

CAREER EDUCATION-AR REHABILITATION SERVICES

Enabling Laws

Act 277 of 2012
A.C.A. §§ 6-52-101-- 6-52-105
A.C.A. § 20-79-101 et seq.

History and Organization

Mission

The mission of ARS is to provide opportunities for Arkansans with disabilities to work and to lead productive and independent lives.

This mission statement provides the foundation for the many programs and comprehensive services provided by ARS to individuals with disabilities to assist them in preparing for and entering the state's workforce, thus enabling them to become employed tax-paying citizens participating in communities throughout the state. There are approximately 400,000 people with disabilities residing in Arkansas, meaning that Arkansas has one of the highest percentages of working-age adults with disabilities in the nation. The unemployment rate among Arkansans with disabilities is approximately 60 percent, a figure consistent with the national average. The role of ARS is stipulated to increase the number of persons with disabilities returning to the workplace where they become productive and independent taxpayers instead of tax revenue dependent.

History

Vocational Rehabilitation was initiated in the United States with the passage of the Smith-Fess Act in 1920, which permitted the states to participate by providing federal aid. The act provided funding for medical and surgical treatment and vocational training. Arkansas accepted its first funds for this purpose as the result of state legislation in 1923, with the State Board of Education administering the program. ARS has a record of more than 85 years of exemplary performance as the primary state agency providing education, training, and employment to Arkansans with disabilities. The size of the agency and scope of services have continued to grow and improve over the years; however, ARS has continued to operate as a strong state and federal partnership that enjoys bipartisan support because of its record as a strong, cost-effective program that produces documented results.

In 1971, Arkansas legislation transferred administration of the state VR program to the Department of Social and Rehabilitative Services (now the Department of Human Services). During the time it was administered by the Department of Social and Rehabilitative Services, the program was known as the Division of Rehabilitation Services. Act 574 of 1993 changed the name of the division to Arkansas Rehabilitation Services and transferred it back to the Department of Education, where it was placed under the oversight of the State Board of Vocational Education as a division of the Vocational and Technical Education Division (now the Department of Career Education). ARS was actively involved in the development of legislation resulting in Act 803 of 1997, which created ARS as a division of the Department of Workforce Education.

Since its inception, the public VR program has continually expanded both in terms of additional federal resources and in the numbers and types of disabilities served. In 1943, the agency's scope of services was expanded to include individuals with mental retardation and mental illness, as well as those with physical disabilities. In 1954, the program was again expanded, this time by the inclusion of private non-profit community-based rehabilitation programs, as well as disability-related research and training centers. In 1961, ARS established the Hot Springs Rehabilitation Center (Now the Arkansas Career Training Institute or ACTI) that continues to operate today as one of eight state-operated comprehensive medical rehabilitation and vocational training centers in the nation.

More recent changes in federal legislation have increased emphasis on serving special education students as they transition to the world of work. ARS is actively involved in Welfare-to-Work and School-to-Work initiatives in order to ensure that Arkansans with disabilities participating in these programs are provided opportunities to prepare for and achieve gainful employment. A recently initiated disability management program focuses on assisting employers in developing return-to-work programs for employees (RAVE) experiencing injuries or illnesses, thus reducing workers' compensation costs. ARS also has been required to develop rehabilitation engineering and advanced technology capabilities in order to enhance training and employment opportunities for individuals who are severely disabled.

Federal law now requires that people with the most severe disabilities be served first, based upon an order-of-selection, when adequate funds are not available to serve everyone who may be eligible for services. In Arkansas, the demand for services exceeds the funding capacity, meaning that services are limited to those classified as significantly disabled. Although this group of clients requires more comprehensive services over a longer period of time and at a greater cost, ARS continues to place more people with disabilities in employment each year.

In 1990, Congress passed the Americans with Disabilities Act (ADA), the world's first civil rights legislation for people with disabilities. ARS continues to provide guidance and technical assistance to state agencies and to the private sector regarding compliance with the ADA.

The Workforce Investment Act of 1998 included the reauthorization of the Rehabilitation Act of 1973 and requires that the states establish a new service delivery system. This new system includes a "one-stop shop" approach involving all agencies that serve people who are unemployed, including those with disabilities. As one of the required partners in Arkansas's one-stop system, called the Career Development Network (CDN), ARS participates in each of 10 local regions with office space, resources, and personnel. ARS's involvement in the CDN system provides Arkansans with disabilities increased opportunities to achieve gainful employment or independent living.

ARS currently serves approximately 18,800 people with disabilities each year, with 2361 placed in competitive employment at an average cost of \$4,117. Of these individuals 84.4% were significantly disabled. The placement of these individuals in gainful employment represents a significant investment in the state's economy. 639 of these individuals had employer health care coverage after employment. In fiscal year 2009, Arkansans with disabilities who were placed in competitive employment were earning an average of \$298.00 per week prior to ARS' involvement; however, as a result of ARS' vocational rehabilitation services, their earnings increased to an average of \$386.00 per week.

The Federal Office of Management and Budget estimates that for every \$1 spent on VR services, \$7 is returned to the economy. This return on investment is realized in the economic benefit to the individual, the taxes paid, and the elimination or reduction of Social Security, welfare, and other public subsidy payments. One of the most important benefits cannot be measured. The creation or return to meaningful personal participation in society along with the personal dignity and independence achieved by those who have been served is immeasurable.

Over the years, ARS has focused on innovative programs modifications that not only comply with new federal and state initiatives but also enhance the quality of services and improve the employment outcomes of individuals with disabilities. As a result, ARS has received strong support from the executive and legislative branches, as well as from customers we serve. However, despite the successes ARS has had in assisting individuals with disabilities, ARS has received only basic cost-of-living increases in state and federal funds over the past several years. These cost-of-living increases have not kept pace with cost of providing employment-related services. As a result, the demand for services now significantly exceeds the resources available, a trend that will continue if funding increases are limited to cost-of-living adjustments.

Structure

Arkansas Rehabilitation Services is designed to assure a comprehensive, statewide system of service delivery that addresses the diverse needs of Arkansans living with disabilities. (See the accompanying organizational chart). The major service delivery components are: (1) the Field Services Program, which operates offices in 19 locations serving persons with severe disabilities in all seventy-five (75) counties, except those who are blind (DHHS); (2) the Arkansas Career Training Institute, which is a comprehensive vocational rehabilitation center providing education, medical and vocational training for clients throughout the State and region; (3) Special Programs and Support Services consisting of a comprehensive vocational/psychological evaluation network, the Successful Employment through Assistive Technology (SEAT) program, the Learning and Evaluation Center (LEC) providing mental health and special services for persons with learning disabilities; (4) the Office for the Deaf and Hearing Impaired which serves persons who are deaf or hearing impaired, as well as those who are deaf-blind, with vocational rehabilitation and independent living services; and (5) the Arkansas Kidney Disease Commission, which provides services to patients with end-stage renal disease. There are also several special projects or separately funded programs such as the Telecommunications Access Program (TAP), Supported Housing project, and an Alternative Financing program to assist with low interest loans for purchasing assistive technology. Supporting these service delivery operations are Financial Management, Human Resources Management, Information Systems and Services, and Program Planning, Development and Evaluation sections.

