

New Mexico Division of Vocational Rehabilitation



Fiscal Year 2020 Appropriation Request

LEGISLATIVE FINANCE COMMITTEE

OCTOBER 25, 2018

FY2018 REHABILITATION SERVICES ACCOMPLISHMENTS

- NMDVR served 10,272 participants
- 949 individuals were employed through DVR services, 86 more than prior fiscal year.
- 88 individuals maintained employment through post employment services with NMDVR.
- Pre-Employment Transition Services (PRE-ETS) were implemented May of 2017.

Total # of Individual Education Plans (IEPs) attended at Local Education Agencies (LEA's)	1,768
Total Job Exploration Counseling Delivered	2,086
Total Self-Advocacy Training Delivered	1,897
Total Higher Learning Counseling Delivered	167
Total Workforce Readiness Delivered	218
Total Work Experience Delivered	9
Total # of DVR Referrals Completed	445

FFY2018 DISABILITY DETERMINATION ACCOMPLISHMENTS

- The New Mexico Disability Determination Services (NMDDS) adjudicated a total of 26,290 cases which include Initial Reviews, Continuing Disability Reviews, Reconsiderations, and Hearing and Assistance Requests in Federal Fiscal Year 2018 (FFY18).
- In FFY18, the NMDDS finished with a Production Per Work Year (PPWY) of 331.4, well above the mandated performance measure of 302. The NM DDS ranked 18th in the nation.
- The NMDDS's performance accuracy (based upon a random federal sample of initial claims), for FY18 was 95.6%. The national average was 94.7%, and the regional average was 94%. The NMDDS was ranked 22nd nationally.
- The NMDDS accuracy rate for Continuing Disability Review claims was 97.2%. The national rate was 96.9%, and the regional rate was 96.3%.
- For Reconsideration claims, the NMDDS accuracy rate in FY17 was 93%. The national rate was 92.8%, and the regional rate was 89.8%. The NMDDS was ranked 24th nationally.

FFY2019 REHABILITATION SERVICE CURRENT STATUS

DVR has been in order of selections since 2012, effective 08/13/18 the Division closed categories 2 and 3.

Background information on order of selection:

(5) Order of selection for vocational rehabilitation services: In the event that vocational rehabilitation services cannot be provided to all eligible individuals with disabilities in the State who apply for the services, the State plan shall -

(A) show the order to be followed in selecting eligible individuals to be provided vocational rehabilitation services;

(B) provide the justification for the order of selection;

(C) include an assurance that, in accordance with criteria established by the State for the order of selection, individuals with the most significant disabilities will be selected first for the provision of vocational rehabilitation services; and

(D) provide that eligible individuals, who do not meet the order of selection criteria, shall have access to services provided through the information and referral system implemented under paragraph (20).

Currently, NMDVR is serving all individuals made eligible before the categories were closed in August. Since August, NMDVR is only serving those individuals in the most significantly disabled category, as defined by law.

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Grant Matching Requirements

- Under the DVR Vocational Rehabilitation Grant Program, the federal government pays 78.7% of the total costs, while the state government pays 21.3% of the total. Currently, DVR does not receive sufficient General Fund to match all of the Federal Funds available to the State. For the past 3 years DVR has utilized Fund Balance to ensure the match is met. Fund Balance is no longer available.
- Federal Fiscal Year 2018, which ended Sept. 30, 2018, the match requirement was:

Federal Award Amount (actual):	\$ 20,907.3
State Match Requirement was MET:	\$ 5,658.4
- Federal Fiscal Year 2019, which began Oct. 1, 2019, the match requirement is:

Federal Award Amount (projected):	\$ 20,907.3
State Match Requirement:	\$ 5,658.4
- Federal Fiscal Year 2020, which begins Oct. 1, 2020, the match requirement is:

Federal Award Amount (projected):	\$ 20,907.3
State Match Requirement:	\$ 5,658.4
GF Appropriation Request W/Base Increase	\$ 5,548.6
GF MATCH SHORTFALL	(\$ 109.8)

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NEW MEXICO DIVISION OF VOCATIONAL REHABILITATION

The mission of the NMDVR is to encourage and assist New Mexicans with disabilities to reach their rehabilitation goals to work and live in their communities.

