



FFY 2014

Annual Report

Prepared for:

The Honorable
Jay Inslee
Governor

and

Janet LaBreck
Commissioner
US Department of Education
Rehabilitation Services Administration



Washington State Rehabilitation Council
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Dear Governor Inslee and Commissioner LaBreck,

The Washington State Rehabilitation Council (WSRC) is pleased to submit this report of our activities in 2014 for your review.

A volunteer organization needs two things to be successful; a clear, purposeful, customer centered mission and, engaged, dedicated, unselfish volunteers. For the organization to excel it also needs a knowledgeable and passionate staff. The WSRC has both. Working with the leadership and staff of the Division of Vocational Rehabilitation the council has continued, (as documented in this report) to make progress in expanding employment opportunities for Washingtonians with disabilities.

Governor Inslee signed executive order 13-02 *Improving Employment Opportunities and Outcomes for People with Disabilities in State Government* with the goal of doubling the number of people with disabilities employed within state government by 2015. It gives direction to all state agencies to review and revise as necessary all recruiting, hiring, and retaining policy and practices to insure that people with disabilities are fully represented. In addition, the governor has empanelled a select task force of representatives of the public and private sector to advise him on policies and practices to insure that people with disabilities have full access and full participation in the states workforce. The WSRC maintains a strong partnership and a member on the taskforce.

During this time of great changes in vocational rehabilitation, we remain committed to the principle that Washingtonians with disabilities have both the right and the ability to equal participation in community and work. Our goal is to help Washington businesses utilize the talent, dedication, and innovation of people with disabilities to succeed in the modern economy.

Respectfully submitted,

Susan Kautzman, Chair

Washington State Rehabilitation Council



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
DIVISION OF VOCATIONAL REHABILITATION
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Dear Governor Inslee and Commissioner LaBreck,

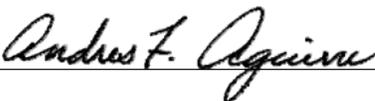
The Division of Vocational Rehabilitation (DVR), the Washington State Rehabilitation Council (WSRC) and Washingtonians with disabilities seeking employment that were working with DVR had a very positive 2014. DVR assisted an additional 75 customers over last year with obtaining and maintaining employment. This was the fourth consecutive year with significant increases to the number of DVR customer's achieving an employment outcome. In addition, the Rehabilitation Act, as Amended, was reauthorized. It has been over ten years since reauthorization occurred.

In the coming year, DVR faces many challenges implementing the Workforce Innovation and Opportunity Act (WIOA). One of these challenges will be a greater emphasis on serving youth and students with disabilities. DVR will develop innovative services to provide academic, technical, and vocational training, career exploration, and substantial guidance and counseling to advance individualized career and employment goals. DVR's partnership with the WSRC will be pivotal in implementing WIOA changes and ensuring that DVR services continue to meet the needs of Washingtonians with disabilities.

The WSRC played a vital role in the completion of DVR's Comprehensive Statewide Needs Assessment (CSNA). Completed every three years, the CSNA identifies services which are most needed by customers. The WSRC was an invaluable partner in creating, implementing, and reviewing the CSNA. The WSRC continues to provide the voice of the customer as part of our collaborative efforts to serve people with disabilities in our state.

I am looking forward to another year of solid collaboration between DVR and the WSRC which benefits the citizens of Washington.

Sincerely,



Andres Aguirre, Director
Washington State Division of Vocational Rehabilitation

SUMMARY AND RECOMMENDATIONS

Provided by Mike Hudson, Member, WSRC

There was much to be enthusiastic about in 2014. Slowly, Washington State has emerged from the Great Recession. Many of the state's leading industries have resumed hiring, and are forecasting employment that will exceed pre-recession levels. In March, the OFCCP issued new Section 503 disability regulations requiring all Federal Contractors to meet a seven percent workforce utilization goal for people with disabilities.

The WSRC continues to have a constructive, transparent relationship with DVR. We appreciate the good faith and trust that DVR Director Andres Aguirre, his leadership team, and DVR field staff have placed in our partnership. The council has focused much of its attention on gathering and understanding feedback from those who received services from DVR. However, we continue to be concerned about the placement of DVR within the state agency (DSHS).

We strongly support an organizational change that places the DVR Director as a direct report to the DSHS Secretary, and that DVR be recognized as a primary functional component of DSHS.

DVR performed well on federal performance standards and indicators despite a difficult set of practical and operational circumstances in 2014. Beyond the specific customer feedback we received about vocational rehabilitation services again this year, an unmet need reported by those who provided comment to us, was for services to support their mental health issues.

