



CENTERS FOR INDEPENDENT LIVING

COMPLIANCE REVIEW REPORT

Independence, Inc., Center for Independent Living

GRANT # H132A950013 (Minot)

REVIEW DATES: April 2 – 4, 2012

Draft Report: May 1, 2012

CIL Response: June 1, 2012

Final Report: June 15, 2012

REHABILITATION SERVICES ADMINISTRATION

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I. PURPOSE OF THE ON-SITE MONITORING REVIEW

Sections 706(c) and 722 of the *Rehabilitation Act of 1973, as amended* (the act) mandate that the Rehabilitation Services Administration (RSA) conduct on-site reviews of centers for independent living (CILs) funded under Title VII, Part C, Section 722. The objectives of on-site reviews are to:

- assess compliance with the requirements of Section 725(b) and (c)(3) of the Rehabilitation Act and 34 CFR 366.60-366.63;
- study program operations, organizational structure and administration of the CIL under Section 725(c)(1), (2), (5) and (6) of the Rehabilitation Act and 34 CFR 366.2 and 366.50;
- review documentation sufficient to verify the accuracy of the information submitted in the most recent 704 Annual Performance Report;
- verify that the CIL is managed in accordance with federal requirements in the Education Department General Administrative Regulations (EDGAR);
- assess CIL conformance with its work plan, developed in accordance with Section 725(c)(4) of the Rehabilitation Act and 34 CFR 366.50(d)(2), conditions of the CIL's approved application, and consistency with the State Plan for Independent Living (SPIL);
- identify areas of suggested or necessary improvements in the CIL's programmatic and fiscal operation and provide technical assistance resources available on the local, state, regional and national level;
- identify areas of exemplary work, projects and coordination efforts and make this information available to the larger CIL community; and
- provide an opportunity to share information with experienced nonfederal individuals involved in the operations of CILs and make available technical assistance to enhance CIL operations or to minimize or to eliminate problem areas.

II. METHODOLOGY

The on-site review was conducted from April 2-4, 2012. The program review covered the independent living (IL) operations and activities of Independence, Inc. center for independent living (Independence, Inc.), and the financial review examined the center's participation in Title VII, Part C, of the Rehabilitation Act. RSA used the On-Site Review Guide (ORG) to conduct the on-site review. During the review, interviews were conducted with the center's management, staff, consumers, and members of the board of directors. In addition to the interviews, program and financial documents were reviewed in accordance with the protocol required by RSA's ORG, including written policies and procedures, a sample of consumer service records (CSRs), and other documents that verified compliance with standards and indicators. CSRs were selected for review on a random basis. The review team conducted an exit conference at the conclusion of the review to provide feedback on initial impressions from the review.

The RSA review team included the following individuals:

- Elizabeth Akinola, RSA program specialist;
- Daniel G. Kessler, nonfederal reviewer; and

- Helen A. Baumgartner, DSU representative (North Dakota Division of Vocational Rehabilitation)

III. MISSION AND DESCRIPTION

Independence, Inc. was founded in 1995. The center's mission is to advocate for the freedom of choice for individuals with disabilities to live independently through the removal of all barriers. Located in Minot, North Dakota, the center serves Bottineau, Burke, Divide, McHenry, McKenzie, Mountrail, Pierce, Renville, Rolette, Ward, and Williams counties.

In addition to providing the four IL core services, Independence, Inc. is involved in the programs and projects described below on behalf of individuals with significant disabilities:

- **Peer Mentoring:** This program recruits and trains people with disabilities who can foster independence in others, and matches them with individuals who may be experiencing similar situations.
- **Nursing Facility Transition:** This program assists individuals with disabilities who reside in institutional settings to regain their independence within the community of their choice. Individuals are able to acquire various levels of assistance based on their specific needs and wants.
- **Accessibility Compliance:** This program provides technical assistance to businesses, agencies, and individuals in their own homes. Architectural accessibility surveys, information and consultations are available for accessibility compliance.

IV. ORGANIZATIONAL STRENGTHS AND EMERGING PRACTICES

- **Youth Transition Program:** This is a 17-week program started in 2011 to enhance full integration of students with disabilities into society through independent living skills training and character development. The program is tailored to meet the integration needs of each student with disabilities in light of their school's programs, population, and culture. Independence, Inc. believes that maximizing the center's effectiveness as an agent of change begins with empowering the youth to help them break the negative cycles that often come with being an adult with disabilities. Early outcomes indicate that students who participate in the youth transition program are more likely to talk to their friends, family and teachers about their disabilities and the impact of their disabling conditions, and are also more likely to participate in their own individualized plan for employment because they feel more confident in themselves to plan for life after high school. Providing youth transition services in rural school districts, including some with large minority populations, has also enabled Independence, Inc. to address unmet IL needs of underserved populations within the CIL's service area.
- **Independent Living Fair:** Independence, Inc. holds an annual independent living fair to bring area service providers, vendors and consumers together to create awareness and networking opportunities. The day-long event includes several breakout sessions featuring presentations on CIL services and other related topics for community education. Feedback from CIL consumers and the community indicate that the independent living fair provides an

appropriate setting for finding resources, information and available services within the CIL's service area.

