intensive job coaching” and provided staff with the approved fees for supported employment and trial work experiences with job coaching. Through the guidance, DVRS instructed its staff to code pre-placement, supported employment/time limited job coaching, and trial work experience (TWE) with job coach, as well TWE with job coach and ASL as pre-vocational evaluation (sub-service category); and supported employment intensive job coaching as miscellaneous training/tutoring (sub-service category).

Although Section 7(27) of the Rehabilitation Act and 34 C.F.R. § 361.5(c)(37), require that supported employment services be provided after job placement to individuals with most significant disabilities, including youth with most significant disabilities, many of the services defined as supported employment services in the supported employment guidelines and NJDVRs Case Services Policy Manual are provided prior to job placement, and some services (e.g., time-limited job coaching) are provided to individuals with significant disabilities rather than to those individuals with the most significant disabilities.

DVRs' case management system currently reflects four fund categories and five fund types (i.e., Federal VR Sources 01 Funds; Supported Employment VR Sources 06 SE Fund; Supported Employment VR Sources 07 SE Youth Funds; State Non-VR Sources 08 WDP Funds; and Pre-Employment Transition Services VR Sources 13-PETS Funds) to be used to report the fund source used to purchase services. Of these fund types, only two (i.e., 06 and 07) are used to purchase pre-placement and supported employment services using supported employment program funds under title VI of the Rehabilitation Act, as amended by WIOA. Although DVRs uses two fund types to authorize and track expenditures on supported employment and extended services, current policies allow for the provision of services beyond the scope of supported employment and extended services.

While on-site, DVRs provided multiple versions of service fund code descriptions to RSA that were not included in the NJDVRs Case Services Policy Manual, Supported Employment Manual, or Administrative Memos. From the documents reviewed, it appears that—

- Federal VR Sources 01 (title I funds) are used to provide general VR services, including diagnostics; college sponsorship; vocational/business school trainings; transportation; maintenance; books and supplies; tools; medical records; driving training; vehicle modifications; assistive technology services; preplacement and job coaching services; and supported employment services;
- Supported Employment VR Sources 06 (title VI funds) are used for job placement services through supported employment for clients with most significant disabilities, and includes pre-placement (assessment, job search, development, placement services) and job coaching services;
- Supported Employment VR Sources 07 SE Youth Funds are to be used for job placement services provided to out-of-school youth under 24 years of age, and included diagnostic evaluations, trainings, trial work experiences, pre-placement and job coaching services per the fund code description dated July 28, 2016. However, DVRs AM 16-017 (issued on May 27, 2016) directed staff to use fund type 07 to authorize supported employment services and extended services for youth with most significant disabilities between the ages of 14-21; and
- None of the fund code descriptions received by RSA included extended services for youth with the most significant disabilities; however, DVRs reported using a State appropriation to procure extended services for individuals with the most significant disabilities in need of such services.

DVRs provided the on-site team with reports from its case management system that provided a list of services authorized using fund types 06 and 07 for FFYs 2017 and FFY 2018 through June

8, 2018. For FFY 2017 and part of FFY 2018, DVRS purchased pre-vocational evaluations (pre-placement, supported employment/time limited job coaching and TWE with job coach, includes ASL); miscellaneous training/tutoring (supported employment intensive job coaching); tools and supplies; transportation; assistive technology services; work adjustment; vocational school training; college or university training; and psychotherapy using fund type 06.

During the same period, DVRS purchased pre-vocational evaluations (pre-placement, supported employment/time limited job coaching and TWE with job coach, including ASL); miscellaneous training and tutoring (supported employment intensive job coaching); psychological evaluations; other diagnostics; transportation; college or university training; vocational work adjustment training; vocational school training; maintenance or transportation; medical specialty; psychotherapy; intensive job coaching; trial work experience with a job coach; pre-placement (supported employment/time-limited job coaching); and discovery intake and assessment using fund type 07.

Although supported employment services, those-on-going support services needed to support and maintain an individual with a most significant disability, including a youth with a most significant disability, in supported employment, are to be furnished by DVRS from the time of job placement until transition to extended services, DVRS is assigning VR services provided prior to job placement to the fund types 06 and 07 which code costs to supported employment funds. Although VR services may be provided concurrently with supported employment services and Title I funds used to procure either set of services, only “supported employment services,” as defined in 34 C.F.R § 361.54; and “extended services,” as defined in 34 C.F.R. § 361.5(c)(19), to youth with the most significant disabilities, can be provided using supported employment funds pursuant to 34 C.F.R. § 363.4.

Conclusion: Pursuant to Section 603(a) of the Rehabilitation Act and 34 C.F.R § 363.20(a), supported employment funds (Title VI funds) must be used solely for the provision of supported employment services to individuals with the most significant disabilities, or extended services for youth with most significant disabilities. As a result of the analysis, RSA determined that DVRS is not in compliance with Section 603(a) of the Rehabilitation Act or its implementing regulations in 34 C.F.R. § 363.20(a) because it provides VR services that are not considered supported employment services with funds allotted for the provision of only supported employment services to individuals with the most significant disabilities. As such, DVRS must revise its policies, procedures, guidance and descriptions of scope of services provided through DVRS fund types to be in compliance with the statutory and regulatory requirements.

Corrective Action Steps:

RSA requires that DVRS—

- 4.1.1 Revise the current supported employment policies, procedures, guidance; and fund type descriptions, to clarify the scope of supported employment services; the population to receive such services (34 C.F.R. §§ 361.5(c)(54) and 361.48(b)(13)); and ensure the scope of supported employment services and assignment of costs comply with the requirements in Sections 603(a), 604 and 608 of the Rehabilitation Act and 34 C.F.R. §§ 363.20(a) and 363.4(a);

- 4.1.2 Include revised descriptions of allowable supported employment services to be assigned to each fund code in accordance with Sections 7(39), 7(27), and 7(13) of the Rehabilitation Act and 34 C.F.R. § 361.5(c)(54), 361.5(c)(37) and 361.5(c)(19) in the NJDVRs Case Services Policy Manual and Supported Employment Services Manual;
- 4.1.3 Submit the revised policies specific to the funding of supported employment services and extended services for youth with most significant disabilities for RSA's review as part of DVRs' corrective actions associated with the FFY 2018 Section 107 Monitoring Review;
- 4.1.4 Provide training to staff on the nature and scope of supported employment services, the accurate reporting of such services in the case management system and use of appropriate fund types;
- 4.1.5 Develop internal controls to ensure that only supported employment services, not VR services, are charged to Title VI supported employment services funds (DVRs fund types 06 and 07);
- 4.1.6 Review costs assigned to the Supported Employment program grant and identify those services and costs beyond the scope of supported employment services; and
- 4.1.7 Revise the FFYs 2017 and 2018 SF-425s to ensure costs for services provided prior to placement; and any other allowable VR services beyond the scope of supported employment services, are charged to the correct DVRs fund code (01) under Title I or Section 110 of the Rehabilitation Act, not DVRs fund codes 06 or 07 under Title VI of the Rehabilitation Act.

Agency Response: DVRs appreciates RSA clarification of 34 C.F.R. § 363.20(a) and will correct any issues of non-compliance. It is DVRs understanding that no funds are requested for the SE State Grants program in FY 2020. Consequently, DVRs will no longer be using funding service codes 06 and 07 moving forward. DVRs will authorize future SE services from its general basic services 01 account. DVRs is currently in the process of reviewing its supported employment policies and will update, as per RSA, current supported employment policies, procedures, and guidance to clarify the scope of supported employment services as detailed in the corrective action steps.

Request for Technical Assistance: None at this time.

E. Technical Assistance

While on-site, RSA and DVRs reviewed and discussed policies and procedures in the Supported Employment Manual (effective July 2017), NJDVRs Case Services Policy Manual (Chapter 11), and Administrative Memoranda related to the provision of supported employment services and extended services to determine the policy revisions necessary to ensure that DVRs' supported employment policies and procedures incorporate and implement all new requirements under the Rehabilitation Act and the implementing regulations. During the course of monitoring activities, RSA provided the following policy-related technical assistance to DVRs.

- RSA provided information related to the revised definition of "supported employment services" consistent with Section 7(39) of the Rehabilitation Act and 34 C.F.R. § 361.5(c)(54), including the extension of the allowable time frame for the provision of these services from 18 months to 24 months. RSA clarified that this time frame may be

extended under special circumstances, if the individual and VR counselor jointly agree to extend it to achieve the employment outcome identified in the IPE.

- RSA clarified the scope of supported employment services and discussed the alignment of services provided as supported employment services with the definition of such in 34 C.F.R. § 361.5(c)(54). RSA also clarified that these services are “ongoing support services”, including customized employment, and other appropriate services needed to support and maintain an individual with a most significant disability, including a youth with a most significant disability. RSA further clarified that ongoing support services may be initiated under an IPE (after job placement), until the individual transitions to extended services (34 C.F.R. § 361.5(c)(37)(iii)).
- RSA clarified that job search and placement services (34 C.F.R. § 361.48(b)(12)) are VR services that may be provided to eligible individuals under an IPE using Title I funds (not Title VI funds), prior to the provision of supported employment services (34 C.F.R. §§ 361.5(c)(54) and 361.48(b)(13); 34 C.F.R. §§ 363.1(a), 363.54 and 363.55)).
- RSA further clarified that supported employment program funds (Title VI) may only be used after placement in employment (preamble to the final VR regulations (81 FR 55629, 55706 (August 19, 2016))).
- RSA provided technical assistance related to the requirements for short-term basis and recommended including the regulatory timeline for the achievement of competitive wages (34 C.F.R. § 363.1(c)) in DVRS’ policies.
- RSA clarified requirements for extended services in Sections 7(42) and 604(b)(2) of the Rehabilitation Act and clarified that once an individual reaches the age of 25, he or she no longer meets the definition of a “youth with a disability” pursuant to 34 C.F.R. § 361.5(c)(58) and is no longer eligible to receive extended services from the VR agency.
- RSA provided clarification as to when the service record of an individual who has achieved a supported employment outcome may be closed, in accordance with Title VI of the Rehabilitation Act, as amended by WIOA, and 34 C.F.R. § 363.55, as well as the requirements under Title I of the Rehabilitation Act and 34 C.F.R. § 361.56. RSA recommended DVRS include in its policies guidance related to achieving an employment outcome in supported employment and closing a supported employment service record.
- RSA provided technical assistance related to trial work experiences pursuant to 34 C.F.R. § 361.42(e), and clarified that these services should not be used prior to all eligibility determinations, rather DVRS should only use trial work experiences to assess whether an individual’s disability is too severe to benefit from VR services and, therefore, the individual is ineligible for VR services.
- RSA also requested DVRS develop policies, in addition to administrative memos, requiring 50 percent of Title VI funds be used for the provision of supported employment and extended services to youth with most significant disabilities (Section 603(d) of the Rehabilitation Act and 34 C.F.R. §363.22); and procedures to limit expenditures on administrative costs to 2.5 percent of the State’s supported employment award (Section 603(c) of the Rehabilitation Act and 34 C.F.R. §363.51).
- RSA clarified that the CSNA is to be conducted every three years jointly with the SRC and must identify the vocational needs of individuals with the most significant disabilities for supported employment services (34 C.F.R. § 361.29(a)).

