



CENTERS FOR INDEPENDENT LIVING COMPLIANCE REVIEW REPORT

AIM Independent Living Center

Grant Award Number: H132A997005

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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* (Rehabilitation 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 of the AIM Independent Living Center (AIM) was conducted June 25-28, 2012. The program review covered AIM's independent living (IL) operations and activities 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. RSA 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:

- Felipe Lulli, RSA program specialist;
- Debbie Krider, nonfederal reviewer;

- Robert Gumson, designated state unit representative, Adult Career and Continuing Education Services-Vocational Rehabilitation (ACCES-VR), New York State Education Department; and
- Chad Underwood, representative, NY Statewide Independent Living Council.

III. MISSION AND DESCRIPTION

AIM Independent Living Center's (AIM) mission is "to support an individual's ability to make independent, self-directing choices through education, advocacy, information and referral." AIM was first awarded an RSA grant under Title VII, Chapter 1, Part C, of the Rehabilitation Act in 1999. The center is incorporated under the name of Corning Council for Assistance and Information for the Disabled, Inc.

AIM consists of two distinct centers. The RSA-funded IL Part C center is located in Elmira and serves Chemung County, New York. Aside from Part C funds, AIM receives funds from the state's Medicaid waiver programs and the state vocational rehabilitation agency, ACCES-VR. The other center is located in Corning, serves Steuben County and has outreach offices in Schuyler, Canandaigua and Allegany Counties. This center, funded primarily through the Medicaid and vocational rehabilitation funds, was not reviewed by RSA because it does not receive any IL Part C funds. In FY 2011 the centers received from federal, state, local and other sources a combined total of \$4.2 million, of which \$237,148 in Part C and local government funds were exclusively designated to the Part C-funded center in Chemung County.

Aside from the four IL core services, AIM conducts the IL programs and services for individuals with significant disabilities described below.

- **Technology Related Assistance for Individuals with Disabilities (TRAID):** This program promotes a consumer-responsive, comprehensive system of access to Assistive Technology (AT) by individuals with disabilities.
- **Consumer Directed Personal Assisting Services (CDPAS):** This service, authorized under New York State Law, allows Medicaid-eligible consumers to self-direct and manage their own personal care attendants.
- **Youth Transition Services:** AIM helps consumers to transition from adolescence to young adulthood, including post-secondary education and work opportunities, through its Transition Academy offering on-site training, resources and social integration for students, parents and educators, and through partnerships with local high schools and Boards of Cooperative Educational Services (BOCES) throughout the areas of Steuben, Chemung and Schuyler counties.
- **Vocational Rehabilitation Services:** This program promotes employment opportunities for individuals with significant disabilities through a variety of vocational rehabilitation and supported employment services funded by ACCES-VR and other sources.
- **Home and Community-Based Services (HCBS):** Through this Medicaid Waiver program, AIM promotes the independent living and community integration of individuals diagnosed with Traumatic Brain Injury and individuals who wish to transition from nursing home facilities into community-based living arrangements.
- **Social Security Benefits Advisement Program:** This program provides assistance and advocacy for Supplementary Security Income (SSI) and Social Security Disability Insurance

(SSDI) applications and appeals; SSI and SSDI overpayments and waivers; Pass Plans and Trial Work Periods programs for returning to work while retaining benefits; and other related trainings and workshops.

- **Deaf and Hard of Hearing Services:** AIM offers comprehensive services for individuals who are deaf and hard of hearing, focusing on education, advocacy, Americans with Disabilities Act rights, assistive technology, self-advocacy, information and referral.

IV. ORGANIZATIONAL STRENGTHS AND EMERGING PRACTICES

Generally, AIM is characterized by a knowledgeable staff, active governing board and motivated consumers who understand the IL philosophy and accept their corresponding roles and responsibilities. In addition, RSA identified additional strengths described below.

Culture of Compliance: RSA observed AIM's fiscal, administrative and personnel policies and procedures to be generally thorough and complete. The policies and procedures are reviewed annually, each September, by the executive staff and governing board. Moreover, AIM has developed a 29-page "Corporate Compliance Plan" and appointed a compliance officer to ensure that the center complies with applicable federal, state and local requirements. The plan includes compliance codes of conduct, roles and responsibilities, education and training, confidentiality, auditing and monitoring and whistleblower protections.