This feedback is confirmed by the continued lack of success in increasing the number of rehabilitations for people with mental health issues. Nearly 40% of those served by DVR have mental health disabilities (including PTSD and Traumatic Brain Injuries). Access to community-based mental health services and supports are an essential comparable benefit, needed to assist the majority of DVR's customers to secure and retain work. Unfortunately, such services are in short supply.

DVR is not a mental health system. However, we believe that a more strategic working relationship and closer coordination with public and private agencies who are, particularly the Division of Behavioral Health and Recovery and the state Department of Veteran's Affairs is an opportunity that DVR should aggressively pursue. In addition **the Washington State Rehabilitation Council advocates for greater state wide investment in community-based mental health services and supports.**

DVR'S PERFORMANCE IN FFY 2014

DVR Is Effective

2,974 Washingtonians with disabilities obtained or maintained employment through DVR

20,324 Washingtonians with disabilities served by DVR

11,593 Individualized Plans for Employment implemented, creating unique paths to employment

4,562 New Individualized Plans for Employment developed and written

DVR Creates Independence for Washingtonians with Disabilities

92.8% Customers rehabilitated through DVR increased their income

***\$15,176** average annual increase*

87.6% Customers rehabilitated through DVR increased their number of hours worked

***24 hours** average weekly increase*

1 in 4 Customers rehabilitated through DVR reduced their Social Security benefits

***\$168.00** average monthly reduction*

DVR Customers Strengthen Washington’s Labor Force

Through DVR, Washingtonians with disabilities find jobs uniquely suited to their skills, abilities, and interests.

The top five businesses employing DVR customers:

1. *Safeway*
2. *Wal-Mart*
3. *Goodwill Industries*
4. *Fred Meyer*
5. *Skills Inc.*

DVR continues to partner with Washington’s leading businesses to build advanced careers for Washingtonians with disabilities.

These Washington businesses include:

- *Alaska Airlines*
- *Amazon*
- *The Boeing Company*
- *Costco Wholesale*
- *Recreational Equipment Inc. (REI)*

DVR Customers Serve Washington and Our Communities

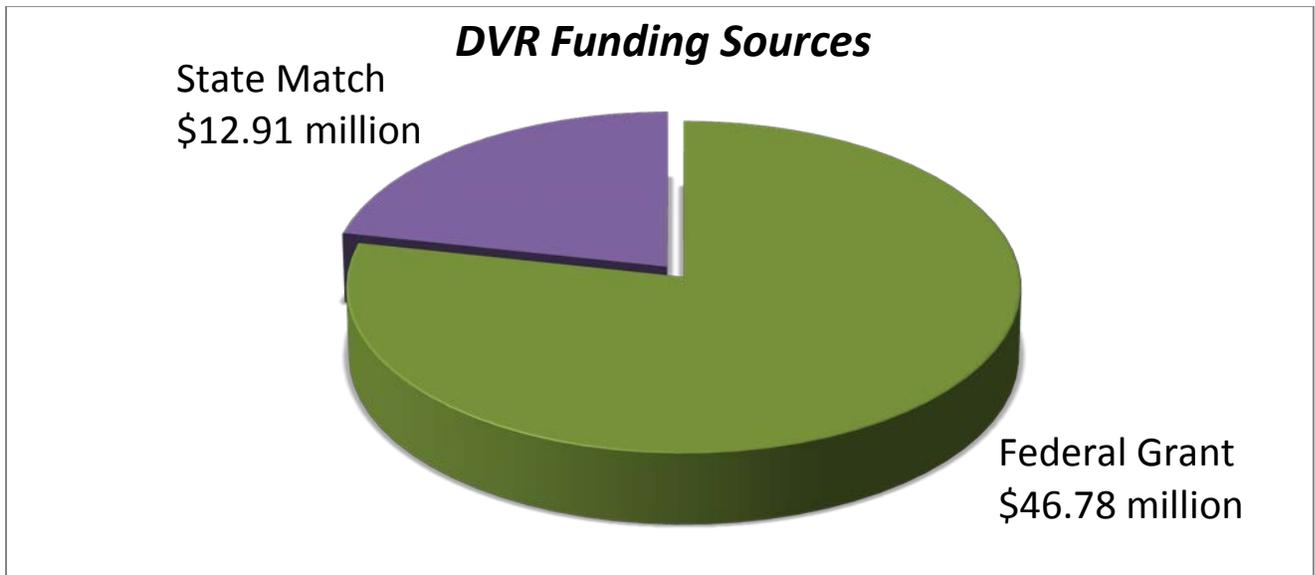
Washingtonians with disabilities are strongly represented in Washington’s public labor force. In support of Executive Order 13-02, DVR has engaged the State of Washington and successfully employed customers in careers with a wide range of State departments, including the Department of Social and Health Services (DSHS).

