

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department on Disability Services



Responses to Fiscal Year 2016 Proposed Budget Oversight Questions

Department on Disability Services
Fiscal Year 2016 Proposed Budget Oversight Public Hearing

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Submission to

Committee on Health and Human Services
Chairwoman Yvette M. Alexander
Councilmember, Ward 7

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Committee on Health and Human Services
John A. Wilson Building
1350 Pennsylvania Ave., NW, Suite 115
Washington, DC 20004



Department on Disability Services
FY 2016 Proposed Budget Oversight Questions and Answers

- 1. Please provide a list of all proposed FY 2016 funding enhancements and reductions over \$100,000. For each enhancement and reduction, please provide (a) description/scope of work for each program being enhanced or reduced, (b) rationale for each enhancement or reduction, and (c) for each reduction, indicate where funding will be reallocated, if known.**

Enhancement

For RSA a \$1.75 million enhancement in local funds for direct services for youth and adults with disabilities.

In July, 2014, Congress passed, and the President signed into law, the Workforce Innovation and Opportunity Act (WIOA). This Act requires the Rehabilitation Services Administration (RSA), among other changes, to reserve and expend 15% of its vocational rehabilitation grant on Pre-Employment Transition Services for students with disabilities. This amounts to approximately \$2 million per year. RSA will meet a portion of this requirement through personnel costs of counselors providing direct services to students in transition (approximately \$350,000). However, this will also require the agency to provide additional paid services to this population. The agency currently pays approximately \$200,000 from its Vocational Rehabilitation (VR) grant in services for this population. Therefore, the agency will need to spend an additional \$1.5 million on services for high school students with disabilities. The services provided will include: career exploration, paid work experiences, self-advocacy training and work readiness training. In addition, these funds can be used for developing and improving strategies for individuals with intellectual disabilities and individuals with significant disabilities to live independently, participate in postsecondary education experiences, and obtain and retain competitive, integrated employment; provide instruction to vocational rehabilitation counselors and school transition personnel on supporting students with disabilities, coordinating activities with transition services provided by local education agencies, developing model transition demonstration projects and establishing partnerships involving the VR agency, local education agencies, the developmental disability agency and private businesses.

In FY 2014, in order to serve all eligible individuals, RSA required 100% of its federal grant funds, in addition to the local program funds. Fortunately, in FY 2014, the agency applied for and received re-allotment funds from the Department of Education (DOE). These are funds that have been returned to DOE from states that are unable to meet their full state



match and therefore must return a portion of their grant. The program is an 80/20 federal/state funded program. However, these are not funds that we can plan on receiving each year. The availability depends on the economic conditions in other states and the availability of re-allotment funds.

The requirement to provide the additional services to students with disabilities creates budget pressure on our general VR funds. Our grant did not increase to meet this new requirement. In the past two fiscal years, RSA has increased its outreach efforts, which has resulted in an average 20% increase in new applications since FY 2012, along with an average increase of 7% in direct service cost, going from \$7.8 million in FY 2012 to \$8.8 million in FY 2014. With the requirement to provide additional services, plus the increase in the number of people served and increased average cost of direct services, the program requires additional funding in order to avoid having to institute an immediate waiting list for services in FY 2015 as a result of this new requirement.

Reduction

DDS' proposed budget in Local funds identifies savings in various operational areas in the Agency Management division, which accounts for decreases of \$32,652 in employee training, \$142,431 in salary lapse savings, and \$200,000 in rent. DDS is receiving technical assistance and training through its selection for participation in Federal Learning and Mentoring Initiatives, making the reduction in employee training possible. DDS anticipates a salary lapse for a position not utilized in the Agency Management division, and anticipates a lower rental obligation as a result of moving to a new location in FY 2016. Re-allocation has been directed to RSA direct services as an enhancement as described above.

2. **Does the FY 2016 proposed budget include funding for private providers to ensure that Direct Support Professional staff are paid the Living Wage?**
 - a. **What is the total FY 2016 funding allocation for the Living Wage?**
 - b. **Is DDS' current practice of providing funding to private providers for the Living Wage increases sustainable?**
 - c. **If no, are you exploring alternatives to this practice?**

Yes

- a. Approximately \$9 million.
 - b. For each year that DOES determines that an increase to the Living Wage is required, DDS will determine the amount of local funds needed to cover the higher rate. If we are unable to cover the increase from existing funds in our budget, we will request the required funds through the budget development process.
3. **There appears to be \$4 million decrease in federal grants within the Rehabilitation Services Administration. Please verify.**
 - a. **If yes, will there be a service impact as a result of this funding reduction?**



b. Please indicate the specific programs that will be impacted and the level of the funding reduction?

When comparing the FY 2016 Proposed Budget with the FY 2015 Approved Budget, the change is insignificant. However, the FY 2015 Approved Budget has subsequently been adjusted (Revised Budget) to reflect the available carryover from prior year grant funding. When formulating the initial budget, estimates of potential available unspent and unobligated grant funding from the prior year may be included. The actual amounts of available unspent and unobligated carryover funds are not available until budget execution. The change in the FY 2015 Approved Budget and the FY 2015 Revised Budget occurred during budget execution.

During FY 2014 the Department of Education issued a notice to all States, indicating that reallocations of funding will be available because all States had not met their Maintenance of Efforts (MOE) / Match Requirements. The District applied for and received approximately \$4 million of additional federal funding at the end of FY 2014, which is available to RSA in FY 2015, as it was not all expended in FY 2014 due to the timing of the award by the federal government. This reallocation contributes to a majority of the increase in the FY 2015 federal funding.