Strategic Planning: AIM conducts a comprehensive, consumer satisfaction and needs assessment survey every three years. The latest survey, offered in bi-lingual and accessible formats, was conducted in 2011 among 3,000 consumers and stakeholders, with a 13 percent response rate. AIM's current strategic plan, "2012-2015 Strategy Road Map," is based on significant stakeholder feedback; features strong resource development, community outreach, marketing and staff development components; and includes specific assignments, timelines and measurable outcomes. Also, the center has developed targeted outreach plans for reaching community organizations, business groups and individuals in Chemung County and Steuben County. Its focus on strategic and outreach planning has contributed to the development of AIM's diversified funding base and variety of IL programs over the years, as illustrated in the Part III, above.

V. FINDINGS AND CORRECTIVE ACTIONS

RSA identified the compliance findings below. Within 30 days of receipt of the final report, CIL must submit a corrective action plan (CAP) to RSA for review and approval. The CAP should include: (1) the specific corrective actions that the CIL will undertake in response to each finding; (2) the methodology that the CIL will utilize to evaluate if each corrective action has been effective; and (3) the timetable for the implementation and evaluation of the corrective action.

RSA reserves the right to pursue enforcement action related to these findings as it deems appropriate, including the recovery of funds, draw down restrictions, funds withholding, or grant terminations, pursuant to 34 CFR 74.60 and 34 CFR 74.62 of the Education Department General Administrative Regulations (EDGAR).

Finding 1: Consumer Service Records

Legal Requirement:

34 CFR 364.51(a)(1). Before or at the same time as an applicant for IL services may begin receiving IL services funded under this part, the service provider shall determine the applicant's eligibility and maintain documentation that the applicant has met the basic requirements specified in Sec. 364.40. (2) The documentation must be dated and signed by an appropriate staff member of the service provider.

34 CFR 364.52(b)(1) Development of an individual's IL plan must be initiated after documentation of eligibility under Sec. 364.51(a) and must indicate the goals or objectives established, the services to be provided, and the anticipated duration of the service program and each component service. (2) The IL plan must be developed jointly and signed by the appropriate staff member of the service provider and the individual with a significant disability or, if consistent with State law and the individual chooses, the individual's guardian, parent, or other legally authorized advocate or representative.

34 CFR 364.52(c)(1). The IL plan must be reviewed as often as necessary but at least on an annual basis to determine whether services should be continued, modified, or discontinued, or whether the individual should be referred to a program of VR services under 34 CFR part 361 or to any other program of assistance.

34 CFR 364.53. For each applicant for IL services (other than information and referral) and for each individual receiving IL services (other than information and referral), the service provider shall maintain a consumer service record that includes: (a) Documentation concerning eligibility or ineligibility for services; (b) The services requested by the consumer; (c) Either the IL plan developed with the consumer or a waiver signed by the consumer stating that an IL plan is unnecessary; (d) The services actually provided to the consumer; and (e) the IL goals or objectives (1) established with the consumer, whether or not in the consumer's IL plan, and (2) achieved by the consumer.

34 CFR 366.63(c)(1)(i). The center shall provide evidence in its most recent annual performance report that it – Maintains a consumer service record that meets the requirements of 34 CFR 364.53 for each consumer. (ii) Facilitates the development and achievement of IL goals selected by individuals with significant disabilities who request assistance from the center;

34 CFR 366.63(c)(2)(i). The center shall provide evidence in its most recent annual performance report that the center maintains records on the IL goals that consumers receiving services at the center believe they have achieved.

Finding: RSA reviewed 33 consumer service records (CSRs), including CSRs from consumers who were new in FY 2011, carried over from a prior fiscal year and whose CSRs were closed with all goals met.

Based on this review, RSA found that AIM was not in compliance with:

1. 34 CFR. 364.51(a)(1), 34 CFR 364.53(a)(b)(e)(2), 34 CFR 366.63(c)(1) and 34 CFR 366.63(c)(2)(i) because 30 CSRs lacked the required consumer eligibility documentation; 25 did not specify the requested services; and did not document the goals achieved by the consumer, including 10 of the 12 CSRs closed with all goals met.
2. 34 CFR 364.52(b)(1) and 34 CFR 364.52(c)(1) because none of the IL plans indicated the estimated duration of the services to be provided and were not reviewed at least annually to determine whether services should be continued, modified, or discontinued or whether the individual should be referred to a program of VR services under 34 CFR part 361 or to any other program of assistance.
3. 34 CFR 366.63(c)(1)((ii) because four CSRs lacked any documentation of the center's role in facilitating the development and achievement of consumers' IL goals and 14 other CSRs contained minimal documentation to that effect.