Arkansas Rehabilitation Services is primarily funded through the Department of Education Rehabilitation Services Administration (RSA). For the Vocational Rehabilitation Program RSA federal funding is 78.7% with a minimum state match of 21.3%.

General Field Program

The Field Program has 90 counselors serving individuals with disabilities in all 75 counties. All applicants are assigned a rehabilitation counselor. The counselor is responsible for interviewing and assessing disability and functional limitations, exploring the background, abilities, interests, and existing and potential barriers to employment. The determination of eligibility normally occurs within 60 days. Working in partnership, the individual and the counselor develop an Individualized Plan for Employment (IPE). This includes the kind of work the client has chosen as a goal, the specific services needed, a realistic time frame for goal accomplishment, and the assignment of responsibilities. Eligible persons may receive one or more of the following services:

Diagnosis: Every person applying for traditional rehabilitation services undergoes a general assessment, which may include special examination in cases such as heart, eye, ear, bone or psychiatric disabilities. This will assist the counselor with eligibility determination.

Counseling and Guidance: Trained personnel make a thorough study of each applicant's abilities, needs, and challenges. Intelligence along with vocational interest tests are administered to identify strengths and limitations of the individual in order to assist in determining options for pursuing competitive employment. Jointly the person with a disability and his/her counselor develop an individualized plan for employment (IPE) which establishes an employment goal and the necessary action steps, time frames and estimated costs to achieve the employment goal. Ongoing vocational counseling is a critical element in the success of the customers with whom we work.

Physical Restoration: The aim of physical restoration services is to remove, or substantially reduce, the individual's disability as an impediment to employment. Services may include medical and surgical treatment, hospitalization, personal care assistance services, physical and occupational therapy, and restorative appliances such as: artificial limbs, braces, glasses, wheelchairs, vehicle adaptations, assistive technology such as voice activated computers and speech synthesizers.

Other Services: Financial assistance that enables the client to purchase tools for self employment, licensure and business enterprise supplies may also be available. Employment, housing and transportation information and assistance is available. Additionally, wheelchair repairs, peer counseling, and other related services are also available.

Job Placement: ARS cooperates with training agencies, employment agencies, and employers in an effort to secure suitable employment for eligible individuals with disabilities. ARS has placement specialists in all general field offices across the State. Job placement counselors assist our clients with job applications, interviews, and eventual employment in the workplace.

Education and Training: Financial assistance may be applied to a recognized public or private trade or business school, college, or university. Training in various skills also is available at the ACTI, including auto mechanics, body and fender repair, business education, cosmetology, custodial, laundry, printing, sales clerk, sewing, small engine repair, auto parts technician, welding, data processing, food service and others.

Rehabilitation Engineering: Any person, employer, agency, or organization needing help in planning and designing ADA compliant access to the home or work place may secure such assistance from the ARS. The same provision applies to modifications of tools and equipment to make them more adaptive by persons with disabilities.

Supported Employment (Title VI): With the collaboration of the Division of Developmental Disabilities and the Division of Behavioral Mental Health of the Department of Human Services, along with the support of community organizations, ARS provides supported services to the most severely disabled individuals, those who cannot function in the work place without ongoing assistance. Job coaches are assigned to the clients to help them adapt more readily to employment. These services provide meaningful employment to people who have historically been excluded from the workforce and placed in institutions or in segregated programs. During Federal Fiscal Year 2007, 131 individuals received vocational & occupational skills assistance from the Supported Employment program.

Independent Living Services (IL): IL services may be provided to any severely disabled person found eligible and may include counseling (psychological, psychotherapeutic, and guidance), physical restoration services, e.g. (braces, housing modifications, wheelchair, prosthesis, etc., and transportation). This program also provides support to independent living centers such as Mainstream Living, SPA Area Independent Living, Delta Resource Center for Independence, and Sources for Community Living. During Federal Fiscal Year 2007, 61 individuals received assistance from the Independent Living program.

If the individual is in need of comprehensive rehabilitation facility services, the counselor may refer the client to the ACTI.

Arkansas Career Training Institute

ACTI is a comprehensive rehabilitation program. It offers both residential and non-resident medical and vocational services to approximately 900 Arkansas citizens with disabilities each year, serving a population average of 300 at any one time. The service delivery program is divided into two major components, the Hot Springs Rehabilitation Center Hospital and the Arkansas Career Training Institute. It also has an Administrative Services department that provides the necessary support services to maintain a 24-hour a day facility. The Administrator of the ACTI has responsibility for the management of the facility and reports to the Arkansas Rehabilitation Services Commissioner. The Center employs 270 persons.

Hot Springs Rehabilitation Center Hospital

The HSRC Hospital provides full-time nursing services, physical therapy, occupational therapy, speech/language pathology services, social services, psychological services and a pharmacy. The Hospital is licensed by the Department of Health. The Hospital has a capacity of 24 inpatients.