Until we complete budget execution in FY 2015, RSA will not have firm numbers for available unspent and unobligated carryover for FY 2016. If RSA experiences continued growth in persons seeking services and in the average cost to deliver those services that would be projected to exceed approved budget amounts, RSA will implement a waiting list for services using the Order of Selection. The Order of Selection ensures that those with the most significant disabilities presenting barriers to employment would receive services first.

4. Please explain the \$1.9 million reduction to the Randolph Sheppard Vending Facilities Program.

The \$1.9 million reduction in Randolph Sheppard Special Purpose Funding was based on historical revenue collections. This reduction does not reduce the proposed FY 2016 budget below historical spending for the program. Please see the chart below:

	FY 2013 Actual	FY 2014 Actual	FY 2015 YTD (as of 3/15/2015)	FY 2016 Proposed
Special Purpose (Budget)	3,500,000	3,500,000	3,500,000	1,600,000
Revenue Collections				



	2,100,000	1,400,000	600,000	
Expenditures	2,000,000	1,900,000	800,000	
Local Funding (Budget)	600,000	600,000	600,000	600,000
Expenditures	400,000		300,000	
Total Budget	4,100,000	\$4,100,000	\$4,100,000	\$2,200,000
Total Expenditures	\$2,400,000	\$1,900,000	\$2,200,000*	\$ -

* Estimate
based on YTD

5. Does the FY 2016 proposed budget for DDS include funding for the Metropolitan Washington Ear?

Yes, the FY 2016 budget for DDS includes an intra-district transfer of \$51K from the Office of Disability Rights to fund those services associated with the Metropolitan Washington Ear.

6. The FY 2016 proposed budget includes an almost entire reduction of the funding allocation for court oversight associated with *Evans v. Bowser*. Does the agency anticipate exiting *Evans* litigation in FY 2016? What are the remaining outcome measures that need to be met?

The reduction in funding allocation for court supervision and oversight costs is premised on DDS's anticipated exit from the *Evans* litigation in FY 2016. The funding allocation for court supervision and oversight in *Evans* has been reduced from \$328,000 in FY 2015 to \$25,000 in the Mayor's proposed FY 2016 budget. For FY 2016, DDS anticipates that the available funding in the federal court's registry for Special Master Clarence Sundram and the available cash on hand based on previous payments to Court Monitor Elizabeth Jones will be sufficient to meet their respective fees, costs, and expenses for work performed on behalf of the Court beginning October 1, 2015. The proposed amount of \$25,000 in the Mayor's proposed FY 2016 budget is intended to fund the potential for up to three additional months of work by Independent Compliance Administrator Kathy Sawyer (ICA).

In calendar year 2014, DDS worked with the ICA and the Office of the Attorney General in submitting seven certifications of compliance with the Special Master. Those seven certifications have resulted in 26 additional outcome criteria from the 2010 Exit Plan being determined compliant by the Court in the remaining six goal areas of Protection from Harm; Individualized Habilitation Plans/Individual Service Plans; Provision of Residential, Vocational and Day Services; Restricted Controls Procedures; Case Management; and



Quality Assurance Programs. To date, U.S. District Court Judge Ellen Huvelle has determined the District to be in compliance with 64 of the 70 outcome criteria in the 2010 Exit Plan.

The six remaining outcome criteria involve achieving a 90% compliance threshold for providing class members with (a) appropriate community-based individualized habilitation, medical and health services (5 outcome criteria (iii, viii, ix, x and xii) in Goal A.1.), and (b) vocational and day services in the least restrictive, most integrated setting (one outcome criterion (i) in Goal A.2.).

7. What is status of plan to relocate the DDS offices?

DDS is working the Department of General Services in planning the relocation of the DDS office from 1125 15th St, NW to a more suitable location. The current DDS location is not user-friendly for DDS clients and individuals that we support, and the current building has had extensive issues that have impacted DDS business operations. The current lease on the 1125 15th St. building will expire in early 2016; April 2016 is the targeted move date. DDS is working with the DGS on all aspects of the relocation including consideration of security issues, work flow and performance management as well as easy access for individuals with disabilities and DDS staff.

a. Is there funding in FY 2016 to support the move?

Yes, the costs for the move will be absorbed in the existing DDS rental and occupancy expenses.

b. Have alternative locations been identified?

Yes, five alternate locations have been identified. At the present time several of those locations are being test-fitted by DGS contractors to determine if they would adequately accommodate all of the DDS business operations.

8. The proposed budget includes \$1.5 million in the Rehabilitation Services division to support implementation of the Workforce Innovation and Opportunity Act, which will expand the range of vocational rehabilitation services DDS provides to students with disabilities.

a. Please provide a complete list of all the services that will be supported with this funding and each service's FY 2016 allocation.

- i. Coordination of services with public charter schools: \$125,000
- ii. Instruction in self-advocacy and independent living skills: \$250,000



- iii. On the job supports for students participating in paid work experiences: \$350,000 (salary support and staff)
- iv. Project SEARCH: \$325,000
 - 1. Smithsonian
 - 2. Two Embassy Suite sites
- v. Job readiness training (contracts with providers): \$250,000
- vi. Providing instruction to vocational rehabilitation counselors, school transition personnel, and other persons supporting students with disabilities: \$50,000
- vii. Developing model transition demonstration projects: \$150,000

b. Will this funding allocation be sufficient for students with disabilities in DCPS and Charter schools?

Yes.