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

The VR program in New Jersey is managed through a central administrative office and 18 State run local offices. Each local office manages a budget for purchasing client services through the agency's case management system.

The New Jersey Comprehensive Financial System (NJCFPS) records all expenditures and encumbrances segregated by fiscal year, fund, State agency, organization, appropriation unit, activity code, Federal reporting category and minor object code detail. Federal and State program activity data is tracked in NJCFPS by individual accounts that also reflect authorized Federal budget authorities and State appropriated budget authorities. The budget authority functions as a cap; in that, the NJCFPS system will not allow total expenditures and encumbrances to exceed the authorized budget authorities. The Federal budget authority amounts are reviewed and approved by the NJ State Treasurer's Office of Management and Budget (OMB) who verifies the amount against the actual Federal Award documentation prior to establishing the budget authorities within NJCFPS.

DVRS provided RSA several memos outlining its processes for allocating and expending VR and Supported Employment award funds. The document titled Vocational Rehabilitation Reporting Process Memo described the State financial management systems DVRS uses for tracking Federal and State expenditures, establishes expenditure caps through State budget authorities, and identifies payroll cost accounting processes including various activity codes that enable the agency to track employee time spent in the provision of pre-employment transition services separately from other VR activities. This reporting process memo also identified how DVRS ensures administrative costs are not charged to the Supported Employment award and outlines the process for management review of SF-425 and RSA-2 data prior to submission to RSA. Separate documents provide overviews of procedures for agency staff to use in authorizing payments for purchased client services, personal and non-personal services cost accounting, and grant/contract development. Requirements for match, maintenance of effort, reservation and expenditure of funds, and prior approval are also identified, but with minimal identification of process.

C. Findings and Corrective Actions

RSA's review of DVRS in this focus area resulted in the identification of the following findings and the corresponding corrective actions.

5.1 Prior Approval Not Obtained

Issue: Does DVRS obtain prior written approval from RSA before purchasing items requiring prior approval. This area of review is included on page 53 of the MTAG.

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 in 2 C.F.R. § 200.62(a) and 2 C.F.R. § 200.303(a) also requires 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 Department of Education adopted the final regulations found in 2 C.F.R. § 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, Costs 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 DVRS's written processes that ensure the agency meets the prior approval requirements. In response, DVRS submitted to RSA a word document titled Prior Written Approval - Voc Rehab containing a link to a technical assistance circular RSA published in April, 2018 (RSA-TAC-18-02), and seven pages of text copied from 2 C.F.R. Part 200 published by the Office of Management and Budget in December, 2013. While these references are useful to note for reference purposes, they do not constitute the agency's prior approval internal control processes. The agency's internal control processes must detail how the agency meets the legal requirements and monitors the process to ensure compliance. To determine whether the lack of processes resulted in noncompliance with the prior approval requirements, RSA reviewed the supporting documentation for recent equipment purchases directly charged to

the VR award. RSA found several instances where equipment purchases, which exceeded the State's threshold for classification of equipment, were charged directly to the award without prior approval.

Conclusion: Based on the analysis, RSA has determined that DVRS is not in compliance with the prior approval requirements pursuant to the Uniform Guidance (2 C.F.R. § 200.407).

Corrective Action Steps:

RSA requires that DVRS—

- 5.1 Develop and implement a written internal control process, including a monitoring component, to ensure ongoing compliance with prior approval requirements, within 90 days after the date of the final monitoring report.

Agency Response: DVRS is committed to seeking prior approval from RSA and having internal control process in place that assures federal funds are being managed appropriately. DVRS will seek to work with our accounting office, and procurement office to develop a policies/procedures that outlines the prior approval requirements under 2 C.F.R. § 200.407. and provides a strong monitoring component. DVRS is also requesting assurances from RSA that prior approval request will be processed in a reasonable time frame.

Request for Technical Assistance: None at this time.

5.2 Internal Control Deficiencies

Issue: Does DVRS maintain effective internal control over the Federal award to provide reasonable assurance that it is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. This area of review is included on pages 52 and 53 of the MTAG.

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

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

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

Additionally, 2 C.F.R. § 200.303, among other things, requires a non-Federal entity to—

- Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. 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;
- Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards;
- Evaluate and monitor the non-Federal entity’s compliance with statute, regulations and the terms and conditions of Federal awards; and
- Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

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

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

In its guidance “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 non-compliance with Federal and State requirements.

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

A. Unallowable Procurement Processes

- i. **Subgranting**—The Education Department General Administrative Regulations (EDGAR) at 34 C.F.R. § 76.50(b)(2) States that the authorizing statute determines the extent to which a State may make subgrants to eligible applicants. Neither the Rehabilitation Act nor its implementing program regulations specifically permit subgranting under either the VR or Supported Employment programs. Hence, DVRS is not permitted to subgrant and must therefore make its purchases in accordance with State rules regarding procurement.

DVRS provided RSA samples of contracts and written policies it follows to identify and fund VR pre-employment transition service providers. While these documents include use of the word ‘contract’, they also frequently refer to the agreement as a ‘grant’. State of New Jersey Department of Treasury Circular 15-08-OMB states that the term ‘grant’ “does not include payments to a contractor.” State of New Jersey Department of Treasury Circular 07-05-OMB states that the term ‘grant’ “does not include purchases made in accordance with statutes and regulations regarding procurement...” Additionally, the definition of ‘contractor’ at N.J.A.C.12:62-1.3 does not include ‘grantee’. Because DVRS uses the term ‘grant’ throughout its VR pre-employment transition service provider agreements, and State policy states that the term ‘grant’ does not include payments to a contractor or purchases made in accordance with rules regarding procurement, DVRS is not adhering to its own State procurement policy as it is required to do by 2 C.F.R. § 200.317.

Moreover, in addition to the language used in its agreements not meeting State procurement policy, the single State audit for program year ending June 30, 2016 (the most recent audit) identified \$4,842,761 in VR funds “passed through to subrecipients.” 2 C.F.R. § 200.329 differentiates a grant and a contract in its discussion of the relationship between the funding entity and the entity in receipt of the funds. The regulation notes that a grant creates a financial assistance relationship between the grantor and the grantee (subrecipient), whereas a contract creates a procurement relationship between the non-Federal entity and the contractor. The procurement relationship that defines a contract requires that the funding entity not provide financial assistance to an entity carrying out a program, but rather to procure specific services for the VR agency’s use.

- ii. **Funded Proposal Not Meeting Minimum Requirements**—Based on RSA’s review of DVRS’ pre-employment transition services procurement/grant process, including selection criteria, review panel scoresheets, and discussion with agency staff, DVRS funded at least one applicant that received a score that fell below the threshold DVRS established as the minimum acceptable score for funding applicants. DVRS established the scoring threshold prior to the competition and did not identify in its technical review instructions conditions under which DVRS may consider funding a proposal not meeting the established threshold. Funding an entity that does not meet minimum requirements established prior to a competition is inconsistent with the rules regarding procurement and subjects the procurement process to the possibility of bidders’ protests. In addition, according to agency staff, the contractor/grantee performed poorly, yet DVRS continued paying it for a period exceeding several months despite DVRS management knowing that the entity would be unable to meet the terms of the agreement. As noted above, DVRS is required to adhere to established procurement processes to ensure adequate protection of Federal funds.

B. No Rate Setting Policy—34 C.F.R. § 361.50(c)(1) requires the designated State unit to establish and maintain written policies to govern the rates of payment for all purchased

vocational rehabilitation services. While DVRS was able to provide a schedule of fees for some purchased services, DVRS did not identify a rate-setting methodology for the agency to use when determining the reasonable rates for pre-employment transition service contracts or when making changes to provider rates. Because DVRS has not established and maintained written policies to govern the rates of payment for all purchased vocational rehabilitation services, DVRS is not in compliance with 34 C.F.R. §§ 361.50(c)(1) and 361.12.

C. Undocumented or Insufficient Fiscal Policies—RSA’s review of several written process memos provided by DVRS found several deficiencies and omissions. These are noted beneath the title of each memo below.

i. Vocational Rehabilitation Reporting Process Memo

- a. While the memo States that the employee’s time is charged to various job numbers within DVRS’ Electronic Cost Accounting Timesheet System (eCats), which represent specific program and/or administrative activities performed by the employee, it was clear from discussions with staff and from a review of several sample timesheets that DVRS staff do not document time spent conducting coded activities in a consistent manner agency wide, particularly in relation to the tracing of pre-employment transition services. Additionally, the memo does not identify how management captures staff time spent among the differentiated required, authorized, and coordination pre-employment transition service activities, which is necessary for forecasting the availability of funds for authorized activities.
- b. The timeline for submission of semiannual SF-425 reports is incorrectly Stated as 45 days after the end of the reporting period. Per 2 C.F.R. § 200.328(b)(1), quarterly or semiannual reports must be due 30 calendar days after the reporting period.
- c. The memo does not identify control processes for ensuring proper handling of program income, unliquidated obligations reduced after report submission, non-Federal share reporting, or indirect expenses.

ii. Matching/Maintenance of Effort Process Memo—Vocational Rehabilitation

- a. The memo does not address non-Federal share reporting requirements pertaining to the carryover of Federal VR funds for obligation and expenditure in the succeeding fiscal year (nor does it address such requirements pertaining to the Supported Employment program).
- b. The memo references a spreadsheet that is “segregated by Federal grant period and correlating State fiscal periods, noting that it includes both cash and In-Kind activity identified by NJCFS transaction ID numbers for cash items and detailed descriptions of sources for In-Kind activity” [sic]. Per 34 C.F.R. § 361.60, third party in-kind contributions specified in 2 C.F.R. 200.306(b) may not be used to meet the non-Federal share requirement.
- c. The discussion of maintenance of effort only restates the requirement and does not provide information concerning the processes the agency uses to

capture, report, or monitor financial information relevant to meeting maintenance of effort requirements.