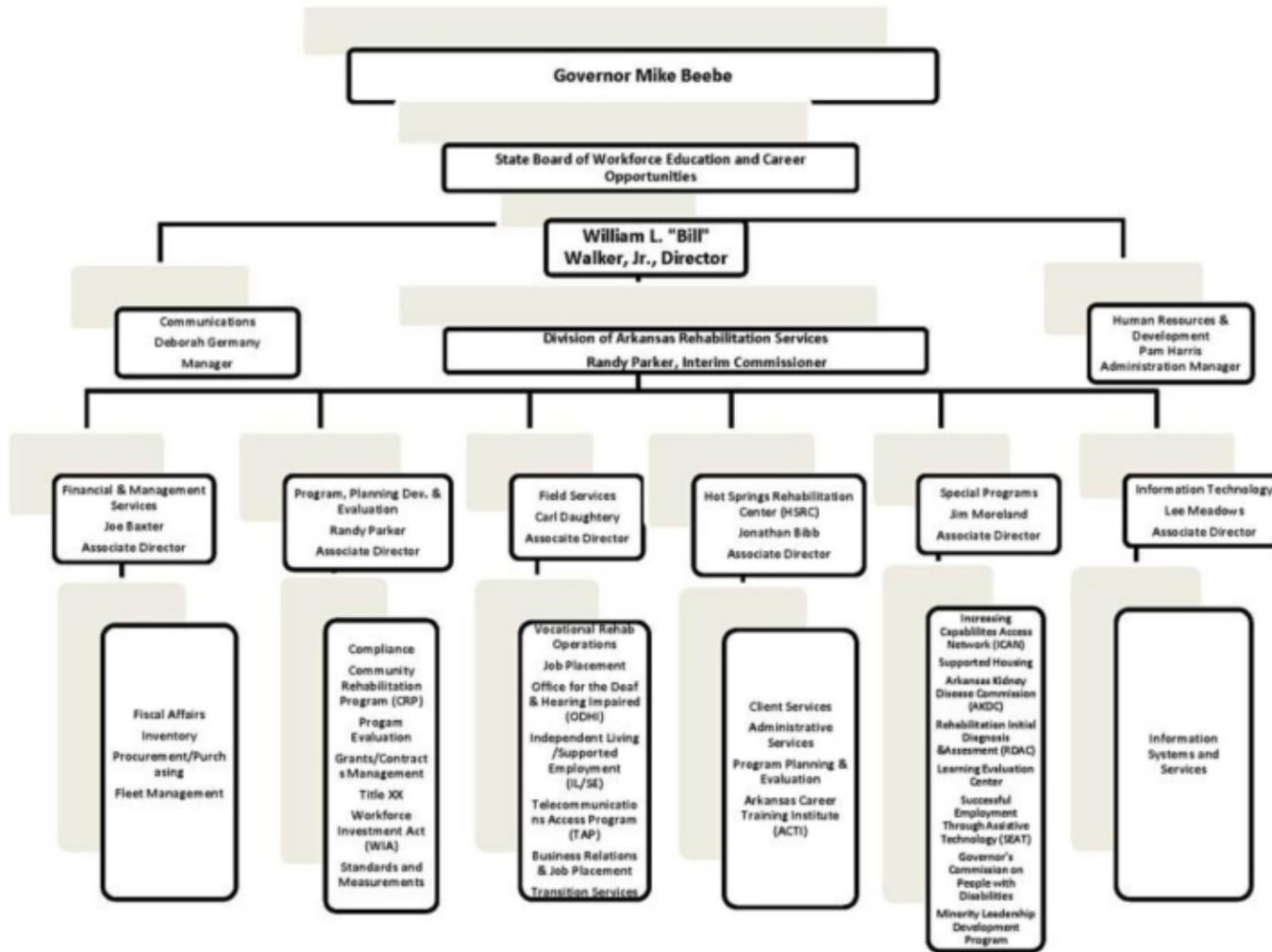
In addition, the Hospital provides specialty clinics to clients of Arkansas Rehabilitation Services, including Orthopedic, Amputee, Spinal Cord Injury, Urology, Dental, and Psychiatry. The Hospital also provides a clinic to treat and manage medical conditions of students enrolled in vocational training programs.

Arkansas Career Training Institute

The Arkansas Career Training Institute (ACTI) provides a wide variety of services to prepare clients of ARS to become employed. Services include counseling, case management, vocational evaluation, vocational training, employment readiness, recreation, student living, behavioral enhancement, and job placement.

Vocational Training is provided in 12 different programs, with many programs offering multiple courses of study which can be tailored to meet the learning style and rehabilitation needs of the client/student.

After hours Recreation Services are provided to help the student adjust to the Center's living environment through wholesome activities to pass the time when the student is not actively engaged in other rehabilitation activities. The Recreation program utilizes 6 staff to plan and supervise the recreational activities, which can range from sedentary activities such as Bingo to vigorous exercise programs. A weight-management program is also supervised in coordination with dietary services in this section.



Agency Commentary

Vocational Rehabilitation Services

The Rehabilitation Act of 1973 requires state rehabilitation agencies to provide a coordinated set of activities designed to help persons with physical or mental impairments prepare for and achieve gainful employment. These activities are designed to meet RSA standards and indicators of achievement and are outcome-oriented in collaboration with other agencies such as the Arkansas Departments of Education and Higher Education, local workforce centers, and local school districts. These activities can consist of postsecondary education, vocational training, integrated employment, continuing employment, continuing and adult education, adult services, and independent living.

Arkansas Rehabilitation Services (ARS) receives a federal grant from the Rehabilitation Services Administration to operate a comprehensive, coordinated, effective, efficient and accountable program designed to assess, plan, develop, and provide vocational rehabilitation services for individuals with disabilities, consistent with their priorities, abilities, through informed choice, in order to engage in gainful employment.

General Field Program

There are currently 90 VR counselors in the general field program servicing 18,000 - 20,000 clients annually in all 75 counties. The Field Program is divided into 8 districts with a manager assigned to each district. There are 19 offices located throughout the state. The Chief of Field Services oversees the program with the guidance and approval of the Commissioner. The Vocational Rehabilitation Program is eligibility based and all applicants are assigned a rehabilitation counselor after the referral process. The counselor is responsible for interviewing and assessing disabilities as they relate to functional limitations. The determination of eligibility is required by federal law within 60 days. Working in partnership, the individual and the counselor develop an Individualized Plan for Employment (IPE). This includes the kind of work the client has chosen as a goal, the specific services needed, and a realistic time frame for goal accomplishment. Once the client has completed all assigned tasks, goals and objectives, the client is placed with an employment provider and after 90 days of employment the case will be closed as rehabilitated. This is considered a successful closure.

Partnerships

First, Arkansas Rehabilitation Services is involved in developing new partnerships with other agencies to increase our service to people with disabilities. The Agency is very pleased to collaborate on a new pilot project with Public Employee Claims Division called RAVE. ARS is coordinating efforts to assist early return to work for individuals on medical or disability leave whose job performance has been affected by

physical or mental conditions or who have sustained on the job injuries. ARS may provide assessment, counseling or specific accommodation. The benefits to employers are retaining productive workers, providing access to technical expertise and customized accommodation cost, and reducing recruiting cost. Additionally, ARS is partnering with Jefferson Comprehensive Care System Inc., a non-profit community health care provider with clinics located in rural Arkansas. The mission is to provide primary health care and related health education and social services to designated service areas to improve the health of those living in medically underserved areas. The outreach counties are: Arkansas, Ashley, Chicot, Desha, Drew, Jefferson, Lincoln, Prairie, Lonoke and Pulaski. ARS has assigned vocational counselors to each county to provide information about VR services, assessment and job placement. JCCSI will host several training sessions at the annual Arkansas Rehabilitation Association Conference covering AIDS Awareness and Chronic Diseases. The agency has secured an additional pilot project with The Work Number, an employment verification service used to determine eligibility for the TANF, Food Stamps, and Medicaid programs. The Work Number provides current wages, income history, name of employer and resident. This service is an asset to our program and will help field staff locate our clients and increase successful outcomes. In an effort to support the Governor's initiative for state agencies to work together on providing services to Arkansans, the agency adopted a cooperative agreement with the Division of Behavioral Health Services. The objective is to care for and improve the health of citizens of Arkansas through an integrated system of prevention and treatment for mental health and substance abuse. ARS will accept referrals for individuals with mental illness, provide counseling services and refer clients to supportive employment vendors to provide training, job coaching, and placement.

General Revenue Request Summary

VR General Revenue Request

Proposed Funding Request: \$4.5M (\$2.97M for the water system and \$1.53M for the renovations of the Armory) of which the state would contribute \$1,035,000 (23%).