Corrective Action: AIM must take corrective action to ensure that its:

- 1.1 CSRs adequately and consistently document consumers' eligibility or ineligibility for IL services, the IL services requested, and the IL goals achieved;
- 1.2 ILPs include estimated duration of the services to be provided and demonstrate that they are reviewed at least annually to whether services should be continued, modified, or discontinued, or whether the individual should be referred to a another; and
- 1.3 CSRs include documentation of the center's role in facilitating the development and achievement of consumers' IL goals.

The corrective action must include the review and revision of consumer service procedures and forms and implementation of staff training, as appropriate. To implement the corrective actions, AIM should develop and implement written CSR management policies and procedures.

Technical Assistance: The RSA-funded Independent Living Research Utilization (ILRU) training and technical assistance program offers a CSR documentation tutorial which is available at no cost to CILs located at [the ILRU website](#). ILRU is in the process of developing an IL goal-setting tutorial as well.

AIM Response:

CORRECTIVE ACTION(S):

AIM's goal in taking the following corrective actions is to provide comprehensive and timely reporting of staff and consumer activities.

- Create CSR Management Policies and Procedures
- Revise intake procedures and intake documents
- Train staff on new policies and procedures

METHODOLOGY 1.1

AIM will develop and implement written CSR management policies and procedures in line with federal and state recommendations, to include items such as:

1. Include statement in intake documents to document eligibility/ineligibility for IL services. This document will be signed by the consumer and IL staff.
2. Revise intake documents to better identify consumer goals and specific AIM services that will be provided to assist consumer in reaching their identified goals

AIM managers responsible for developing and/or revising CSR management policies and procedures will utilize ILRU's documentation tutorial, as recommended in this Compliance Review Report, as well as reach out to other ILCs to share information and resources on documentation and record keeping.

METHODOLOGY 1.2

Revised intake documents will include, if applicable, an ILP with an anticipated duration of the service program and each component service and an estimated completion date for each goal in addition to the goal start date that is currently included in CSRs.

1. Written procedures will be established and staff will be thoroughly trained in the procedure to establish goals and timelines during intake
2. AIM will establish policy and procedure for management's periodic in-house records review to include hard-copy CSRs and data collection/reporting in AIM's NetCil database. ILPs will be reviewed at least annually.
3. Advocates will follow an established customer service protocol to follow up with consumers on a regular basis and document progress and assistance in NetCil.
4. Policies, procedures and training for recording/reporting advocate services and assistance in NetCil will require thorough and timely documentation of their services and consumer progress toward goals.

METHODOLOGY 1.3

Staff will be trained to provide clear, concise and accurate documentation to effectively express the impact that involvement with the ILC and IL staff had in assisting consumers in reaching their personal goals for greater independence.

Develop a statement to review with consumers at intake that fully defines the role of AIM and the AIM Advocates in facilitating the development and achievement of consumers' IL goals and ILP.

TIMETABLE – Finding 1

CSR Management Policies and Procedures will be developed and in place by May 1, 2013. Managers have already begun to revise current policies and procedures to incorporate the verbal feedback that was received during the RSA Review. Additionally, all AIM staff will be fully trained on the new procedures by this date.

Intake policies, procedures and documentation will be revised and in place by May 1, 2013.

Policies and procedures for in-house records review will be implemented by May 1, 2013.

AIM's CSR Management policies and procedures will be made available to RSA, in part or entirety, upon request.

Finding 2: Annual Performance Report

Legal Requirement:

34 CFR 366.50(h). To be eligible for assistance under this part, an eligible agency shall provide satisfactory assurances that (h) the applicant will conduct an annual self-evaluation, prepare an annual performance report, and maintain records adequate to measure performance with respect to the standards in subpart G.

34 CFR 75.731. A grantee shall keep records to show its compliance with program requirements.

Finding: AIM is not in compliance with 34 CFR 366.50(h) or 34 CFR 75.731 because the CSRs reviewed by RSA did not validate the accuracy of the center's 704 Report for the reasons included below.