- iii. Cash Management Process Memo Voc Rehab
 - a. The memo indicates that subrecipient costs are paid by the State before reimbursement is requested from the Federal Government, and that subrecipients are not responsible for performing their own drawdowns of Federal funds. Subgranting, as discussed earlier in this Finding at 5.2Ai, is not permitted under the VR and Supported Employment programs.
 - b. The memo is missing a description of internal controls related to the use and reporting of program income, particularly with regard to 2 C.F.R. § 200.305(b)(5) and 34 C.F.R. § 361.63.

In addition to the issues noted above, it was unclear from the documentation provided as to whether the processes described applied only to the VR grant, or also to the Supported Employment grant. None of the memos explained how DVRS ensures accurate reporting of its progress toward meeting the reservation and expenditure of funds requirement for youth with the most significant disabilities under the Supported Employment program, or how it meets its non-Federal requirements pertaining to the carryover of Federal Supported Employment funds for obligation and expenditure in the succeeding fiscal year.

During the on-site visit, the Chief Financial Officer (CFO) gave a verbal overview of the processes behind developing work papers that DVRS uses to populate SF-425 reports. While the CFO described sound business processes and continuous monitoring activities that have prevented DVRS from accumulating MOE penalties, match shortfalls, or significant overages, little of the control activities verbally described were documented or otherwise written into DVRS policy. As noted in 2 C.F.R. § 200.302, each State's financial management system must be sufficient to permit the preparation of reports required by the terms and conditions of the award, and the tracing of funds to a level of expenditure adequate to establish that such funds have been used according to Federal requirements. It is important to have these processes documented through internal controls in such a way that other staff could carry them out with the same effectiveness as the CFO, in his absence. This will help the agency to ensure 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).

Finally, several of DVRS' written policies contain grammar and spelling mistakes and outdated references that need to be updated with correct 2 C.F.R. Part 200 and WIOA citations.

Conclusion: DVRS does not maintain effective internal controls over the Federal award that provide reasonable assurances that the non-Federal entity is managing its award in compliance with Federal statutes, regulations, and the terms and conditions of the award, as required by 34 C.F.R. § 361.12 and 2 C.F.R. § 200.303. Specific internal control areas of deficiency include documentation of control activities to ensure management oversight of MOE, match, accurate

Federal financial reporting, and adequate documentation and reporting of pre-employment transition services expenditures.

While these control deficiencies suggest elevated risk to DVRS' effectiveness and efficiency of operations, reliability of reporting, and compliance with applicable laws and regulations, the risk will be greatly reduced through management's development of internal controls at a level of detail necessary to address the complexity of its systems. The corrective action steps listed below will support DVRS in developing its ability to correct processes that have led to the internal controls non-compliance finding.

Corrective Action Steps:

RSA requires that DVRS, within 180 days after the issuance of the final monitoring report—

- 5.2.A.i.1 Review and update DVRS procurement policies and procedures to ensure compliance with State rules governing State procurement;
- 5.2.A.i.2 Ensure that language used in contracts is consistent with State procurement requirements (e.g., use of the term 'grant' or 'grantee' when referring to contract procurement). (This may require DVRS to coordinate with the designated State agency to update any boilerplate language or process documents required by the designated State agency);
- 5.2.A.ii.1 Develop internal controls to ensure that contract funding decisions are made in accordance with State requirements and established processes;
- 5.2.A.ii.2 Review and update DVRS policy concerning contract management and oversight related to underperforming contractors to reduce risk of improper payments;
- 5.2.B.1 Establish and maintain written policies that govern the rate setting methodology for all purchased VR services, as required by 34 C.F.R. § 361.50(c)(1), to ensure uniformity in the process for updating schedules of fees for payments for such services;
- 5.2.C.1 Submit copies of policies and procedures developed pursuant to this corrective action to RSA;
- 5.2.C.2 Update DVRS process memos and other policies to include the missing processes identified in the finding; and
- 5.2.C.3 Develop or revise, as necessary, agency policies/procedures to ensure compliance with WIOA and 2 C.F.R. Part 200 requirements, together with an ongoing monitoring component to ensure policies comply with changes to Federal law and regulations.

Agency Response: DVRS thanks RSA for its guidance on establishing effective internal controls. DVRS is committed to ensuring that its Federal award(s) are in compliance with Federal statutes, regulations, and the terms and conditions of the award. In order to improve internal controls, DVRS will meet with accounting, procurement, and internal audit to jointly review current departmental internal controls in the areas identified in the corrective action steps. This review will include the preparation of financial reports, data validation, contract awards and monitoring, process memos, and agency policies and procedures as they relate to procurement. After the review has been complete, areas of internal control deficiency will be identified, and

documents developed that will provide reasonable assurances that DVRS is managing its federal awards in accordance with federal law and regulations.

Request for Technical Assistance: None at this time.

D. Technical Assistance

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

DVRS requested technical assistance in the areas of prior approval and allowable uses of funds for marketing and advertisement costs. RSA staff provided an overview of recently developed fiscal resources available for agency use.

To assist DVRS in developing internal controls in response to finding 5.2, RSA recommends that management review the document *The Role of Internal Control, Documenting Internal Control, and Determining Allowability & Use of Funds*, which is available at ed.gov at <https://www2.ed.gov/policy/fund/guid/uniform-guidance/fundsguidance.pdf>

RSA referred the agency to an FAQ resource published on the RSA website that covers a number of questions concerning Federal requirements for VR awards in relation to the period of performance and availability of Federal funds under a given FFY. This resource, titled Period of Performance for Formula Grant Awards FAQs is available at the following internet address: <https://www2.ed.gov/print/about/offices/list/osers/rsa/formula-period-of-performance-faqs.html> A useful resource for questions regarding the State Supported Employment Services program is located here: <https://www2.ed.gov/programs/rsasupemp/fiscal-faq.html>

RSA provided DVRS with technical assistance related to the proper and accurate reporting of pre-employment transition services expenditures, including time personnel spent providing required, authorized, and coordination activities. The Uniform Guidance at 2 C.F.R. § 200.303, requires grantees to establish internal controls to ensure compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards to adequately track and account for pre-employment transition service expenditures. During the review, RSA noted that DVRS staff inconsistently reported their time spent providing pre-employment transition services, including required, authorized, and coordination activities prescribed in 34 C.F.R. § 361.48. For example, DVRS' application of its policies for reporting staff time expenditures allocable to the reserve in field offices is inconsistent. Based on discussions with field office staff, DVRS developed an official reporting form for field office staff to use for tracking and reporting pre-employment transition services expenditures to the central administrative office; however, in at least one instance, field office staff used a "streamlined" version of the reporting form that did not capture the required information. As a result, the agency was not able to assign personnel costs related to pre-employment transition services to either required and coordination activities or authorized activities. RSA recommends that DVRS consistently apply its internal control processes and tracking tools so that it can adequately account for all expenditures related to pre-employment transition services.

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

A. Purpose

The Departments of Education and Labor (the Departments) 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 Office of Career, Technical and Adult Education (OCTAE) and RSA in the U.S. Department of Education, and the Employment and Training Administration (ETA) in the U.S. Department of Labor developed the “WIOA Shared Monitoring Guide.” RSA incorporated the guide’s 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 PY 2016 Unified 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; 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. In New Jersey, partners have made progress in their efforts to engage with businesses and other stakeholders through partnerships related to sector strategies.

Sector Strategies

With the State Employment and Training Commission (SETC) serving as the policy-making entity, and through its direction, DVRS along with other core and required partner programs, which now fall under WIOA, developed a set of Talent Networks in 2011. The SETC website explains that Talent Networks are “the architects that meet with businesses and organizations to gather firsthand intelligence on the industry and assess their needs.” These networks (e.g., financial services and technology) share that information with what the SETC have termed Talent Development Centers housed with community colleges and universities. These seven centers are “the builders who develop curricula and instruction programs based on information from businesses.” Together, the Talent Networks and Talent Development Centers “align training and education with in-demand skills” to fulfill some of the needs of both one-stop customers and employers in the State.

Governance

State Workforce Development Boards (SWDBs) and Local Workforce Development Boards (LWDBs), which must include representation from the VR program, set State strategy and policies for aligning the workforce development system with partners from 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. Further, 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), as amended by WIOA.

The SETC, New Jersey’s SWDB, plays a key role in leading the State’s implementation of WIOA. According to its website, the SETC “partners with business, employers and job seekers, organized labor, and State and county agencies to set policy, develop plans and evaluate system performance to enhance the workforce for the economic viability of New Jersey. The SETC identifies and analyzes critical issues relating to workforce readiness and provides policy guidance to the Governor and to State professionals in the fields of employment, training, and education; supports innovative programs that advance collaboration among governmental agencies; and, reports to the Governor on the progress that has been made and the issues that must be addressed in the area of employment, training, and education.” The SETC’s quarterly meetings are open to the public and generally held in locations in central New Jersey. On January 19, 2016, the SETC issued a policy resolution (SETC #2016-08) that recognized both of New Jersey’s SRCs, established under Section 105 of the Rehabilitation Act, as amended by WIOA, “as the entities which will provide disability expertise, policy recommendations and information to the SETC in order to improve New Jersey’s public workforce system and its services to individuals with disabilities.” As a result, rather than establish a separate disability subcommittee, the SRCs for DVRS and CBVI serve as the de facto disability experts for the SETC.

The Governor appointed the Commissioner of the New Jersey LWD to represent each of the core programs under WIOA on the SWDB. As a result, the LWD Commissioner represents DVRS, one of the Title IV programs in New Jersey, on the SETC. The Governor also appointed the Commissioner of New Jersey's Department of Human Services to the SWDB. The Human Services Commissioner represents the other Title IV program, CBVI, along with other WIOA required partner programs (e.g., Temporary Assistance for Needy Families).

New Jersey has established 17 LWDBs to represent each local workforce area in the State. DVRS's district office managers and some of its supervisors represent the VR program on each of these local boards. During the on-site monitoring review, DVRS indicated that it has a productive working relationship with the LWDBs.

One-Stop Operations

The one-stop delivery system brings together workforce development, educational, and other human resource services in a seamless customer-focused service delivery network that enhances access to services and improves long-term employment outcomes for individuals receiving assistance. One-stop partners administer separately funded programs as a set of integrated streamlined services to customers.