Water System at ACTI

The following addresses the water system at ACTI that is antiquated and needs repair and maintenance. Many of the primary components have been in service for over 70 years. The water system is prone to breakage and leakage. Problems with this system have also been cited by the Hot Springs Fire Marshall and the State Risk Assessor as major fire safety issues for the ACTI Campus.

Subsequently, MPE Consulting Engineers completed a study of the water system and made recommendations related to the water system. The total projected costs of the project are 2.97M. These improvements would bring the water system into compliance. The consulting company made recommendations to repair the system in four distinct phases. These are as follows:

- Replace piping supplying buildings 1, 2, 11, 12, 34, 36, and 37 (Estimated cost \$470,000)
- Replace piping and hydrants on the east side of the campus which would begin outside building 25 and loop around building 55 (Estimated cost \$1M)
- Replace piping and hydrants beginning where phase I and II left in the vicinity of buildings 25, 26, 27, 29, 35, 41, and 43 (Estimated cost \$1M)
- Increase the size of the city water mains under Reserve Street and down to Central Avenue and remove the tank (Estimated cost \$0.5M)(Brown, 2010)

Program Expansion

Significant improvements are potentially available to ACTI through expansion to property adjacent to the ACTI campus. ARS has the opportunity to acquire federal surplus property across the street from the main entrance to ACTI at very reasonable cost. The federal surplus property was formerly used as an Army Reserve Center and can be acquired at no cost to ARS for educational purposes. This is the same basis that the entire ACTI campus was acquired from the Army in 1960. The only cost associated with the project would be any necessary renovations.

The Jonathan Cheatham Army Reserve Center in Hot Springs, AR was identified for closure in April 2006 as part of the 2005 Base Realignment and Closure Commission (05 BRAC) process. The notice of this federal surplus property was published in the Federal Register on May 9, 2006. The Army Reserve Center is located at 200 Reserve Street, Hot Springs, Arkansas; more specifically, Hot Springs Reservation, Block 84, Parcel Identification 54768. The property covers a city block and is bounded by Reserve Avenue to the north, Opera Street to the west, Spring Street to the south, and Civic Avenue to the east. The property consists of three (3) buildings situated on a 1.43 acre tract. The Site has three buildings: a 34,632-square-foot Administration Building, a 36-square foot flammable materials storage structure, and a 108-square-foot hazardous materials (hazmat) storage building. The Administration Building has a main floor consisting of a classroom area, offices, storage areas, and a basement with a kitchen, assembly hall, secure arms vault, a platoon storage area, several other storage areas, and a few offices. The total square footage of all buildings is 36,700. The Board of Directors of the City of Hot Springs has voted to approve the use of the Army Reserve Building for use for education and rehabilitation purposes to ACTI.

- main building elevator to make the building accessible for individuals with disabilities (\$750,000);
- entryway renovation to be ADA compliant (\$50,000);
- HVAC upgrades, including installation of high SEER units (\$250,000);
- electrical system upgrades (\$150,000);
- plumbing upgrades (\$150,000);
- IT Infrastructure upgrades (\$75,000);
- fire protection system upgrade (\$50,000);

- related costs (\$25,000); and
- enclose open shed Auto Service Bay (\$30,000).

Once the renovations and upgrades are complete, four of the training programs and the Hot Springs Field office will be relocated to this location.

Obtaining the Reserve Building is necessary to address the fire load dangers in ACTI buildings 22 and 17. These buildings are contiguous to Ross hall, which is the primary female student residence hall. Building 22 contains the paint shop where flammable paints, stains and varnishes are used and stored. Moreover, building 17 is also contiguous to Ross Hall and the above mentioned paint shop. The State Risk Assessor in his June 29, 2010 letter to John Wright, CFO of ARS, identified the use of these two buildings as significant hazard.

Acquisition of the Reserve Building will also eliminate a problem with the Cosmetology training area.

On January 17, 2012, an inspector from the Arkansas Department of Health cited our program for inadequate instruction space and the lack of ability to provide unobstructed observation of our student clients while training. This is Arkansas State Cosmetology regulation 7.5(I) which states the following:

"Student practical training area or clinic area shall contain not less than twelve-hundred (1200) square feet, open space with no walls to obstruct the view of the Instructor. The clinic square footage requirements is for a maximum enrollment of twenty-five students. Enrollment capacity in excess of twenty-five student will be established by the square footage contained in the reception area and excess footage over the required twelve-hundred in the clinic. Every fifty (50) square feet of space in the aforementioned area will increase the enrollment capacity by one."

The plumbing, square footage, and wall configuration of other ACTI structures are not adequate to allow for expansion of this program and compliance with Health Department requirements. Moving the building trades program into the Reserve building would be beneficial as well. This move is needed based on the lack of electrical infrastructure available in the current location. The utilization of multiple high load electric equipment has taken a toll on the electrical infrastructure of the Building Trades training area. Also, adding of additional equipment in the current location is prohibited based on space and electrical service safety concerns.

The electrical breakers routinely trip which causes the instruction to be halted, and the instructor has to then reset the electrical system while interrupting class. Consequently, the present system is not only a fire danger, but also significantly diminishes the quality of instruction and our commitment to national certification standards. The limitations in the electrical system have also created an additional problem with temperature regulation, which contributes to the safety and adequacy of instruction in the program.

The Automobile Collision Repair program will also be moved into the Reserve building. Moving this to the Reserve building will remove an additional fire load from an area contiguous to the residence hall and multiple training areas that often serve students with limited mobility.

This area has very limited road access and emergency personnel would have a very difficult task responding to a fire. In addition, if the area was involved in a fire, the amount of flammable material could make evacuation of buildings in the upper part of the campus very difficult.

The Current location of the Hot Springs Field office is on the third floor of Building 54 of the ACTI campus. This building is located at the upper end of the ACTI Campus. While the building is accessible, the parking for clients is not adequate. Often when the parking adjacent to the building is full clients must navigate narrow walkways up steep grades. This is not the best situation for clients with disabilities.

In addition, the field office is on the third floor, it is very difficult for clients to find. The field office has limited presence in the community because the office can only be accessed by one route that requires access to the ACTI campus.

Moving the field office to the Armory will increase visibility in the community because it will be located on the Corner of Reserve and Opera streets just one block off Central Avenue. This road has significant local traffic when compared to that of the streets on the ACTI Campus. In addition, the Armory has ample parking with good sidewalks. This will increase accessibility to the Field office. In addition, the reliability of utilities (water, electrical, phone, and sewer) at the Armory should be improved over those in building 54.

The proposed location will also increase the square footage for the field office. This will allow more room for individual counseling and career services. In addition, there will be space for more evaluation services that can be provided by the field office.