- Three of the CSRs for the reporting period did not include any documented services for the period.
- Twelve CSRs reportedly closed with all goals met did not include any documentation of the goals achieved.
- Seven CSRs listed the same provided service multiple times (up to 13 times) in one day.

The foregoing indicates that AIM's 704 Report overstates the number of consumers served, services provided and goals achieved in its FY 2011 704 Report.

In addition, AIM's FY 2011 704 Report incorrectly includes the funding sources and amounts, consumer demographic information and IL services and outcomes data for Steuben County as well as Chemung County. The 704 Report should include only data from the Chemung County center because it, not Steuben County, is the RSA grantee.

Corrective Action: AIM must:

- 2.1 take corrective action to create and implement procedures to document the information from CSRs and other sources used to prepare its 704 Report so that RSA can validate the accuracy of the center's 704 Report data; and
- 2.2 correct and re-submit its FY 2011 704 Report, excluding the Steuben County center's funding sources and amounts, consumer demographic information and IL services and outcomes data.

Technical Assistance: In order to make the required revisions, AIM must email felipe.lulli@ed.gov and request that the release the FY 2011 704 Report for editing. Also, upon

request, RSA will provide AIM with the necessary guidance, particularly regarding the funding sources and amounts revisions.

AIM Response:

CORRECTIVE ACTION(S):

Based on verbal feedback and clarification from the RSA Review Team, immediate action was taken to begin more accurate tracking of requested information in AIM's NetCil database and more effective utilization of the NetCil data tracking system currently in place.

METHODOLOGY 2.1

As a result of the RSA Survey, a new procedure was implemented and staff was immediately trained on the accurate method of recording services provided to consumers, to ensure the accuracy of service delivery reporting and impact of the ILC on consumers reaching their goals.

All CSRs are reviewed by management upon intake and establishment in AIM's NetCil database. Managers will also perform quality assurance checks on reportable data once a quarter to ensure goals, services and IL actions are accurately reflected for RSA validation of future AIM 704 Report data.

METHODOLOGY 2.2

AIM has already requested the 2011 report be "unpublished" for revision and has contacted Felipe Lulli for clarification regarding corrections to be made. To the greatest extent possible, AIM will resubmit the 2011 704 Report with only information as it pertains to the Chemung County CIL. AIM operates two fully functioning centers and several satellite offices so it is not always possible to completely separate and identify where services and support crosses over between consumers, staff and geographic locations. This has been communicated during AIM's RSA survey and will also be noted in the revised 704 report.

TIMETABLE – Finding 2

2.1 These procedures are already in effect and staff has been trained; however, the procedures will be formally documented in AIM's CSR Management Policies and Procedure Manual that will be distributed and fully implemented by May 1, 2013. As a result of these new procedures, we expect a significant improvement in AIM's data collection and reporting for the 2012-2013 704 Report Year.

2.2 The revised 2011 704 Report will be resubmitted by March 15, 2013.

Finding 3: Outreach Training

Legal Requirement:

34 CFR 366.50(1). To be eligible for assistance under this part, an eligible agency shall provide satisfactory assurances that staff at centers will receive training on how to serve unserved and underserved populations, including minority groups and urban and rural populations.

Finding: AIM is not in compliance with 34 CFR 366.50(1) because its staff does not receive training on how to serve unserved and underserved populations, including minority groups and urban and rural populations. Outreach is addressed in AIM's Strategy Road Map and the Chemung and Steuben County outreach plans. Training is cited in the center's Corporate Compliance Plan and its policies and procedures. However, RSA found no references to unserved and underserved population-related training in any of the center's written materials. The lack of such training was further confirmed through RSA's conversations with AIM staff.

Corrective action: AIM must take corrective action to develop and implement training for serving unserved and underserved populations, including minority groups and urban and rural populations.

AIM response:

AIM Independent Living Center will incorporate this training into a series of annual trainings for Center Staff.

CORRECTIVE ACTION(S):

AIM Independent Living Center is contracting with the Advocacy Center, located in Rochester, NY, to design training for AIM Advocacy Staff.