V. OBSERVATIONS AND RECOMMENDATIONS

During its review activities, RSA identified the observations below and made recommendations that Independence, Inc. may consider.

1. Policies and Procedures

Observation: Regarding OSCIL policies and procedures, RSA observed the following:

- Independence, Inc. has clearly defined travel policies for staff, but not for board members. Mileage reimbursement is provided to a board member who travels 125 miles each way from Crosby, ND to attend quarterly board meetings at the CIL's office in Minot, ND. However, there are no written policies or procedures to support making such a reimbursement. Having written board travel policies and procedures in place will provide a basis to support reimbursements for board travel costs since such costs are allowable under the IL Part C grant.
- When using IL Part C grant funds to purchase equipment, Independence, Inc. does not have written procedures to ensure that such use is allowable. However, the board approves the purchase of equipment if such items are included in the approved budget. Also, only one signature is required on all purchases made by Independence, Inc. It is important to have written procedures in place to ensure that the board, management and staff know whether it is allowable to use grant funds to purchase any equipment or other items even when such equipment and items are included in the approved budget. The CIL should have written policies in place to ensure that payments are made only if disbursements or checks are countersigned to tighten procedures for proper maintenance of checks and balances and for accountability.

Recommendation: RSA recommends that Independence, Inc. make the following changes related to its policies and procedures:

- develop a written policy and procedures regarding board member travel (The CIL may also use the federal travel policies and procedures outlined in OMB Circular A-122, Item 56, regarding travel costs for trustees and directors.);
- include in its written purchasing policies and procedures a requirement that when using Part C grant funds to purchase equipment, CIL board, management and staff should ensure that such use is allowable under applicable cost principles, even when such equipment and items are included in the approved budget (to enhance internal controls, the written policies and procedures should require that payments are made only if disbursements or checks are countersigned); and
- provide the corresponding CIL board, management and staff training to ensure that all policies and procedures are consistently followed.

Independence, Inc. Response: Independence Inc. has developed a draft policy for board travel/travel policy that will be presented at the June 2012 board meeting and implemented following passage at that time. This policy will include both a process for board members to be reimbursed for organizational travel, and lay out a procedure for board members to request additional training to allow them to better their knowledge of Independent Living services and their requirements as board members.

The bylaws of Independence Inc., reviewed and revised on March 15th 2012 reads as follows:

All payroll checks are prepared by the Finance Director and signed by the Executive Director. All checks over \$5,000.00 except payroll, rent of office space, medical insurance premiums and quarterly payroll taxes, must be signed by the Treasurer unless otherwise approved by the board in the annual budget or by vote at any giving meeting.

At the June 2012 Board meeting, we will move to amended to the following:

All payroll checks are prepared by the Finance Director and signed by the Executive Director. All checks over \$5,000.00 except payroll, rent of office space, medical insurance premiums and quarterly payroll taxes, must be signed by the Treasurer and/or Chairperson of the Board.

In addition to the above, Independence Inc. is currently in the process of updating all financial and administrative policies. Part of this update will include ongoing mandated board training on the fiscal management of a CIL, in particular on allowable and unallowable expenditures.

Finally, the Executive Director and the new Finance Director have both undergone training on Financial Management of Centers for Independent Living since the review was completed.

2. CIL Work Plan

Observation: Independence, Inc. has not established three-year program and financial planning objectives for the center as required at 34 CFR 366.50(d). The CIL does have a current annual work plan for achieving CIL goals and mission that includes specific objectives, service priorities, and types of services to be provided consistent with these requirements.

Recommendation: RSA recommends that Independence, Inc.:

- use data from its 704 Part II report and the goals/objectives and priority services outlined in the State Plan for Independent Living to establish a three-year program and financial plan that contains objectives for the center;
- include measureable goals and objectives, strategies/action steps, responsible parties and timelines for achieving each goal and objective, and the evaluation/method to measure goal performance;
- include plans for training governing board members, employees, volunteers, and consumers; and
- involve staff and consumers in the three-year program and financial plan development process and solicit their input.

Independence, Inc. Response: As part of our 2011-2012 work plan, Independence has been holding community discussions in each of the 11 counties we serve. The data gathered from these meetings, as well as input from our ongoing consumer satisfaction surveys, and input from our State Plan for Independent Living, as well as input from board members and staff, has been used to gather information for a draft three year program and financial plan that will be presented to the board of directors at the June 2012 board meeting. After the acceptance by the board of this plan, we will use it as a template for all services for the next three years.