<i>Department of Fish and Wildlife</i>	<i>DSHS Aging and Long-Term Support Administration</i>
<i>Department of Labor and Industries</i>	<i>DSHS Children’s Administration</i>
<i>Department of Natural Resources</i>	<i>DSHS Eastern State Hospital</i>
<i>Department of Veterans Affairs</i>	<i>DSHS Economic Services Administration</i>
<i>Department of Licensing</i>	<i>DSHS Juvenile Justice and Rehabilitation Administration</i>
<i>Department of Transportation</i>	<i>DSHS Washington State School for the Deaf</i>
<i>Department of Employment Security</i>	<i>DSHS Aging and Long-Term Support Administration</i>
<i>Department of Corrections</i>	<i>DSHS Children’s Administration</i>

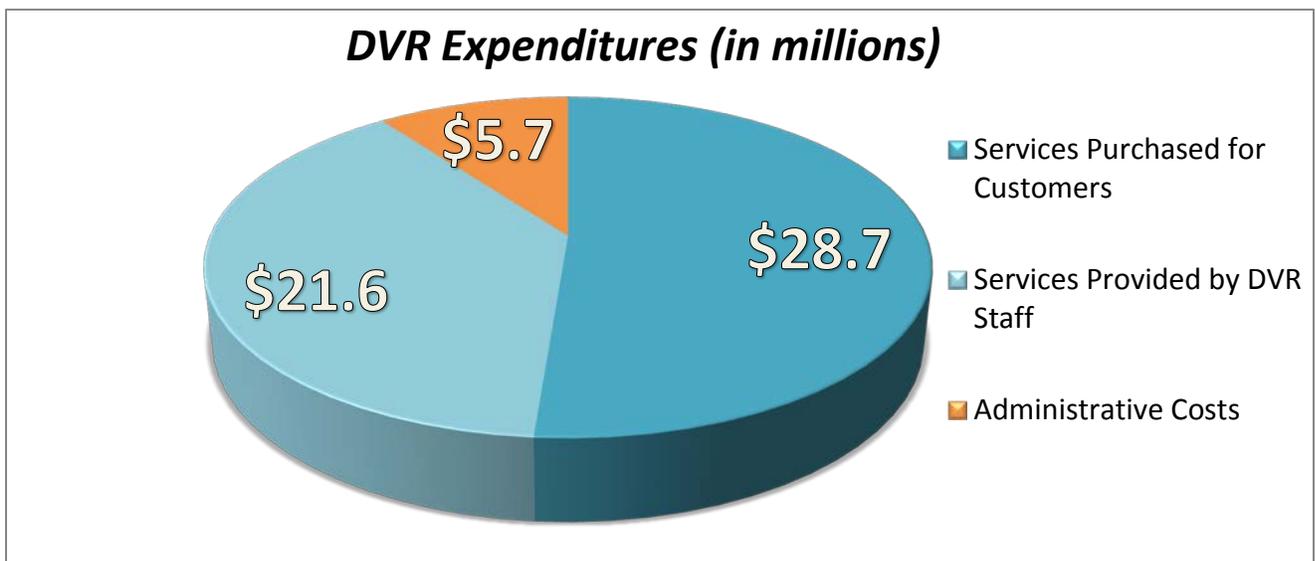
In addition to careers with the State of Washington, nearly **100** DVR customers obtained employment at **federal, county, city, and public education** settings.

DVR Is a Good Investment

For every \$1.00 Washington invests, DVR receives \$3.78 from the federal government.



DVR utilizes only 10.1% of its funds to administrative costs, allocating 89.9% of funding to providing services to Washingtonians with disabilities.