VR Service Delivery

Prior to WIOA, DVRS' local offices were co-located with partners from Titles I and III of WIOA in one-stop centers across New Jersey. At the time of the on-site monitoring, only one of DVRS' 18 local offices was not co-located in a one-stop center. This office, located in Bridgeton, New Jersey, covers the communities within Cumberland and Salem counties. In all but the Bridgeton office, DVRS staff, including VR counselors, are physically present in the comprehensive one-stop centers full-time to provide one-stop center customers access to the VR program and provide applicable career services. DVRS explained that each one-stop center has a triage desk where customers are greeted by staff who refer customers to appropriate partner programs. Once referred to the VR program, DVRS coordinates an array of VR services necessary to assist individuals with disabilities who have applied or been determined eligible for VR services in meeting their individual vocational goals. These VR services (e.g., assessments and vocational training) often take place outside of the one-stop center with DVRS contracted partners, including: community rehabilitation programs, schools, work sites, and other locations in the most integrated settings.

One-Stop Center Accessibility

During the on-site monitoring review, DVRS did not share any significant concerns related to the physical and programmatic accessibility of the one-stop centers. DVRS explained because all of the one-stop leases are coordinated through the New Jersey Department of Treasury, the locations are held to requirements laid out in the Americans with Disabilities Act, as amended. These lease agreements also require that accessibility is maintained over time and subject one-stop centers to periodic accessibility reviews. DVRS stated that if more accessible parking spots

at one-stop centers were made available, this would be appreciated by one-stop center staff and customers.

Memoranda of Understanding and Infrastructure Funding Agreements

DVRS and LWD reported that while the agencies attempted to meet the July 1, 2017, deadline set by the Departments for having WIOA-compliant MOUs in place, the State had only fully executed nine of 17 MOUs at the time of the on-site monitoring review (June 7, 2018). State partners explained that four additional MOUs were under review and four local workforce areas had not yet submitted MOUs for review.

Furthermore, at the time of the on-site monitoring review, State partners reported that they had not finalized IFAs, a component of the one-stop operating budget, for any of the 17 local workforce areas in New Jersey. While they acknowledged the January 1, 2018, deadline set by the Departments, the partners explained that it has taken longer than expected for each local workforce area to develop IFAs that ensure each WIOA partner program is contributing to these costs equitably. LWD staff said they have received IFAs from each local workforce area, but none of them are final because they are not signed. LWD staff also said that some of the IFAs need revisions to comply with WIOA statutory and regulatory requirements. LWD staff reported that reviews of each IFA should tentatively be completed by June 11, 2019. The partners also communicated an intention to continue negotiating each IFA using the local funding mechanism despite the fact the SETC issued a policy resolution (SETC #2017-03) on November 14, 2017, that states, in part: “The SETC hereby approves the New Jersey State Funding Mechanism for Local Infrastructure Costs, and the process as described below, for use in the event that any local area in New Jersey is unable to finalize its local IFA by January 1, 2018.” The policy resolution then details the steps in the State Funding Mechanism.

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. Under WIOA, 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.

Effectiveness in Serving Employers

The State partners selected the “Repeat Business and Business Penetration” approaches in collecting data on the “Effectiveness in Serving Employers” measure; the partners have not added a State-specific approach. As it begins to use software it procured, DVRS will collaborate with its LWD partners to collect and report the data for this shared outcome. LWD said that it will have its Office of Research and Information assist in this effort as well.

Data Matching and Sharing

DVRS and LWD's Division of Employer Accounts entered into an agreement to share unemployment insurance (UI) wage record data so that DVRS may use it to obtain information for the primary indicators of performance. While DVRS provided RSA with a copy of an unsigned agreement, it informed RSA that this agreement is currently in place for three years. Using social security numbers for matching purposes, the Division of Employer Accounts will extract a quarterly wage database and share it with DVRS quarterly at the request of the DVRS case management system administrator. During the internal controls case file review, RSA and DVRS encountered a few service records that included UI wage record matches. DVRS acknowledged that staff need to include this data more consistently in-service records, especially because it is easily queried electronically.

Unique Identifier, Co-Enrollment, and Additional Measures

The State partners are not using a unique identification number to be retained by the same individual across multiple programs; rather, workforce development programs within LWD, including DVRS, may identify individuals co-enrolled in one or more programs using social security numbers. PY 2017 quarterly RSA-911 reports, which DVRS had submitted to RSA at the time of the monitoring review, indicate that very few individuals are co-enrolled. RSA provided technical assistance to DVRS to ensure that staff are capturing these details in the case management system so that it may be accurately reported on the RSA-911. In its four-year Combined State Plan, submitted in PY 2016, New Jersey indicated its "intent that, effective July 1, 2016, all WIOA Title I and WIOA Title III (Wagner-Peyser) participants will be co-enrolled in both programs; this is reflective of the new one-stop service integration and will be reflected in the performance outcomes of both programs." As such, other core programs within LWD have begun to gradually co-enroll individuals across its programs. For example, beginning on July 1, 2017, individuals receiving UI benefits were to be automatically co-enrolled in the Dislocated Worker program, authorized under WIOA Title I, as well as the Wagner-Peyser Employment Service program, authorized under WIOA Title III.

While DVRS has not established any additional performance measures for the VR program, State partners have done so for programs authorized under Titles I and II of WIOA (e.g., the number of program participants served by the program and the number of program participants exited from the program), as well as some measures specific to only Title I programs (e.g., number of high quality partnerships established), as described in SETC Policy Resolution #2016-10.

C. Observations and Recommendations

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

6.1: One-Stop Service Delivery System Memoranda of Understanding and Infrastructure Funding Agreements

Issue: Has DVRS executed MOUs, including IFAs, with each LWDB and other one-stop partners satisfying 34 C.F.R. § 361.420 and 34 C.F.R. § 361.500, as well as policy guidance issued jointly by the U.S. Departments of Education and Labor.

Requirement: The DSU has sole responsibility for the VR program's participation as a partner in the one-stop service delivery system (34 C.F.R. § 361.13(c)(1)(v) and (2)). As a required one-stop partner pursuant to 34 C.F.R. § 361.420, the DSU must—

- Provide access to the VR program through the one-stop delivery system, in addition to any other appropriate locations;
- Use a portion of its funds, consistent with the Rehabilitation Act, as amended by WIOA, and with Federal cost principles in 2 C.F.R. Parts 200 and 3474 (requiring, among other things, that costs are allowable, reasonable, necessary, and allocable), to—
 - Provide applicable career services; and
 - Work collaboratively with the State Board and LWDBs to establish and maintain the one-stop delivery system. This includes jointly funding the one-stop infrastructure through partner contributions that are based upon—
 - A reasonable cost allocation methodology by which infrastructure costs are charged to each partner based on proportionate use and relative benefit received;
 - Federal cost principles; and
 - Any local administrative cost requirements in the Federal law authorizing the partner's program. (This is further described in 34 C.F.R. § 361.700.);
- Enter into an MOU with the LWDBs relating to the operation of the one-stop delivery system that meets the requirements of 34 C.F.R. § 361.500(b);
- Participate in the operation of the one-stop delivery system consistent with the terms of the MOU, requirements of authorizing laws, the Federal cost principles, and all other applicable legal requirements; and
- Provide representation on the State Board and LWDBs as required and participate in Board committees as needed.

Pursuant to 34 C.F.R. § 361.500(a), the MOU is the product of local discussion and negotiation. It is an agreement developed and executed between the LWDB and the one-stop partners, with the agreement of the chief elected official and the one-stop partners, relating to the operation of the one-stop delivery system in the local area. In accordance with 34 C.F.R. § 361.500(b), each MOU must contain—

- A description of services to be provided through the one-stop delivery system, including the manner in which the services will be coordinated and delivered through the system;
- Agreement on funding the costs of the services and the operating costs of the system, including—
 - Funding of infrastructure costs of one-stop centers in accordance with 34 C.F.R. §§ 361.700 through 361.755; and

- Funding of the shared services and operating costs of the one-stop delivery system described in 34 C.F.R. § 361.760;
- Methods for referring individuals between the one-stop operators and partners for appropriate services and activities;
- Methods to ensure that the needs of workers, youth, and individuals with barriers to employment, including individuals with disabilities, are addressed in providing access to services, including access to technology and materials that are available through the one-stop delivery system;
- The duration of the MOU and procedures for amending it; and
- Assurances that each MOU will be reviewed, and if substantial changes have occurred, renewed, not less than once every 3-year period to ensure appropriate funding and delivery of services.

The MOU may contain any other provisions agreed to by the parties that are consistent with Title I of WIOA, the authorizing statutes and regulations of one-stop partner programs, and the implementing regulations of WIOA (34 C.F.R. § 361.500(c)). When fully executed, the MOU must contain the signatures of the LWDB, one-stop partners, the chief elected official(s), and the time period in which the agreement is effective. The MOU must be updated not less than every three years to reflect any changes in the signatory official of the Board, one-stop partners, and chief elected officials, or one-stop infrastructure funding (34 C.F.R. § 361.500(d)). If a one-stop partner appeal to the State regarding infrastructure costs, using the process described in 34 C.F.R. § 361.750, results in a change to the one-stop partner's infrastructure cost contributions, the MOU must be updated to reflect the final one-stop partner infrastructure cost contributions (34 C.F.R. § 361.500(e)).

The Departments provided extensive guidance regarding the operation of the one-stop service delivery system and the funding of its infrastructure costs in the joint regulations ([Federal Register notice 81 FR 55791](#)), published August 19, 2016. On December 27, 2016, the Departments published a set of frequently asked questions related to the one-stop service delivery system. In this guidance, the Departments indicated that in order to have MOUs in place for PY 2017, which began on July 1, 2017, LWDBs and one-stop partners must enter into MOUs that align with the requirements of WIOA, except for the final IFA, by June 30, 2017. The Departments also indicated that the U.S. Department of Labor (DOL) used its transition authority in Section 503(b) of WIOA to extend the implementation date of the final IFAs for PY 2017. With this extension, final IFAs were to be in place no later than January 1, 2018. However, the Departments explained that Governors had the discretion to require local areas to enter into final IFAs at any time between July 1, 2017, and January 1, 2018. During the extension period, local areas were allowed to use existing funding agreements in place for PY 2016, with any such modifications as the partners may have agreed to, to fund infrastructure costs in the local area. On January 18, 2017, the Departments issued formal policy guidance, which RSA published as technical assistance circulars: RSA-TAC-17-02 and RSA-TAC-17-03. In RSA-TAC-17-02, the Departments reiterated the extended IFA deadline of January 1, 2018.