Position Reclassification Request

Position Number 22077322

Current Authorized: X062C Quality Assurance Coordinator - C119

Reclassification and Title Change Request: L098C Certified Vocational Rehab Counselor - C119

Position Number 2081798

Current Authorized: M032C Vocational Rehab Placement Spec - C117

Reclassification, Title, and Grade Change Request: L098C Certified Vocational Rehab Counselor - C119

Position Number 22081817

Current Authorized: S033C Maintenance Supervisor - C115

Reclassification, Title, and Grade Change Request: E043C Certified Vocational Teacher - C117

Above positions are currently occupied by non-certified counselors and/or teachers. Should the incumbents or their successors become certified, current positions would not be of sufficient grades.

- Position 22077322 consists of a title and class code change only; no grade change.
- Both 22081798 and 22081817 are class, title, and grade changes.

Position Title Change Request

Current Title - N098N HSRC Director of Physical Therapy, Requested Title - N098N ACTI Director of Physical Therapy

Current Title - L005C HSRC Medical Services Manager, Requested Title - L005C ACTI Medical Services Manager

The above title changes reflect the actual position assignments for current or successor employees.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF CAREER EDUCATION -
ARKANSAS REHABILITATION SERVICES
FOR THE YEAR ENDED JUNE 30, 2011

Findings

In June 2012, Agency management reported to the Division of Legislative Audit (DLA) an overpayment made to an employee who was granted leave, which included leave without pay. After exhausting all accumulated sick and annual leave, the employee should have been placed in leave without pay

Recommendations

We recommend the Agency obtain reimbursement from the employee for the overpayments totaling \$20,431. In addition, the Agency should review the controls in AASIS for the supervisory review process of timesheets.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF CAREER EDUCATION -
ARKANSAS REHABILITATION SERVICES
FOR THE YEAR ENDED JUNE 30, 2011

Findings

Recommendations

status. In a review of the employee's leave records, the following deficiencies were noted:

- The employee's immediate supervisor was not always the person assigned to approve the time recorded in AASIS.
- Four leave requests totaling 90 hours were not recorded in AASIS.
- In one instance totaling eight hours, a leave request was not maintained; however, leave was recorded in AASIS.
- Leave requests were not submitted, and leave was not recorded in AASIS from November 5, 2011 through May 27, 2012.

Due to a lack of management oversight, an overpayment in salary of \$19,916 was made to the employee. In addition, payments totaling \$515 were improperly made on the employee's behalf for the employer portion of benefit premiums for the period the employee should have been in leave without pay status.

To provide vocational rehabilitation services to clients, Rehabilitation Services Administration (RSA) awarded a grant to the Agency. The Agency is required to report semi-annually to RSA all expenses incurred and amounts reimbursed. Any expense reported that has not been reimbursed is considered a receivable. Based on information reported to RSA, the Agency incorrectly recorded a receivable for the vocational rehabilitation grant of \$11,887,973.

A search for unrecorded liabilities revealed that three invoices totaling \$55,433 and 309 client service payments totaling \$196,376 were not properly recorded as accounts payable.

We recommend the Agency develop procedures to ensure accounts receivable amounts are recorded in accordance with generally accepted accounting principles.

We recommend the Agency review payments made after year-end to ensure they are properly recorded in the correct period.

Review of the Agency's fixed assets revealed the following:

We recommend the Agency review expenditures to ensure they are

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF CAREER EDUCATION -
ARKANSAS REHABILITATION SERVICES
FOR THE YEAR ENDED JUNE 30, 2011

Findings

Recommendations

- The Agency did not capitalize \$541,377 of expenses related to the renovation of the Arkansas Career Training Institute facility in Hot Springs.
- The Agency improperly included \$24,000 in internet hosting services as a capital expense.
- One Agency vehicle was transferred to DFA - Marketing and Redistribution (M&R) in September 2008 but was not removed from the asset listing until July 2010. Additionally, a phone system transferred in September 2007 remained on the Agency's listing.

Act 384 of 1993 established the Technology Equipment Loan Fund to provide low interest loans to individuals with disabilities to help them acquire assistive technology. The Agency promulgated rules and regulations for administration of the Assistive Technology Loan Program in 2002, but these rules and regulations were not updated to reflect changes that occurred in 2008 related to loan servicing.

Review of the individual loan files revealed the following:

- Loan documentation was not completed before loan proceeds were issued.
- Proper title on loan collateral was not secured and maintained.
- Loans in default were not properly pursued for collection.
- Original loan documents were not maintained in a central location.
- One loan file had the vendor listed as a co-borrower.

Act 1275 of 2007 established the Arkansas Rehabilitation Services Forgiveness of Student Loan Program to assist counselors employed by ARS with the repayment of student loans incurred while pursuing credentials required for employment. The Agency did not follow proper procedures for

recorded in accordance with DFA capitalization policies. Equipment sent to M&R should be removed from the Agency's asset listing timely.

We recommend the Agency update the program rules and regulations to correspond with current operating procedures. We also recommend the Agency review all loan files for completeness to ensure compliance with applicable rules and regulations. All loans should reflect an arm's length transaction, and loans in default should be pursued for timely collection in accordance with DFA guidelines.

We recommend the Agency follow proper procedures for promulgation of the rules and regulations of the Forgiveness of Student Loan Program and ensure these rules and regulations contain all contract provisions necessary for program administration. The Agency should develop procedures for the

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF CAREER EDUCATION -
ARKANSAS REHABILITATION SERVICES
FOR THE YEAR ENDED JUNE 30, 2011

Findings

promulgation of program rules, and the rules adopted did not contain all the necessary provisions for proper program administration. Review of the individual loan files revealed the following:

- Four employees with loan amounts totaling \$12,000 terminated employment before completing the requirements of their contracts. The Agency has not pursued collection of these loans.
- Two loans totaling \$4,000 were issued before loan application documents were completed and approved.
- State law limits the loan amount a counselor may receive to \$2,000 per year. One counselor received a loan totaling \$4,000 in fiscal year 2010; however, the counselor did not receive a loan in fiscal year 2011. The counselor resigned in June 2011.

Additionally, the Agency has not recorded a loan receivable for those employees who did not meet their contract requirements.

Review of Agency purchases revealed the following:

- The Agency purchased office furniture from one vendor totaling \$77,891. Each of the nine purchases was over \$5,000; however, none were bid in accordance with state procurement regulations.
- Bids were not obtained for the rental of a facility for a joint staff meeting with the Department of Career Education. Of the invoice totaling \$6,144, the Agency paid \$5,038.
- The Agency has a lease agreement for its central office that requires the lessor to provide all janitorial services and supplies. The Agency purchased janitorial supplies for this location costing \$476 and \$5,435 for fiscal years 2011 and 2012, respectively.
- The Agency did not maintain an itemized bill for catering costs

Recommendations

timely pursuit and collection of amounts due as a result of overpayments or employee failure to fulfill contract obligations. The Agency should also develop procedures to ensure that loans receivable are recorded in accordance with generally accepted accounting principles.

We recommend the Agency follow purchasing procedures required by DFA.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF CAREER EDUCATION -
ARKANSAS REHABILITATION SERVICES
FOR THE YEAR ENDED JUNE 30, 2011

Findings

Recommendations

totaling \$1,821 for an employee awards banquet or the invoice for a client's van conversion totaling \$27,495.