DVR Exceeds Expectations

VR agencies must pass 4 of 7 Federal Standards and Indicators:

Standards and Indicators	Standard	Actual	Results
<p>Change in Employment</p> <p>The number of individuals achieving employment outcomes in the current performance period compared with the previous performance period</p>	2,805	2,880	+75 ✓
<p>Rehab Rate</p> <p>The percentage of individuals receiving services under individual plans for employment who achieve an employment outcome</p>	55.80%	62.14%	+6.34% ✓
<p>Competitive Employment Rate</p> <p>Competitive employment outcomes as a percentage of all employment outcomes</p>	72.60%	98.68%	+26.09% ✓
<p>Significant Disability Rate</p> <p>Competitive employment outcomes for individuals with significant disabilities as a percentage of all individuals with employment outcomes</p>	62.40%	97.81%	+35.41% ✓
<p>Wage Ratio</p> <p>The ratio of average VR hourly wages to the average state hourly wage</p>	0.52	.47	-0.05 ✗
<p>Increase in Self-Support</p> <p>The percentage of individuals achieving Competitive employment outcomes who report their own income as the primary source of support at closure compared to application.</p>	53.0%	59.4%	+6.4% ✓
<p>Equal Access to Service Standard</p> <p>Access to services for minorities as measured by the ratio of the minority service rate to the non-minority service rate</p>	0.80	0.89	+0.09 ✓

TWO KEY CHALLENGES

Misalignment within DSHS and RSA Corrective Actions

In September 2013, the federal Rehabilitation Services Administration (RSA) published its monitoring report, containing comprehensive evaluations of DVR. The report's primary finding and area for corrective action (Section 5 A, Section 6) concerned DVR's alignment within the DSHS reporting structure. Specifically, **DVR's current organization within JJRA is not in compliance with federal law.**

Excerpts from the RSA's report are included below. Emphasis, in bold, has been added by the WSRC.

*RSA identified the following compliance findings and corrective actions that WADVR is required to undertake... **RSA reserves the right to pursue enforcement action related to these findings as it deems appropriate, including the recovery of funds, pursuant to 34 CFR 80.43 and 34 CFR Part 81 of the Education Department General Administrative Regulations (EDGAR).***

1. DSU Organizational Structure

Legal Requirements:

- *Rehabilitation Act of 1973, as amended – Section 101(a)(2)(B)(ii)(IV)*
- *VR Program Regulations - 34 CFR 361.13(b)(1)(iv)*
- *RSA-TAC-12-03, “Organizational Structure and Non-Delegable Responsibilities of the Designated State Unit for the Vocational Rehabilitation Program,” April 16, 2012*

Finding:

WADVR is not in compliance with the organizational requirements for a designated state unit (DSU), as required by section 101(a)(2)(B)(ii)(IV) of the Rehabilitation Act and 34 CFR 361.13(b)(1)(iv), because it is not located at a comparable level and does not have a comparable status as other major components of the Department of Social and Health Services (DSHS), the designated state agency (DSA).

Until February 2013, the director of WADVR reported to the chief of staff within the office of the DSHS secretary. On February 8, 2013, the DSHS secretary notified his department employees and stakeholders that, along with other organizational changes, WADVR would be located immediately within the Juvenile Justice and Rehabilitation Administration (JJRA).

*Section 101(a)(2)(B)(ii)(IV) of the Rehabilitation Act and 34 CFR 361.13(b)(1)(iv) require that the DSU, where one exists, must be “**located at an organizational level and [have] an organizational status within the designated State agency comparable to that of other major organizational units of the designated State agency.**” “This particular requirement...**affirms a cardinal principle concerning the organization of the VR program – that the VR program is an integral categorical program, not to be merged with other organizations of state government.**” (TAC 12-03, Organizational Structure and Non-Delegable Responsibilities of the Designated State Unit for the Vocational Rehabilitation Program, page 8 (April 16, 2012))*

As this issue is still unresolved, the WSRC requests urgent action.

1. Current alignment does not comply with federal law. Action must be taken to restore DVR to an organizational status within DSHS comparable to that of other major organizational units.
2. Because DVR does not independently manage its funds, facilities, staff and organizational priorities, it is unable to:
 - a. Fully comply with federal law
 - b. Serve customers in accordance with established best practice
3. Failure to comply with RSA corrective actions could result in loss of federal funds, amounting to 72.5% of DVR's operating budget, which could impact the availability of services annually utilized by more than 20,000 Washingtonians with disabilities.

Lack of Funding for Washingtonians with Mental Health Disabilities

39% of DVR customers live with a mental health disability, representing the single largest disability population DVR serves. In 2012, the Washington State Legislature abolished "b3" funding, resulting in the catastrophic loss of critical long term support funds needed to serve the plurality of DVR customers.

These funds are necessary to provide Supported Employment (SE) services, evidence-based services utilized nationwide to provide the long-term job supports essential to sustaining employment for individuals living with mental health disabilities. Without appropriate funding in place, DVR and its partners will continue to struggle to meet the needs of this population.

PARTNERSHIP WITH DVR

The WSRC and DVR have a partnership built on two common goals:

1. We want more Washingtonians with disabilities to be employed.
2. We want DVR to provide effective, equitable services in a timely manner.