METHODOLOGY

The unique training designed specifically for AIM is expected to coach Advocates in building solid foundations internally and offering effective self advocacy strategies for individuals with disabilities. Included in this on-site training will be tools to assist Advocacy Staff in serving the unserved and underserved populations, including minority groups and urban and rural populations.

TIMETABLE – Finding 3

It is expected that the design of the on-site training will be completed within 60 days of the final issuance of the Compliance Review Report from RSA. The outline and training content will be made available to RSA via email to felipe.lulli@ed.gov by May 2013 and AIM will conduct mandatory staff training in June 2013.

Finding 4: Cost Allocation Plan/Indirect Cost Rate

Legal Requirement:

EDGAR 34 CFR 75.560 (a) The differences between direct and indirect costs and the principles for determining the general indirect cost rate that a grantee may use for grants under most programs are specified in the cost principles for . . . (3) Other nonprofit organizations, at 34 CFR 74.27; (b) A grantee must have a current indirect cost rate agreement to charge indirect costs to a grant. To obtain an indirect cost rate, a grantee must submit an indirect cost proposal to its cognizant agency and negotiate an indirect cost rate agreement.

EDGAR 34 CFR 74.27(a). For each kind of recipient, there is a set of cost principles for determining allowable costs. Allowability of costs are determined in accordance with the cost principles applicable to the entity incurring the costs, as specified in the following chart: Office of Management and Budget (OMB) Circular A-122, "Cost Principles for Non-Profit Organizations," establishes the principles for determining costs of grants, contracts and other agreements with the federal government.

Finding: AIM is not in compliance with EDGAR 34 CFR 75.560(b), 34 CFR 74.27 and OMB Circular A-122 because it is allocating costs to its Part C grant without an approved cost allocation plan or indirect cost rate agreement.

According to our records, the U.S. Department of Education issued a cost allocation plan approval letter to AIM on July 8, 2005. During the review, however, AIM was neither aware of its approved cost allocation plan nor allocated costs in accordance with this plan. Rather, AIM indicated that it was not required to have a cost allocation plan or indirect cost rate because it was charging all Part C expenditures as direct costs and that no indirect costs were being charged to the Part C program. However, this practice is not in compliance with the Commissioner's Memorandum (CM-04) issued by RSA in May 2004, which stipulates that "a CIL may not charge all of its costs as direct costs to the Title VII, Part C grant award unless that grant award is the center's only source of funding." Furthermore, it is likely that circumstances have changed since 2005, when AIM's current cost allocation plan was approved by the Department. In addition, the AIM corporation received approximately \$4 million in non-Part C funds, three-quarters of which was granted without requiring any specific allocation among its Part C-funded center in Chemung County and its other center in Steuben County. (Refer to the On-Site Review Instrument, section XIII, below.)

Corrective Action: AIM must take steps to allocate costs in accordance with a U.S. Department of Education-approved cost allocation plan or indirect cost rate. Specifically, it must submit a revised cost allocation plan or indirect cost rate proposal to the Department's Indirect Cost Group, at mary.gougisha@ed.gov, within three months of the final report's issuance. The cost allocation plan or indirect cost rate must take into account funding sources, allocations and uses between its Part C-funded center in Chemung County or its other center in Steuben County.

Technical Assistance: RSA will provide a model cost allocation plan upon request.

AIM response:

CORRECTIVE ACTION(S):

Upon receipt of the Final Compliance Review Report issued by RSA, AIM Independent Living Center will begin the process of applying for an approved Indirect Cost Rate Agreement from the US Department of Education

METHODOLOGY

AIM will request a copy of an indirect cost rate or a model cost allocation plan and will review EDGAR 34 CFR 75.560(b), 34 CFR 74.27 and OMB Circular A-122 to ensure AIM is compliant in our proposal. The Executive Director, along with AIM's Finance Coordinator will contact the Department's Indirect Cost Group via email to mary.gougisha@ed.gov for Indirect Cost Rate and/or Cost Allocation Plan procedures and/or any required forms.

TIMETABLE – Finding 4

AIM will submit an approvable revised cost allocation plan or indirect cost rate or proposal to Department's Indirect Cost Group within 60 days of RSA's approval of this corrective action plan. AIM will furnish copies of the approved cost allocation plan or Indirect Cost Rate Agreement to RSA, upon final approval by the Indirect Cost Group via email to felipe.lulli@ed.gov.