Review of 46 travel reimbursement (TR-1) forms revealed the following:

- Reimbursements on 12 TR-1s exceeded the maximum allowable amounts listed in the federal travel directory.
- One TR-1 could not be located by the Agency, and three were not properly approved by the travel supervisor.
- Six TR-1s did not have appropriate supporting documentation, and one contained reimbursement for personal expenses totaling \$40.
- The Agency did not attach a special authorization memo for reimbursement of meals without overnight travel.

State travel regulations Rule 12 requires the Agency to maintain a travel log for all state vehicles. The travel log should contain the driver's name, the vehicle's beginning and ending mileage, the number of gallons and cost of fuel purchased, and the cost and description of any repairs. Of the Agency's 59 vehicles, 23 did not have a travel log.

Eleven personnel files were reviewed to ensure compliance with policies of the Office of Personnel Management (OPM) and the Department of Career Education, of which ARS is a division. The following deficiencies were noted in the application process:

- Nine employees were not interviewed by three experienced employees.
- Six employees did not sign a Code of Ethics Annual Acknowledgement Statement.
- Five employee applications did not include proof of verification of degree and appropriate licensing.

We recommend the Agency follow state travel regulations when reimbursing employees for travel expenses.

We recommend the Agency follow all regulations regarding the maintenance and use of state vehicles.

We recommend the Agency develop procedures to ensure compliance with its and the State's policies and to improve the quality of documentation contained in personnel files.

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF CAREER EDUCATION -
 ARKANSAS REHABILITATION SERVICES
 FOR THE YEAR ENDED JUNE 30, 2011

Findings

- Driving records were not checked for six employees.
- In three instances, the Knowledge, Skills, and Abilities rating scales were not included in the file or in the selection criteria for the advertised positions.
- In three instances, there were no hiring freeze exception requests, functional job description, job vacancy announcement, or rankings form of individuals interviewed for the job.
- In numerous instances, documentation required by OPM or the Agency was not properly maintained in personnel files.

Recommendations

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	109	216	325	69 %
Black Employees	41	98	139	30 %
Other Racial Minorities	3	4	7	1 %
Total Minorities			146	31 %
Total Employees			471	100 %

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
128 Rehab Services - Operations	54,949,942	515	57,253,835	528	58,724,450	528	57,871,543	528	60,847,261	528	60,164,161	528	57,891,684	528	59,427,402	528	59,075,502	528
1VB Increase Capabilities Access Network	41,918	0	298,690	0	298,690	0	298,690	0	298,690	0	298,690	0	298,690	0	298,690	0	298,690	0
374 Statewide Disability Telecomm	343,922	2	466,466	2	519,524	2	469,672	2	469,672	2	469,672	2	469,672	2	469,672	2	469,672	2
743 People w/Disabilities	28,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0	45,000	0
902 Tech Equipment - Treasury	356,662	0	1,580,000	0	1,580,000	0	1,580,000	0	1,580,000	0	1,580,000	0	1,580,000	0	1,580,000	0	1,580,000	0
903 Rehab Services - Treasury Pay	5,134	0	863,400	0	863,400	0	863,400	0	863,400	0	863,400	0	863,400	0	863,400	0	863,400	0
Total	55,725,578	517	60,507,391	530	62,031,064	530	61,128,305	530	64,104,023	530	63,420,923	530	61,148,446	530	62,684,164	530	62,332,264	530

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	1,466,107	2.6	688,222	1.1			4,340,316	6.3	4,340,316	6.1	4,340,316	6.1	7,633,058	10.6	7,633,058	10.4	7,437,058	10.2
General Revenue	4000010	13,145,839	23.3	12,953,772	20.0			13,310,455	19.4	13,994,870	19.5	13,115,770	18.5	13,315,087	18.5	13,668,302	18.6	13,165,402	18.1
Federal Revenue	4000020	39,311,508	69.7	47,333,830	73.0			47,333,830	68.8	49,625,133	69.2	49,625,133	70.0	47,333,830	65.7	48,516,333	65.9	48,516,333	66.6
Special Revenue	4000030	288,423	0.5	466,431	0.7			514,672	0.7	514,672	0.7	514,672	0.7	514,672	0.7	514,672	0.7	514,672	0.7
Cash Fund	4000045	438,439	0.8	1,780,000	2.7			1,780,000	2.6	1,780,000	2.5	1,780,000	2.5	1,780,000	2.5	1,780,000	2.4	1,780,000	2.4
Merit Adjustment Fund	4000055	0	0.0	143,362	0.2			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Federal Funds-ARRA	4000244	1,060,107	1.9	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest	4000300	259	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	41,918	0.1	882,090	1.4			882,090	1.3	882,090	1.2	882,090	1.2	882,090	1.2	882,090	1.2	882,090	1.2
M & R Sales	4000340	4,169	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Program Income	4000385	657,031	1.2	600,000	0.9			600,000	0.9	600,000	0.8	600,000	0.8	600,000	0.8	600,000	0.8	600,000	0.8
Total Funds		56,413,800	100.0	64,847,707	100.0			68,761,363	100.0	71,737,081	100.0	70,857,981	100.0	72,058,737	100.0	73,594,455	100.0	72,895,555	100.0
Excess Appropriation/(Funding)		(688,222)		(4,340,316)				(7,633,058)		(7,633,058)		(7,437,058)		(10,910,291)		(10,910,291)		(10,563,291)	
Grand Total		55,725,578		60,507,391				61,128,305		64,104,023		63,420,923		61,148,446		62,684,164		62,332,264	

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
530	493	37	530	0	6.98 %	530	481	49	530	0	9.25 %	530	473	57	530	0	10.75 %

Analysis of Budget Request

Appropriation: 128 - Rehab Services - Operations

Funding Sources: PER - Educational Rehabilitation Pay - Admin

The Office of Rehabilitation Services (ARS) carries out its responsibilities through a field program that reaches all 75 counties from 19 field offices across the state. They also operate the Hot Springs Rehabilitation Center (HSRC), a comprehensive, state-owned rehabilitation facility - one of only nine in the country and the only one in the country west of the Mississippi River. The center is comprised of a medical unit providing traumatic care and comprehensive physical and occupational therapy. ARS also includes the Arkansas Career Training Institute (ACTI), which provides vocational training and support in a number of training programs. Funding for this appropriation is a combination of general revenue, federal funding, and program income. Federal funds account for 75% of the total funding.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency Change Level requests for Appropriation totaling \$2,975,718 in FY14 and \$1,535,718 in FY15 and General Revenue funding totaling \$684,415 in FY14 and \$353,215 in FY15 includes the following:

- An increase in Regular Salaries and Personal Service Matching of \$5,718 in FY14 and FY15, which includes General Revenue increase request of \$1,315 for both fiscal years. This increase is requested for the reclassification of five positions from non-certified counselor positions to certified counselor positions.
- An increase in Operating Expenses line item of \$2,970,000 in FY14 and \$1,530,000 in FY15, which includes General Revenue increase request of \$683,100 in FY14 and \$351,900. This increase request is for repair and maintenance of Arkansas Career Technical Institute (ACTI) water system. Also, the ACTI has acquired a structure that needs repair and maintenance before it could be used for potential clients.