Analysis: New Jersey has established 17 local workforce areas across the State. During the monitoring review, RSA requested sample MOUs from local workforce areas to assess DVRS' progress in implementing the joint one-stop requirements for purposes of the VR program,

including those regarding funding the one-stop system's infrastructure costs. Prior to the on-site monitoring review, DVRS provided RSA with MOUs for two LWDBs: Middlesex County and Camden County. Both MOUs satisfied most of the one-stop MOU requirements identified in 34 C.F.R. § 361.500; however, the Middlesex County LWDB MOU pertained to PY 2016 and the copy of the Camden County LWDB MOU, pertaining to PY 2017, was in draft form and did not include signatures.

During on-site discussions with DVRS and New Jersey LWD, which also administers Titles I, II, and III of WIOA, DVRS and LWD acknowledged that they had fully executed MOUs in nine of the 17 local workforce areas. In those eight local workforce areas where an MOU was not fully executed, LWD explained that this is due to a lack of some or all of the required signatures on the MOU. LWD further explained that it expected these MOUs to be fully executed in the near future, but did not provide a date. Prior to issuing the draft monitoring report, RSA followed-up with DVRS in July 2019. DVRS reported that it and its partners had not executed any of the eight outstanding MOUs. DVRS indicated that LWD had been working with ETA to issue a template to local areas to assist local areas with executing MOUs, which State partners anticipate occurring by September 30, 2019.

During the on-site visit, DVRS and its partners informed RSA that they have not finalized IFAs in any of the 17 local areas. LWD indicated that it plans to assist local areas in finalizing IFAs using a template one-stop operating budget including an IFA. LWD reported that it plans to finalize IFAs in the near future, but it did not specify a date. In following up on this issue, RSA confirmed with DVRS that as of July 2019, none of the 17 local areas have IFAs in place, as required by title I of WIOA and its implementing regulations.

Conclusion: As explained in this analysis, at the time of the on-site monitoring review DVRS did not meet the joint one-stop requirements regarding the development and implementation of MOUs and final IFAs with each local workforce area in the State, as required by 34 C.F.R. §§ 361.420 and 361.500. At the time of the on-site visit, the State had failed to fully execute eight of the 17 required MOUs and had failed to finalize IFAs in all 17 local areas. Since the on-site review, the State did not execute any additional MOUs and did not finalize any IFAs.

Corrective Action Steps:

RSA requires that DVRS—

- 6.1.1 Finalize MOUs with those local workforce areas that do not have fully executed MOUs in accordance with 34 C.F.R. § 361.500; and
- 6.1.2 Finalize IFAs for each of the State's local workforce areas in accordance with 34 C.F.R. §§ 361.700 through 361.755.

Agency Response: DVRS and New Jersey LWD will jointly work together in finalizing the remaining MOU's and IFA's that have not been completed as per 34 C.F.R. §§ 361.700 through 361.755.

Request for Technical Assistance: None at this time.

E. Technical Assistance

DVRS and CBVI, which administer the VR program, one of the core workforce development programs authorized under the Rehabilitation Act, as amended by Title IV of WIOA, are housed in New Jersey LWD and DHS, respectively. LWD and DHS are overseen by Commissioners. Within LWD, DVRS and other core programs are led by Directors.

During RSA's on-site monitoring of the VR program, RSA learned that DVRS is represented on the State Board by the LWD Commissioner, who also represents each of the five other core programs that are housed within LWD: the Adult, Dislocated Worker, and Youth programs authorized under Title I of WIOA; the Adult Education and Family Literacy Act (AEFLA) program authorized under Title II of WIOA; and the Employment Service program authorized under the Wagner-Peyser Act, as amended by Title 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 II AEFLA and the Title IV VR programs must each be represented by a single, unique representative (see 81 FR 56072, 56074 (Aug. 19, 2016)). In other words, one representative cannot represent both the AEFLA and VR programs, as is done in New Jersey.

This policy position by the U.S. DOL is consistent with 20 C.F.R. § 679.110(e), which 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 directors of DVRS and CBVI do not have the authority to delegate to the Commissioner of LWD the authority to represent the VR program on the State Board.

Therefore, the State Board has failed to comply 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 Commissioner of LWD represent all of the core programs, including DVRS, on the State Board. After consultation with ETA and OCTAE on this matter, RSA recommends that New Jersey revise its State Board composition by appointing either the director of DVRS or CBVI to the State Board to represent the VR program. Enforcement of this matter falls under the jurisdiction of ETA.

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.

Table 1. New Jersey General Agency Summary Statistics from RSA 113: FFYs 2015-2017

Row	Performance category	2015	2016	2017
1	Number of total applicants	13,522	14,022	13,405
2	Number of total eligible individuals	14,461	14,516	14,042
3	Agency implementing order of selection (Y/N)	Yes	Yes	Yes
4	Number of individuals on order of selection waiting list at year-end	61	0	0
5	Percent eligible of individuals had IPE who received no services	34.2%	28.3%	29.8%
6	Number of individuals in plan receiving services	16,164	16,414	16,220

Data source: RSA-113

Table 2a. New Jersey General 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	1,815	14.1	1,841	15.1	1,269	14.0
2	Exited from trial work experience	7	0.1	26	0.2	65	0.7
3	Exited with employment	3,818	29.7	3803	31.2	2,658	29.3
4	Exited without employment	2,274	17.7	2,408	19.8	1,986	21.9
5	Exited from OOS waiting list	0	0	0	0	0	0
6	Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	4,939	38.4	4,104	33.7	3,083	34.0
7	Employment rate*		62.7%		61.2%		57.2%
8	Competitive employment outcomes	3,656	95.8%	3,711	97.6%	2,616	98.4%
9	Average hourly earnings for competitive employment outcomes**	\$12.23		\$12.46		\$12.72	
10	Average hours worked for competitive employment outcomes	29.2		28.8		28.8	
11	Median hourly earnings for competitive employment outcomes	\$10.00		\$10.00		\$10.20	
12	Median hours worked for competitive employment outcomes	30.0		30.0		30.0	
13	Quarterly median earnings for competitive employment outcomes***	\$3,900.00		\$3,900.00		\$3,900.00	
14	Competitive employment outcomes meeting SGA	2,193	60.0	2,125	57.3	1,431	54.7
15	Competitive employment outcomes with employer-provided medical insurance	748	20.5	737	19.9	576	22.0

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. New Jersey General 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	501	12.0	472	12.1	357	12.1
2	Exited from trial work experience	1	0.0	5	0.1	32	1.1
3	Exited with employment	1,174	28.0	1,109	28.5	762	25.9
4	Exited without employment	630	15.0	619	15.9	552	18.8
5	Exited from OOS waiting list	0	0	0	0	0	0
6	Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	1,884	45.0	1,692	43.4	1,240	42.1
7	Employment rate*		65.1%		64.2%		58.0%
8	Competitive employment outcomes	1,115	95.0%	1,074	96.8%	743	97.5%
9	Average hourly earnings for competitive employment outcomes**	\$10.17		\$10.37		\$10.38	
10	Average hours worked for competitive employment outcomes	27.4		26.7		26.1	
11	Median hourly earnings for competitive employment outcomes	\$9.00		\$9.20		\$9.17	
12	Median hours worked for competitive employment outcomes	25.0		25.0		25.0	
13	Quarterly median earnings for competitive employment outcomes***	\$3,250.00		\$3,120.00		\$3,003.00	
14	Competitive employment outcomes meeting SGA	540	48.4	477	44.4	291	39.2
15	Competitive employment outcomes with employer-provided medical insurance	127	11.4	140	13.0	81	10.9

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.

*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. New Jersey General 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	1,303	15.1	1,364	16.5	910	14.9
2	Exited from trial work experience	6	0.1	21	0.3	33	0.5
3	Exited with employment	2,644	30.6	2,694	32.5	1,896	31.0
4	Exited without employment	1,644	19.0	1,789	21.6	1,434	23.4
5	Exited from OOS waiting list	0	0	0	0	0	0
6	Exited without employment outcomes, after eligibility, before an IPE was signed or before receiving services	3,055	35.3	2,412	29.1	1,843	30.1
7	Employment rate*		61.7%		60.1%		56.9%
8	Competitive employment outcomes	2,541	96.1%	2,637	97.9%	1,873	98.8%
9	Average hourly earnings for competitive employment outcomes**	\$13.14		\$13.31		\$13.65	
10	Average hours worked for competitive employment outcomes	30.0		29.6		29.9	
11	Median hourly earnings for competitive employment outcomes	\$10.70		\$10.56		\$11.20	
12	Median hours worked for competitive employment outcomes	30.0		30.0		30.0	
13	Quarterly median earnings for competitive employment outcomes***	\$4,368.00		\$4,355.00		\$4,550.00	
14	Competitive employment outcomes meeting SGA	1,653	65.1	1,648	62.5	1,140	60.9
15	Competitive employment outcomes with employer-provided medical insurance	621	24.4	597	22.6	495	26.4

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 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. New Jersey General 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)	18.6	19.1	19.4
2	Educational Institutions (post-secondary)	2.1	2.1	2.6
3	Medical Health Provider (Public or Private)	9.2	9.2	9.6
4	Welfare Agency (State or local government)	0.8	0.6	0.5
5	Community Rehabilitation Programs	4.6	3.9	4.3
6	Social Security Administration (Disability Determination Service or District office)	1.2	1.1	1.0
7	One-stop Employment/Training Centers	5.7	5.1	4.4
8	Self-referral	30.8	31.2	29.6
9	Other Sources	13.1	11.2	11.4
10	American Indian VR Services Program	0	0	0.0
11	Centers for Independent Living	0.0	0.1	0.1
12	Child Protective Services	0.0	0.0	0.0
13	Consumer Organizations or Advocacy Groups	0.0	0.1	0.2
14	Employers	0.1	0.1	0.1
15	Faith Based Organizations	0.1	0.0	0.1
16	Family/Friends	0.7	2.5	3.7
17	Intellectual and Developmental Disabilities Providers	0.0	0.1	0.2
18	Mental Health Provider (Public or Private)	5.7	5.5	5.9
19	Public Housing Authority	0	0	0.0
20	State Department of Correction/Juvenile Justice	2.3	2.4	1.8
21	State Employment Service Agency	0.5	0.4	0.6
22	Veteran's Administration	0.6	0.8	0.4
23	Worker's Compensation	0.2	0.1	0.2
24	Other State Agencies	3.1	3.8	3.6
25	Other VR State Agencies	0.4	0.3	0.3
26	Total Identified Referral Sources	99.8	99.8	99.8
27	Other Referral Sources (unknown)	0.2	0.2	0.2