The Washington State Rehabilitation Council

Our members represent stakeholder groups including individuals with disabilities who are current or former customers of DVR; representatives of business, industry, and labor; a representative of the Client Assistance Program; DVR staff; representatives of disability advocacy groups; parent education organizations; and partners from Tribal Vocational Rehabilitation programs. We also have members representing the state Workforce Training and Education Coordinating Board, the Office of Superintendent of Public Instruction, and the State Independent Living Council.

The Roles and Responsibility of the Washington State Rehabilitation Council

The responsibilities of the WSRC are outlined in the in the Rehabilitation Act, which is part of WIOA.

- Review, analyze and advise the Division of Vocational Rehabilitation.
- Advocate for improving service delivery for customers of the Division of Vocational Rehabilitation
- In partnership with DVR, develop, agree to and evaluate the effectiveness of the Vocational Rehabilitation Program.
- Contributing to the development of the Division of Vocational Rehabilitation’s State Plan (a document required under federal law by the Rehabilitation Services Administration to identify the goals and priorities guiding service delivery for a three-year period) and tracking its implementation;
- Analyzing program and performance data to assess the Division of Vocational Rehabilitation’s performance on federal performance standards and indicators; and,
- Collaborating with the Division of Vocational Rehabilitation to develop and conduct comprehensive needs assessments and surveys of customer satisfaction.

WSRC MEMBERS AND STAFF

Council Members

The skill and dedication of our members determine the council's success. Fourteen members served on our council in 2014. The Rehabilitation Act requires that more than half of our council members are people with disabilities. Many of our members are people with disabilities several have, at one point or another, utilized vocational rehabilitation services in Washington State or another state. The council is also diverse in terms of gender, race, age and, geography. A candidate for membership must meet the criteria for the position he or she is seeking. Membership criteria are specified under Title 1, Section 105(2)(b)(i-xi) of the Rehabilitation Act. Following are brief profiles of those who served on the council in 2013:

Andres Aguirre, *Olympia*, Representing the DVR Administration (ex-officio member)

Valerie Arnold, *Elma*, Representing the Office of Superintendent of Public Instruction (OSPI)

Philip Bradford, *Tacoma*, Representing labor

Jana Finkbonner, *Bellingham*, Representing Tribal Vocational Rehabilitation

Vickie Foster, *Seattle*, Representing current or former customers of vocational rehabilitation

Mike Hudson, *Bellingham*, Representing business and industry

Jerry Johnsen, *Seattle*, Representing the Client Assistance Program

Susan Kautzman, *Spokane*, Representing providers of community rehabilitation services

Jim Larson, *Olympia*, Representing business and industry

Vanessa Lewis, *Tacoma*, Representing Washington PAVE, our state's parent education organization

Leandro Razo, *Grandview*, Representing current or former customers of vocational rehabilitation

Council Staff

The most important responsibility that any volunteer council has is to insure the continued viability, stability and sustainability of the organization. The biggest factor in that continuing is the selection of an Executive Director. In 2014, the council selected Teesha Kirschbaum to fill the position. As a former DVR supervisor, Teesha brought with her a keen insight into the needs of DVR customers, staff and an appreciation for the collaborative relationship that needs to exist between DVR and the WSRC. The WSRC is also supported by, Marie Slusser, Executive Assistant. Her organizational skills, intelligence and common sense are invaluable to the smooth operation of this council.

CONCLUSION

Given Governor Inslee's leadership and support, a gradually improving economy, a director who has the full confidence of the Secretary of the Department of Social and Health Services, DVR staff and building on the accomplishments made on behalf of people with disabilities in 2014, the outlook for continued progress in 2015 is encouraging.

The members of the Washington State Rehabilitation Council are focused and dedicated to advocating for the spirit of the Rehabilitation Act, increasing greater numbers of job seekers with disabilities receive timely, effective, and equitable services from the Division of Vocational Rehabilitation to become employed. Standing side by side the Division of Vocational Rehabilitation, we are honored to serve the people of our state, particularly those with disabilities.

We believe that when principle is combined with political will and individual initiative, equality is within reach.

Dedication

Don Brandon ...

The Washington State Rehabilitation Council dedicates our 2014 Annual Report to our member colleague, Don Brandon. Don was dedicated to advancing accessibility, equal opportunity, and employment for people with disabilities. His life reflected a depth of faith and a fierce independent streak. We will always remember his love of adventure, music, women, old cars, a good (often greasy) burger with a proper milkshake, and most of all, the Wilds of Alaska.

Thank you, Don.