The Executive Recommendation provides for the Agency Request with the exception of \$683,100 in FY14 and \$351,900 in FY15 in appropriation and general revenue funding for the ACTI water system repair and ACTI structure repair and maintenance, which is to be funded with the General Improvement Fund.

The Executive Recommendation also provides for a reallocation of general revenue from Career Education Rehabilitation Services to Career Education of \$196,000 in FY14 and \$151,000 in FY15.

Appropriation Summary

Appropriation: 128 - Rehab Services - Operations
Funding Sources: PER - Educational Rehabilitation Pay - Admin

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	19,299,164	19,589,394	20,813,276	19,864,826	19,869,145	19,869,145	19,880,026	19,884,345	19,884,345
#Positions		515	528							
Extra Help	5010001	209,058	172,000	172,000	172,000	172,000	172,000	172,000	172,000	172,000
#Extra Help		19								
Personal Services Matching	5010003	6,637,137	6,791,633	7,038,366	7,383,909	7,385,308	7,385,308	7,388,850	7,390,249	7,390,249
Extra Salaries	5010008	0	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Operating Expenses	5020002	6,584,781	7,513,280	7,513,280	7,513,280	10,483,280	9,800,180	7,513,280	9,043,280	8,691,380
Conference & Travel Expenses	5050009	154,666	155,506	155,506	155,506	155,506	155,506	155,506	155,506	155,506
Professional Fees	5060010	465,185	882,029	882,029	882,029	882,029	882,029	882,029	882,029	882,029
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	949,886	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Capital Outlay	5120011	194,436	250,000	250,000	0	0	0	0	0	0
Contract Services	5900043	18,686,881	18,941,993	18,941,993	18,941,993	18,941,993	18,941,993	18,941,993	18,941,993	18,941,993
Data Processing Services	5900044	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
AR Kidney Disease Comm	5900046	777,121	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000
ARRA of 2009	5900052	991,627	0	0	0	0	0	0	0	0
Total		54,949,942	57,253,835	58,724,450	57,871,543	60,847,261	60,164,161	57,891,684	59,427,402	59,075,502
Funding Sources										
Fund Balance	4000005	1,172,183	400,895		4,098,024	4,098,024	4,098,024	7,390,766	7,390,766	7,194,766
General Revenue	4000010	13,145,839	12,953,772		13,310,455	13,994,870	13,115,770	13,315,087	13,668,302	13,165,402
Federal Revenue	4000020	39,311,508	47,253,830		47,253,830	49,545,133	49,545,133	47,253,830	48,436,333	48,436,333
Merit Adjustment Fund	4000055	0	143,362		0	0	0	0	0	0
Federal Funds-ARRA	4000244	1,060,107	0		0	0	0	0	0	0
M & R Sales	4000340	4,169	0		0	0	0	0	0	0
Program Income	4000385	657,031	600,000		600,000	600,000	600,000	600,000	600,000	600,000
Total Funding		55,350,837	61,351,859		65,262,309	68,238,027	67,358,927	68,559,683	70,095,401	69,396,501
Excess Appropriation/(Funding)		(400,895)	(4,098,024)		(7,390,766)	(7,390,766)	(7,194,766)	(10,667,999)	(10,667,999)	(10,320,999)
Grand Total		54,949,942	57,253,835		57,871,543	60,847,261	60,164,161	57,891,684	59,427,402	59,075,502

Change Level by Appropriation

Appropriation: 128 - Rehab Services - Operations
Funding Sources: PER - Educational Rehabilitation Pay - Admin

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	57,871,543	528	57,871,543	100.0	57,891,684	528	57,891,684	100.0
C01	Existing Program	2,970,000	0	60,841,543	105.1	1,530,000	0	59,421,684	102.6
C10	Reclass	5,718	0	60,847,261	105.1	5,718	0	59,427,402	102.7
C14	Title Change	0	0	60,847,261	105.1	0	0	59,427,402	102.7

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	57,871,543	528	57,871,543	100.0	57,891,684	528	57,891,684	100.0
C01	Existing Program	2,286,900	0	60,158,443	104.0	1,178,100	0	59,069,784	102.0
C10	Reclass	5,718	0	60,164,161	104.0	5,718	0	59,075,502	102.0
C14	Title Change	0	0	60,164,161	104.0	0	0	59,075,502	102.0

Justification

C01	Proposed Funding Request: \$2.97 Million for FY 14 and \$1.53 Million for FY 15. The state's match would contribute 23% of these two amounts FY 14 \$683,100 and FY 15 \$351,900. Water System at ACTI is antiquated and needs repair and maintenance. Many of the primary components have been in service for over 70 years. The water system is prone to breakage and leakage. Problems with this system have also been cited by the Hot Springs Fire Marshall and the State Risk Assessor as major fire safety issues for the ACTI Campus. Subsequently, MPE Consulting Engineers completed a study of the water system and made recommendations related to the water system. These improvements would bring the water system into compliance. Program Expansion Significant improvements are potentially available to ACTI through expansion to property adjacent to the ACTI campus. ARS has the opportunity to acquire federal surplus property across the street from the main entrance to ACTI at very reasonable cost. The federal surplus property was formerly used as an Army Reserve Center and can be acquired at no cost to ARS for educational purposes. This is the same basis that the entire ACTI campus was acquired from the Army in 1960. The only cost associated with the project would be any necessary renovations.
C10	Positions requested for reclassification are currently occupied by non-certified counselors and/or teachers. Should the incumbents or their successors become certified, current positions would not be of sufficient grades. -Position 22077322 consists of a title and class code change only; no grade change. -Both 22081798 and 22081817 are class, title, and grade changes.
C14	Current Title - N098N HSRC Director of Physical Therapy, Requested Title - N098N ACTI Director of Physical Therapy Current Title - L005C HSRC Medical Services Manager, Requested Title - L005C ACTI Medical Services Manager The above title changes reflect the actual position assignments for current or successor employees.

Analysis of Budget Request

Appropriation: 1VB - Increase Capabilities Access Network

Funding Sources: PER - Educational Rehabilitation Pay - Admin

Increasing Capabilities Access Network, a federally funded program of Arkansas Rehabilitation Services, is designed to make technology available and accessible for all who need it. ICAN is a funding information resource and provides information on new and existing technology free to any person regardless of age or disability.

ICAN supports several service programs under one umbrella that target different areas of need for assistive technology. These specific strategies assist individuals in locating and/or receiving assistive devices or services. ICAN maintains an equipment AT4ALL database which list hundreds of items available for loan, demonstration, or giveaway.