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 3b. New Jersey General 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)	54.7	56.7	56.3
2	Educational Institutions (post-secondary)	3.9	3.7	5.0
3	Medical Health Provider (Public or Private)	3.2	3.4	2.8
4	Welfare Agency (State or local government)	0.3	0.2	0.2
5	Community Rehabilitation Programs	2.1	1.7	1.7
6	Social Security Administration (Disability Determination Service or District office)	0.2	0.2	0.1
7	One-stop Employment/Training Centers	1.2	1.1	0.7
8	Self-referral	16.1	15.1	14.4
9	Other Sources	11.9	9.0	8.2
10	American Indian VR Services Program	0	0	0
11	Centers for Independent Living	0	0.1	0.1
12	Child Protective Services	0.0	0.1	0
13	Consumer Organizations or Advocacy Groups	0.0	0.1	0.3
14	Employers	0.0	0.1	0.0
15	Faith Based Organizations	0.0	0.0	0.0
16	Family/Friends	0.8	3.0	4.9
17	Intellectual and Developmental Disabilities Providers	0	0.1	0.3
18	Mental Health Provider (Public or Private)	2.2	2.2	2.0
19	Public Housing Authority	0	0	0
20	State Department of Correction/Juvenile Justice	0.9	0.7	0.3
21	State Employment Service Agency	0.0	0.1	0.1
22	Veteran's Administration	0.0	0	0
23	Worker's Compensation	0.0	0.1	0.1
24	Other State Agencies	1.9	1.9	2.0
25	Other VR State Agencies	0.2	0.2	0.2
26	Total Identified Referral Sources	100.0	99.9	99.8
27	Other Referral Sources	0	0.1	0.2

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 3c. New Jersey General 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)	1.1	1.4	1.6
2	Educational Institutions (post-secondary)	1.2	1.3	1.4
3	Medical Health Provider (Public or Private)	12.1	11.9	13.0
4	Welfare Agency (State or local government)	1.1	0.7	0.6
5	Community Rehabilitation Programs	5.8	4.9	5.6
6	Social Security Administration (Disability Determination Service or District office)	1.6	1.5	1.4
7	One-stop Employment/Training Centers	7.8	7.0	6.1
8	Self-referral	38.0	38.7	36.9
9	Other Sources	13.8	12.3	13.0
10	American Indian VR Services Program	0	0	0.0
11	Centers for Independent Living	0.0	0.1	0.0
12	Child Protective Services	0.0	0.0	0.0
13	Consumer Organizations or Advocacy Groups	0.0	0.2	0.2
14	Employers	0.1	0.1	0.1
15	Faith Based Organizations	0.1	0.1	0.1
16	Family/Friends	0.6	2.2	3.1
17	Intellectual and Developmental Disabilities Providers	0.0	0.0	0.1
18	Mental Health Provider (Public or Private)	7.4	7.1	7.8
19	Public Housing Authority	0	0	0.0
20	State Department of Correction/Juvenile Justice	3.0	3.1	2.5
21	State Employment Service Agency	0.6	0.6	0.8
22	Veteran's Administration	0.8	1.2	0.6
23	Worker's Compensation	0.3	0.1	0.2
24	Other State Agencies	3.7	4.8	4.3
25	Other VR State Agencies	0.5	0.4	0.3
26	Total Identified Referral Sources	99.9	99.9	99.9
27	Other Referral Sources	0.1	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 4a. New Jersey General Agency Outcomes by Disability Type for All Individuals at Closure - FFYs 2015-2017

Row	Disability Type	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Visual - Individuals served	36	0.6	29	0.5	22	0.5
2	Visual - Employment rate		58.3		82.8		68.2
3	Auditory and Communicative - Individuals served	851	14.0	918	14.8	678	14.6
4	Auditory and Communicative - Employment rate		81.4		79.6		81.4
5	Physical - Individuals served	1,188	19.5	1,203	19.4	925	19.9
6	Physical - Employment rate		59.3		58.0		57.8
7	Intellectual and Learning disability - Individuals served	1,981	32.5	1,967	31.7	1,464	31.5
8	Intellectual and Learning disability - Employment rate		64.8		63.2		57.2
9	Psychosocial and psychological- Individuals served	2,026	33.3	2,069	33.3	1,524	32.8
10	Psychosocial and psychological- Employment rate		54.7		52.3		45.5

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.

Table 4b. New Jersey General Agency Outcomes by Disability Type for Individuals below Age 25 at Closure - FFYs 2015-2017

Row	Disability Type	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Visual - Individuals served	4	0.2	3	0.2	3	0.2
2	Visual - Employment rate		75.0		100.0		66.7
3	Auditory and Communicative - Individuals served	134	7.4	134	7.8	105	8.0
4	Auditory and Communicative - Employment rate		73.1		65.7		67.6
5	Physical - Individuals served	141	7.8	107	6.2	95	7.2
6	Physical - Employment rate		64.5		60.7		58.9
7	Intellectual and Learning disability - Individuals served	1,132	62.7	1,050	60.8	797	60.7
8	Intellectual and Learning disability - Employment rate		67.0		65.8		58.8
9	Psychosocial and psychological- Individuals served	393	21.8	431	24.9	307	23.4
10	Psychosocial and psychological- Employment rate		56.7		60.1		51.8

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. New Jersey General Agency Outcomes by Disability Type for Individuals Age 25 and Older at Closure - FFYs 2015-2017

Row	Disability Type	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
1	Visual - Individuals served	32	0.7	26	0.6	19	0.6
2	Visual - Employment rate		56.3		80.8		68.4
3	Auditory and Communicative - Individuals served	717	16.7	784	17.5	573	17.2
4	Auditory and Communicative - Employment rate		83.0		82.0		83.9
5	Physical - Individuals served	1,047	24.4	1,096	24.4	830	24.9
6	Physical - Employment rate		58.6		57.8		57.7
7	Intellectual and Learning disability - Individuals served	849	19.8	917	20.5	667	20.0
8	Intellectual and Learning disability - Employment rate		61.7		60.2		55.3
9	Psychosocial and psychological- Individuals served	1,633	38.1	1,638	36.5	1,217	36.5
10	Psychosocial and psychological- Employment rate		54.2		50.3		43.9

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. New Jersey General Agency Number of Days from Application to Eligibility Determination for All Individuals at Closure - FFYs 2015-2017

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017* Number	2017* Percent
0 – 60 days	9,036	81.9	8,536	82.8	6,449	83.5
More than 60 days	1,995	18.1	1,779	17.2	1,278	16.5
Total eligible	11,031	100.0	10,315	100.0	7,727	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.

Table 5b. New Jersey General Agency Number of Days from Application to Eligibility Determination for Individuals below Age 25 at Closure - FFYs 2015-2017

Number of Days	2015 Number	2015 Percent	2016 Number	2016 Percent	2017 Number	2017 Percent
0 – 60 days	3,065	83.1	2,878	84.2	2,148	84.1
More than 60 days	623	16.9	542	15.8	406	15.9
Total eligible	3,688	100.0	3,420	100.0	2,554	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.

Table 5c. New Jersey General Agency Number of Days from Application to Eligibility Determination for Individuals 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 – 60 days	5,971	81.3	5,658	82.1	4,301	83.1
More than 60 days	1,372	18.7	1,237	17.9	872	16.9
Total eligible	7,343	100.0	6,895	100.0	5,173	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.

Table 6a. New Jersey General 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	1,045	91.3	2,810	81.6	2,756	79.6
More than 90 days	100	8.7	634	18.4	706	20.4
Total served	1,145	100.0	3,444	100.0	3,462	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. New Jersey General 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	225	86.9	630	71.5	658	70.2
More than 90 days	34	13.1	251	28.5	279	29.8
Total served	259	100.0	881	100.0	937	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 6c. New Jersey General 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	820	92.6	2,180	85.1	2,098	83.1
More than 90 days	66	7.4	383	14.9	427	16.9
Total served	886	100.0	2,563	100.0	2,525	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 7a. New Jersey General 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	0.5	0.9	1.3
2	Training- Bachelor degree training	1.9	4.0	4.9
3	Training- Junior or community college training	2.3	3.7	4.5
4	Training- Occupational or vocational training	7.9	9.9	11.0
5	Training- On-the-job training	5.3	6.6	5.9
6	Training- Apprenticeship training	0.0	0.0	0.1
7	Training- Basic academic remedial or literacy training	0.0	0.1	0.1
8	Training- Job readiness training	0.0	2.1	1.6
9	Training- Disability-related skills training	0.0	0.0	0.0
10	Training- Miscellaneous training	17.9	23.2	24.7
11	Career- Assessment	46.2	62.5	68.0
12	Career- Diagnosis and treatment of impairment	4.7	7.5	10.4
13	Career- Vocational rehab counseling and guidance	61.7	79.6	80.4
14	Career- Job search assistance	0.0	12.1	13.3
15	Career- Job placement assistance	0.0	12.0	12.0
16	Career- On-the-job supports-short term	0.0	1.4	1.3
17	Career- On-the-job supports-SE	0.0	4.6	5.0
18	Career- Information and referral services	0.0	6.5	6.5
19	Career- Benefits counseling	0.0	0.7	0.7
20	Career- Customized employment services	0.0	0.0	0.0
21	Other services- Transportation	7.9	10.1	8.3
22	Other services- Maintenance	0.7	1.6	1.0
23	Other services- Rehabilitation technology	10.6	13.7	14.5
24	Other services- Reader services	0.0	0.0	0.0
25	Other services- Interpreter services	0.6	0.8	0.6
26	Other services- Personal attendant services	0.0	0.1	0.0
27	Other services- Technical assistance services	0.0	0.6	0.4
28	Other services- Other services	1.1	3.2	3.0

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.