ICAN sponsors many training events, conferences and networking events year-round. ICAN is committed to researching all funding sources and to overcoming obstacles that prevent people from getting the technology they need. ICAN keeps up to date on the newest advances in technology and provides information to anyone requesting assistance.

The Base Level Request is \$298,690 for both fiscal years of the 2013-2015 Biennium.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 1VB - Increase Capabilities Access Network
Funding Sources: PER - Educational Rehabilitation Pay - Admin

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	41,918	291,500	291,500	291,500	291,500	291,500	291,500	291,500	291,500
Conference & Travel Expenses 5050009	0	7,190	7,190	7,190	7,190	7,190	7,190	7,190	7,190
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	41,918	298,690	298,690	298,690	298,690	298,690	298,690	298,690	298,690
Funding Sources									
Inter-agency Fund Transfer 4000316	41,918	298,690		298,690	298,690	298,690	298,690	298,690	298,690
Total Funding	41,918	298,690		298,690	298,690	298,690	298,690	298,690	298,690
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	41,918	298,690		298,690	298,690	298,690	298,690	298,690	298,690

Analysis of Budget Request

Appropriation: 374 - Statewide Disability Telecomm

Funding Sources: STC - Telecommunications Equipment

The Statewide Disability Telecommunications Equipment Program is authorized to provide telecommunication devices for persons who are deaf, hard of hearing, blind, or speech impaired. Funding for this appropriation is provided through the Arkansas Public Service Commission, which is authorized to increase existing local exchange carrier tariffs, surcharges or other funding mechanisms.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Base Level Request is \$469,672 for both fiscal years of the 2013-2015 Biennium.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 374 - Statewide Disability Telecomm
Funding Sources: STC - Telecommunications Equipment

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	104,243	97,620	137,406	98,220	98,220	98,220	98,220	98,220	98,220
#Positions		2	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	28,255	30,846	44,118	33,452	33,452	33,452	33,452	33,452	33,452
Operating Expenses	5020002	23,987	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000
Conference & Travel Expenses	5050009	3,911	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Professional Fees	5060010	1,814	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	181,712	275,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		343,922	466,466	519,524	469,672	469,672	469,672	469,672	469,672	469,672
Funding Sources										
Fund Balance	4000005	122,901	48,363		3,328	3,328	3,328	3,328	3,328	3,328
Special Revenue	4000030	269,384	421,431		469,672	469,672	469,672	469,672	469,672	469,672
Total Funding		392,285	469,794		473,000	473,000	473,000	473,000	473,000	473,000
Excess Appropriation/(Funding)		(48,363)	(3,328)		(3,328)	(3,328)	(3,328)	(3,328)	(3,328)	(3,328)
Grand Total		343,922	466,466		469,672	469,672	469,672	469,672	469,672	469,672

Analysis of Budget Request

Appropriation: 743 - People w/Disabilities

Funding Sources: SPD - People with Disabilities

The Governor's Commission on People with Disabilities provides scholarships to students with disabilities. Thirty percent of parking violation fines; specifically, fines for illegally parking in handicapped parking spaces, fund this program.

The Agency Request is the Base Level of \$45,000 for each fiscal year.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 743 - People w/Disabilities

Funding Sources: SPD - People with Disabilities

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	28,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		28,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Funding Sources										
Fund Balance	4000005	61,564	52,603		52,603	52,603	52,603	52,603	52,603	52,603
Special Revenue	4000030	19,039	45,000		45,000	45,000	45,000	45,000	45,000	45,000
Total Funding		80,603	97,603		97,603	97,603	97,603	97,603	97,603	97,603
Excess Appropriation/(Funding)		(52,603)	(52,603)		(52,603)	(52,603)	(52,603)	(52,603)	(52,603)	(52,603)
Grand Total		28,000	45,000		45,000	45,000	45,000	45,000	45,000	45,000

Analysis of Budget Request

Appropriation: 902 - Tech Equipment - Treasury

Funding Sources: NRS - Cash in Treasury

The purpose of this program is to provide loans to individuals with disabilities for essential assistive technology, adaptive equipment, and for loan administration by the Office of Rehabilitation Services. The principal amount was transferred from the original treasury loan fund. Additional funding is earned from interest on the loans.

The Base Level Request is \$1,580,000 for both fiscal years of the 2013-2015 Biennium.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 902 - Tech Equipment - Treasury

Funding Sources: NRS - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Loans	5120029	356,662	1,580,000	1,580,000	1,580,000	1,580,000	1,580,000	1,580,000	1,580,000	1,580,000
Total		356,662	1,580,000	1,580,000	1,580,000	1,580,000	1,580,000	1,580,000	1,580,000	1,580,000
Funding Sources										
Fund Balance	4000005	89,250	171,027		171,027	171,027	171,027	171,027	171,027	171,027
Cash Fund	4000045	438,439	1,580,000		1,580,000	1,580,000	1,580,000	1,580,000	1,580,000	1,580,000
Total Funding		527,689	1,751,027		1,751,027	1,751,027	1,751,027	1,751,027	1,751,027	1,751,027
Excess Appropriation/(Funding)		(171,027)	(171,027)		(171,027)	(171,027)	(171,027)	(171,027)	(171,027)	(171,027)
Grand Total		356,662	1,580,000		1,580,000	1,580,000	1,580,000	1,580,000	1,580,000	1,580,000

Analysis of Budget Request

Appropriation: 903 - Rehab Services - Treasury Pay

Funding Sources: NRS - Cash in Treasury

The Rehabilitation Cash Fund receives revenues from various sources including cafeteria fees, contributions, reimbursement fees, hospital medical fees, interest income, and institutional services. These revenues are defined as program income and are governed by Vocational Rehabilitation Program regulations.

The Base Level Request is \$863,400 for both fiscal years of the 2013-2015 Biennium.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 903 - Rehab Services - Treasury Pay

Funding Sources: NRS - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	5,134	741,400	741,400	741,400	741,400	741,400	741,400	741,400	741,400
Conference & Travel Expenses	5050009	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	0	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		5,134	863,400	863,400	863,400	863,400	863,400	863,400	863,400	863,400
Funding Sources										
Fund Balance	4000005	20,209	15,334		15,334	15,334	15,334	15,334	15,334	15,334
Federal Revenue	4000020	0	80,000		80,000	80,000	80,000	80,000	80,000	80,000
Cash Fund	4000045	0	200,000		200,000	200,000	200,000	200,000	200,000	200,000
Interest	4000300	259	0		0	0	0	0	0	0
Inter-agency Fund Transfer	4000316	0	583,400		583,400	583,400	583,400	583,400	583,400	583,400
Total Funding		20,468	878,734		878,734	878,734	878,734	878,734	878,734	878,734
Excess Appropriation/(Funding)		(15,334)	(15,334)		(15,334)	(15,334)	(15,334)	(15,334)	(15,334)	(15,334)
Grand Total		5,134	863,400		863,400	863,400	863,400	863,400	863,400	863,400