*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. New Jersey General 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	1.0	1.3	2.0
2	Training- Bachelor degree training	3.8	7.1	7.4
3	Training- Junior or community college training	2.9	4.9	6.8
4	Training- Occupational or vocational training	8.8	9.8	9.8
5	Training- On-the-job training	5.9	8.6	6.8
6	Training- Apprenticeship training	0.0	0.0	0.0
7	Training- Basic academic remedial or literacy training	0.0	0.1	0.2
8	Training- Job readiness training	0.0	2.2	1.4
9	Training- Disability-related skills training	0.0	0.1	0.0
10	Training- Miscellaneous training	24.7	32.8	35.8
11	Career- Assessment	45.8	62.3	67.4
12	Career- Diagnosis and treatment of impairment	1.3	2.8	3.9
13	Career- Vocational rehab counseling and guidance	62.5	79.0	81.4
14	Career- Job search assistance	0.0	13.5	14.2
15	Career- Job placement assistance	0.0	12.5	12.6
16	Career- On-the-job supports-short term	0.0	1.7	1.9
17	Career- On-the-job supports-SE	0.0	6.6	6.6
18	Career- Information and referral services	0.0	9.3	6.8
19	Career- Benefits counseling	0.0	0.6	0.5
20	Career- Customized employment services	0.0	0.0	0.0
21	Other services- Transportation	6.4	8.1	6.8
22	Other services- Maintenance	0.3	1.5	0.7
23	Other services- Rehabilitation technology	2.5	3.2	4.1
24	Other services- Reader services	0.0	0.0	0.0
25	Other services- Interpreter services	0.4	0.3	0.4
26	Other services- Personal attendant services	0.0	0.1	0.0
27	Other services- Technical assistance services	0.0	0.3	0.3
28	Other services- Other services	0.8	2.7	2.4

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.

*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. New Jersey General 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	0.7	1.0
2	Training- Bachelor degree training	1.1	2.8	3.9
3	Training- Junior or community college training	2.1	3.3	3.6
4	Training- Occupational or vocational training	7.5	9.9	11.5
5	Training- On-the-job training	5.1	5.8	5.6
6	Training- Apprenticeship training	0.0	0.0	0.1
7	Training- Basic academic remedial or literacy training	0.0	0.1	0.1
8	Training- Job readiness training	0.0	2.0	1.6
9	Training- Disability-related skills training	0.0	0.0	0.1
10	Training- Miscellaneous training	15.1	19.6	20.4
11	Career- Assessment	46.3	62.6	68.2
12	Career- Diagnosis and treatment of impairment	6.1	9.3	12.9
13	Career- Vocational rehab counseling and guidance	61.4	79.8	80.0
14	Career- Job search assistance	0.0	11.6	12.9
15	Career- Job placement assistance	0.0	11.8	11.7
16	Career- On-the-job supports-short term	0.0	1.3	1.0
17	Career- On-the-job supports-SE	0.0	3.8	4.3
18	Career- Information and referral services	0.0	5.4	6.4
19	Career- Benefits counseling	0.0	0.7	0.8
20	Career- Customized employment services	0.0	0.0	0.0
21	Other services- Transportation	8.6	10.9	8.9
22	Other services- Maintenance	0.9	1.7	1.1
23	Other services- Rehabilitation technology	14.0	17.7	18.6
24	Other services- Reader services	0.0	0.0	0.0
25	Other services- Interpreter services	0.6	0.9	0.7
26	Other services- Personal attendant services	0.0	0.1	0.0
27	Other services- Technical assistance services	0.0	0.6	0.4
28	Other services- Other services	1.2	3.3	3.3

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. New Jersey General 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	0.3	\$17.86	0.3	\$17.25	0.2	\$21.16
2	Arts, Design, Entertainment, Sports, and Media	1.2	\$13.47	1.1	\$10.33	1.5	\$15.00
3	Building and Grounds Cleaning and Maintenance	9.1	\$9.50	8.3	\$9.51	7.0	\$10.00
4	Business and Financial Operations Occupations	1.4	\$15.00	1.8	\$16.09	2.1	\$14.91
5	Community and Social Services Occupations	2.9	\$13.56	2.4	\$15.00	2.6	\$15.00
6	Computer and Mathematical Occupations	1.6	\$15.00	1.3	\$14.39	0.9	\$17.00
7	Constructive and Extraction Occupations	1.9	\$14.18	1.3	\$15.00	1.6	\$15.00
8	Education, Training, and Library Occupations	3.0	\$11.38	2.9	\$12.29	3.1	\$15.00
9	Farming, Fishing, and Forestry Occupations	0.2	\$10.75	0.1	\$23.50	0.2	\$12.25
10	Food Preparation and Serving Related Occupations	8.7	\$9.00	7.9	\$9.00	8.6	\$9.50
11	Healthcare Practitioners and Technical Occupations	2.6	\$15.72	2.6	\$15.05	2.2	\$15.39
12	Healthcare Support Occupations	6.2	\$11.14	5.2	\$11.00	4.2	\$12.00
13	Installation, Maintenance, and Repair Occupations	4.1	\$11.00	3.6	\$12.00	3.6	\$13.00
14	Legal Occupations	0.4	\$14.13	0.4	\$19.23	0.4	\$17.25
15	Life, Physical, and Social Science Occupations	0.4	\$13.13	0.3	\$17.00	0.3	\$15.00
16	Management Occupations	1.1	\$13.15	1.4	\$18.99	1.3	\$19.00
17	Military Specific Occupations			0.0	\$57.70	0.1	\$23.32
18	Office and Administrative Support Occupations	14.5	\$10.00	17.0	\$10.00	17.8	\$10.00
19	Personal Care and Service Occupations	13.4	\$9.00	14.8	\$9.34	14.3	\$9.35
20	Production Occupations	5.4	\$9.56	5.4	\$10.00	5.6	\$10.00
21	Protective Service Occupations	2.0	\$10.66	1.9	\$11.25	1.9	\$12.02
22	Randolph-Sheppard vending facility clerk*	0	NA	0	NA	0	NA
23	Randolph-Sheppard vending facility operator*	0	NA	0	NA	0	NA
24	Sales and Related Occupations	10.3	\$9.00	10.2	\$9.09	11.2	\$9.00
25	Transportation and Material Moving Occupations	9.4	\$11.52	9.7	\$10.29	9.5	\$11.00
26	Total competitive employment outcomes		\$10.00		\$10.00		\$10.20

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. New Jersey General 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	\$13.99	0.2	\$16.93	0	NA
2	Arts, Design, Entertainment, Sports, and Media	1.5	\$12.52	1.3	\$10.17	1.1	\$10.00
3	Building and Grounds Cleaning and Maintenance	8.4	\$8.87	7.8	\$9.00	5.5	\$9.00
4	Business and Financial Operations Occupations	1.1	\$10.63	1.4	\$15.00	1.6	\$12.38
5	Community and Social Services Occupations	1.3	\$11.14	1.2	\$11.86	0.9	\$11.93
6	Computer and Mathematical Occupations	1.2	\$12.00	0.8	\$10.00	0.8	\$15.85
7	Constructive and Extraction Occupations	2.2	\$12.00	1.1	\$10.41	0.9	\$11.00
8	Education, Training, and Library Occupations	2.7	\$9.81	2.0	\$10.00	2.4	\$14.64
9	Farming, Fishing, and Forestry Occupations	0.2	\$10.75	0.1	\$12.00	0.3	\$11.00
10	Food Preparation and Serving Related Occupations	12.9	\$9.00	10.9	\$8.93	9.2	\$9.00
11	Healthcare Practitioners and Technical Occupations	2.1	\$12.00	1.0	\$12.03	0.8	\$10.66
12	Healthcare Support Occupations	4.3	\$10.00	3.8	\$10.50	3.1	\$10.93
13	Installation, Maintenance, and Repair Occupations	5.8	\$10.50	5.6	\$10.00	4.0	\$11.38
14	Legal Occupations	0.1	\$12.67	0.2	\$14.72	0.1	\$13.77
15	Life, Physical, and Social Science Occupations	0.3	\$13.00	0.3	\$14.00	0.3	\$12.15
16	Management Occupations	0.5	\$11.56	0.4	\$11.68	0.5	\$12.00
17	Military Specific Occupations	0	NA	0	NA	0	NA
18	Office and Administrative Support Occupations	9.6	\$9.50	15.1	\$9.00	18.0	\$9.00
19	Personal Care and Service Occupations	20.2	\$8.74	19.2	\$9.00	20.9	\$9.00
20	Production Occupations	4.7	\$9.00	5.9	\$9.20	5.7	\$9.16
21	Protective Service Occupations	2.2	\$11.00	1.9	\$10.75	1.5	\$12.04
22	Randolph-Sheppard vending facility clerk*	0	NA	0	NA	0	NA
23	Randolph-Sheppard vending facility operator*	0	NA	0	NA	0	NA
24	Sales and Related Occupations	13.1	\$8.55	12.7	\$9.00	16.6	\$9.00
25	Transportation and Material Moving Occupations	5.6	\$9.25	7.3	\$9.25	5.8	\$9.00
26	Total competitive employment outcomes		\$9.00		\$9.20		\$9.17

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. New Jersey General 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	0.3	\$20.31	0.4	\$17.25	0.3	\$21.16
2	Arts, Design, Entertainment, Sports, and Media	1.0	\$13.98	1.0	\$10.33	1.7	\$15.00
3	Building and Grounds Cleaning and Maintenance	9.4	\$10.00	8.5	\$10.00	7.6	\$10.00
4	Business and Financial Operations Occupations	1.6	\$16.36	2.0	\$16.78	2.3	\$16.29
5	Community and Social Services Occupations	3.6	\$14.00	2.9	\$15.40	3.3	\$15.00
6	Computer and Mathematical Occupations	1.8	\$15.75	1.6	\$14.78	0.9	\$19.23
7	Constructive and Extraction Occupations	1.8	\$16.25	1.4	\$16.00	1.8	\$15.50
8	Education, Training, and Library Occupations	3.1	\$13.11	3.3	\$14.29	3.3	\$15.00
9	Farming, Fishing, and Forestry Occupations	0.2	\$12.20	0.1	\$32.00	0.1	\$15.75
10	Food Preparation and Serving Related Occupations	6.8	\$9.00	6.6	\$9.71	8.4	\$9.70
11	Healthcare Practitioners and Technical Occupations	2.9	\$18.00	3.3	\$15.76	2.8	\$15.53
12	Healthcare Support Occupations	7.1	\$12.00	5.8	\$11.43	4.6	\$12.76
13	Installation, Maintenance, and Repair Occupations	3.4	\$12.00	2.7	\$14.00	3.4	\$15.00
14	Legal Occupations	0.5	\$14.56	0.5	\$20.85	0.5	\$18.00
15	Life, Physical, and Social Science Occupations	0.5	\$15.00	0.3	\$17.50	0.3	\$19.00
16	Management Occupations	1.3	\$13.35	1.8	\$19.61	1.5	\$19.23
17	Military Specific Occupations			0.0	\$57.70	0.1	\$23.32
18	Office and Administrative Support Occupations	16.7	\$10.33	17.8	\$10.00	17.7	\$11.00
19	Personal Care and Service Occupations	10.4	\$9.50	13.0	\$10.00	11.7	\$10.00
20	Production Occupations	5.7	\$10.00	5.2	\$10.00	5.6	\$10.72
21	Protective Service Occupations	1.9	\$10.45	1.9	\$11.25	2.1	\$12.00
22	Randolph-Sheppard vending facility clerk*	0	NA	0	NA	0	NA
23	Randolph-Sheppard vending facility operator*	0	NA	0	NA	0	NA
24	Sales and Related Occupations	9.1	\$9.50	9.2	\$9.51	9.1	\$9.42
25	Transportation and Material Moving Occupations	11.1	\$12.00	10.7	\$11.15	10.9	\$12.00
26	Total competitive employment outcomes		\$10.70		\$10.56		\$11.20

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. New Jersey General 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	2,201	24.4	2,220	26.5	2,094	32.7
2	Disability too significant to benefit from VR services - ineligible	46	0.5	45	0.5	51	0.8
3	No longer interested in receiving services or further services	5,006	55.4	4,411	52.6	2,441	38.1
4	Death	28	0.3	24	0.3	31	0.5
5	Transferred to another agency	207	2.3	152	1.8	119	1.9
6	No disabling condition – ineligible	12	0.1	5	0.1	6	0.1
7	No impediment to employment - ineligible	14	0.2	20	0.2	10	0.2
8	Transportation not feasible or available	6	0.1	5	0.1	9	0.1
9	Does not require VR services - ineligible	32	0.4	120	1.4	89	1.4
10	All other reasons	1,391	15.4	1,184	14.1	1,469	22.9
11	Extended employment	11	0.1	84	1.0	37	0.6
12	Individual in institution other than a prison or jail	25	0.3	35	0.4	16	0.2
13	Individual is incarcerated in a prison or jail	42	0.5	63	0.8	27	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 9b. New Jersey General 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	713	23.6	765	27.4	735	33.7
2	Disability too significant to benefit from VR services - ineligible	18	0.6	8	0.3	23	1.1
3	No longer interested in receiving services or further services	1,639	54.3	1,501	53.8	847	38.8
4	Death	1	0.0	3	0.1	3	0.1
5	Transferred to another agency	106	3.5	65	2.3	47	2.2
6	No disabling condition - ineligible	2	0.1	1	0.0	1	0.0
7	No impediment to employment - ineligible	4	0.1	2	0.1	1	0.0
8	Transportation not feasible or available	1	0.0	1	0.0	3	0.1
9	Does not require VR services - ineligible	13	0.4	32	1.1	27	1.2
10	All other reasons	491	16.3	359	12.9	473	21.7
11	Extended employment	6	0.2	27	1.0	10	0.5
12	Individual in institution other than a prison or jail	8	0.3	7	0.3	4	0.2
13	Individual is incarcerated in a prison or jail	11	0.4	14	0.5	6	0.3

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.

Table 9c. New Jersey General 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	1,488	24.8	1,455	26.0	1,359	32.2
2	Disability too significant to benefit from VR services - ineligible	27	0.4	37	0.7	28	0.7
3	No longer interested in receiving services or further services	3,362	56.0	2,909	52.1	1,593	37.7
4	Death	27	0.4	21	0.4	28	0.7
5	Transferred to another agency	101	1.7	87	1.6	72	1.7
6	No disabling condition - ineligible	10	0.2	4	0.1	5	0.1
7	No impediment to employment - ineligible	10	0.2	18	0.3	9	0.2
8	Transportation not feasible or available	5	0.1	4	0.1	6	0.1
9	Does not require VR services - ineligible	19	0.3	88	1.6	62	1.5
10	All other reasons	895	14.9	821	14.7	995	23.6
11	Extended employment	5	0.1	57	1.0	27	0.6
12	Individual in institution other than a prison or jail	17	0.3	28	0.5	12	0.3
13	Individual is incarcerated in a prison or jail	31	0.5	49	0.9	21	0.5

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.

Fiscal Data Tables for Focus Area VI – updated 06/23/18

Table 6.1 New Jersey-General (NJ-G) VR Resources and Expenditures—FFYs 2015–2017*

VR Resources and Expenditures	2015	2016	2017*
Total program expenditures	\$59,444,977	\$60,938,416	\$44,049,171
Federal expenditures	\$46,783,197	\$47,941,770	\$31,111,993
State agency expenditures (4 th quarter)	\$13,427,725	\$12,975,346	\$12,937,178
State agency expenditures (latest/final)	\$12,661,780	\$12,996,646	\$12,937,178
Federal formula award amount	\$46,066,991	\$47,941,770	\$47,800,748
MOE penalty from prior year	\$0	\$0	\$0
Federal award amount relinquished during reallocation	\$0	\$0	\$0
Federal award amount received during reallocation	\$4,352,445	\$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)	\$50,419,436	\$47,941,770	\$47,800,748
Federal award funds deobligated	\$3,636,239	\$0	\$0
Federal award funds used	\$46,783,197	\$47,941,770	\$47,800,748
Percent of formula award amount used	101.55%	100.00%	100.00%
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 New Jersey-General - 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 reallotment	Amount of Federal award voluntarily relinquished through the reallotment process. Formula/Source: RSA-692
Federal award received during reallotment	Amount of funds received through the reallotment 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, reallotment and transfers). Formula/Source: Federal formula award calculation, RSA-692, agency documentation, SF-425: Federal formula calculation minus MOE penalty minus funds relinquished in reallotment

VR Resources and Expenditures	Source/Formula
	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 deobligation 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 New Jersey-General (NJ-G) 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	\$13,645,921	\$12,975,346	\$12,937,178
Match provided (actual)	\$12,661,780	\$12,975,346	\$12,937,178
Match difference**	\$984,141	\$0	\$0
Federal funds matched (actual)	\$46,783,197	\$47,941,770	\$47,800,747
Percent Federal funds matched	92.79%	100.00%	100.00%
Match from State appropriation			
Percent match from State appropriation	0.00%	0.00%	0.00%
Match from Third-Party Cooperative Arrangements (TPCA)			
Percent match from TPCAs	0.00%	0.00%	0.00%
Match from Randolph-Sheppard program			
Percent match from Randolph-Sheppard Program	0.00%	0.00%	0.00%
Match from interagency transfers			
Percent match from interagency transfers	0.00%	0.00%	0.00%
Match from other sources			
Percent match from other sources	0.00%	0.00%	0.00%
MOE required	\$12,324,175	\$12,202,967	\$12,661,780
MOE: Establishment/construction expenditures	\$0	\$0	\$0
MOE actual	\$12,661,780	\$12,975,346	\$12,937,178
MOE difference**	-\$337,605	-\$772,379	-\$275,398

* 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 New Jersey-General - 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

Non-Federal Share (Match) and Maintenance of Effort (MOE)	Source/Formula
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
Maintenance of Effort (MOE) required	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. Source/Formula: (For FFY two year prior) SF-425 4 th 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.
MOE: Establishment / construction expenditures	Non-Federal share of expenditures for construction of facilities for community rehabilitation program (CRP) purposes and the establishment of facilities for community rehabilitation purposes. Source/Formula: SF-425 latest/final report: line 12a

Non-Federal Share (Match) and Maintenance of Effort (MOE)	Source/Formula
MOE actual	Non-Federal share provided by agency minus establishment/construction expenditures for CRPs. 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.
MOE difference**	The difference between MOE required and the actual MOE provided. Source/Formula: MOE required minus MOE actual

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

Table 6.3 New Jersey-General (NJ-G) Program Income and Carryover—FFYs 2015–2017*

Program Income and Carryover	2015	2016	2017*
Program income received	\$2,022,544	\$1,994,274	\$466,386
Program income disbursed	\$2,022,544	\$1,994,274	\$464,038
Program income transferred	\$15,487	\$500,000	\$340,000
Program income used for VR program	\$2,007,057	\$1,494,274	\$124,038
Federal grant amount matched	\$46,783,197	\$47,941,770	\$47,800,747
Federal expenditures 9/30	\$24,865,988	\$17,585,690	\$31,111,993
Federal unliquidated obligations 9/30	\$5,323,607	\$8,877,057	\$9,023,856
Carryover amount	\$20,229,841	\$21,479,023	\$7,664,899
Carryover as percent of award	40.12%	44.80%	16.04%

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

Table 6.3 New Jersey-General - 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 New Jersey-General (NJ-G) RSA-2 Expenditures—FFYs 2015–2017*

RSA-2 Expenditures	2015	2016	2017
Total expenditures	\$51,966,191	\$47,207,221	\$0
Administrative costs	\$10,641,686	\$10,207,189	\$0
Administration as Percent expenditures	20.48%	21.62%	0.00%
Purchased services expenditures	\$20,967,179	\$15,808,260	\$0
Purchased services as a Percent expenditures	40.35%	33.49%	0.00%
Services to groups	\$0	\$0	\$0
Services to groups percentage	0.00%	0.00%	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 New Jersey-General - 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	Total number of cases reviewed	Percent with required documentation	Percent without required documentation
Date of Application	21	31	67.7%	32.3%
Date of Eligibility Determination	7	31	22.6%	77.4%
Date of IPE	21	31	67.7%	32.3%
Start Date of Employment in Primary Occupation at Exit or Closure	10	14	71.4%	28.6%
Hourly Wage at Exit or Closure	3	14	21.4%	78.6%
Employment Status at Exit or Closure	3	14	21.4%	78.6%
Type of Exit or Closure	29	31	93.5%	6.5%
Date of Exit or Closure	19	30	63.3%	36.7%

Summary	Number (of 31)	Percent (of 31)
Files with all required documentation	2	6.5%
Files with no required documentation	0	0%

APPENDIX C: SUPPORTED EMPLOYMENT PROGRAM PROFILE

Federal Fiscal Year 2017 DVRS 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	477		555		452	
Competitive employment outcomes	425	89.1	540	97.3	440	97.3
Median hourly earnings for competitive employment outcomes	\$9.00		\$9.00		\$9.00	
Average hours worked for competitive employment outcomes	24.96		23.10		22.87	

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
Miscellaneous training	93.4
Assessment	89.5
Vocational rehab counseling and guidance	73.6
Job placement assistance	23.6
On-the-job supports-SE	21.8

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
Office and Administrative Support Occupations	22.3	\$9.05
Sales and Related Occupations	20.5	\$9.00
Personal Care and Service Occupations	16.4	\$9.00
Food Preparation and Serving Related Occupations	13.0	\$9.00
Transportation and Material Moving Occupations	8.9	\$9.00

Data source: RSA-911

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