- NMDVR's FY2020 Appropriation Request totals \$45.3 million. Approximately 86% of our funding is provided by the federal government.
- DVR is requesting 321FTE statewide:
 - Administrative Services Unit – 45
 - Rehabilitation Services Program – 166
 - Independent Living Program – 0
 - Disabilities Determination Program – 110

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- DVR's FY20 appropriation request reduces its Federal Fund Budget by a total of \$5,741.6. The reduction in Federal Funds accurately reflects the fund that Division will receive in a State Fiscal Year. The funds had been previously over stated.
- Rehabilitation Services Unit's request was reduced by \$4,033.6. \$1,750.9 reduction in contracts and \$2,329.0 reduction in the other category.
- Disability Determination Service's request was reduced by \$1,184.6. \$209.6 in Personal Services, and \$992.4 in contracts.

FY20 Appropriation Request ~ Base Increase

- Under the Workforce Innovation and Opportunity Act (WIOA) of 2014, which re-authorized the Vocational Rehabilitation Grant Program, a new requirement was included in the law. The law states DVR and all states must spend 15% of its award, or \$ 3.1million, on Pre-Employment Transition Services (Pre-ETS) for students and youth with disabilities.
- Effective July 1, 2015, by law DVR was required to significantly add to the demographics of clients that are served in all DVR offices. DVR now must: (1) attend IEP meetings for students with disabilities when invited, (2) work with local workforce development boards (i.e. One-stop centers, and employers to develop work opportunities for students with disabilities), (3) work with schools to coordinate and guarantee the provisions of pre-employment transition services and (4) attend person-centered planning meetings for individuals receiving services under Title 19 of the Social Security Act, when invited (WIOA 422).

FY2020 Appropriation Request ~ Base Increase

- NMDVR has requested a General Fund Base Increase of \$550.0. The increase will be utilized to match federal funds.
- \$550.0 in General Funds equates to \$2.5M in direct services to disabled New Mexicans.

FY2020 Appropriation Request – NMDVR TOTAL

<u>Revenue</u>	FY19 Operating Budget	FY20 Appropriation Request	FY20 Rqst Over / (Under) FY19 OpBud
General Fund	\$ 5,648.6	\$ 6,198.6	\$ 550.0
Other Transfers	\$ 197.6	\$ 198.2	\$ 0.6
Federal Funds	\$ 44,681.6	\$ 38,940.0	\$ (5,741.6)
Other Revenue	\$ 0.0	\$ 0.0	\$ 0.0
<u>Fund Balance</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Total	\$ 50,527.8	\$ 45,336.8	\$ (5,191.0)
<u>Expenditures</u>			
Pers Svs / Emp Bens	\$ 20,554.1	\$ 20,680.7	\$ 126.6
Contractual Services	\$ 7,817.7	\$ 4,633.2	\$ (3,184.5)
Other	\$ 21,901.0	\$ 19,763.1	\$ (2,137.9)
<u>Other Financing Uses</u>	<u>\$ 255.0</u>	<u>\$ 259.8</u>	<u>\$ 4.8</u>
Total	\$ 50,527.8	\$ 45,336.8	\$ (5,191.0)

FY2020 Appropriation Request – ADMINISTRATIVE SERVICES

<u>Revenue</u>	FY19 Operating Budget	FY20 Appropriation Request	FY20 Rqst Over / (Under) FY19 OpBud
General Fund	\$ 0.0	\$ 0.0	\$ 0.0
Other Transfers	\$ 0.0	\$ 0.0	\$ 0.0
Federal Funds	\$ 5,844.7	\$ 5,844.7	\$ 0.0
Other Revenue	\$ 0.0	\$ 0.0	\$ 0.0
<u>Fund Balance</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Total	\$ 5,844.7	\$ 5,844.7	\$ 0.0
 <u>Expenditures</u>			
Pers Svs / Emp Bens	\$ 3,271.4	\$ 3,637.1	\$ 365.7
Contractual Services	\$ 868.6	\$ 375.9	\$ (492.7)
Other	\$ 1,704.7	\$ 1,831.7	\$ 127.0
<u>Other Financing Uses</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Total	\$ 5,844.7	\$ 5,844.7	\$ 0.0

FY2020 Appropriation Request – REHABILITATION SERVICES

<u>Revenue</u>	FY19 Operating Budget	FY20 Appropriation Request	FY20 Rqst Over / (Under) FY19 OpBud
General Fund	\$ 4,998.6	\$ 5,548.6	\$ 550.0
Other Transfers	\$ 191.5	\$ 191.5	\$ 0.0
Federal Funds	\$ 26,232.3	\$ 18,648.7	\$ (4,583.6)
Other Revenue	\$ 0.0	\$ 0.0	\$ 0.0
<u>Fund Balance</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Total	\$ 28,422.4	\$ 24,388.8	\$ (4,033.6)
 <u>Expenditures</u>			
Pers Svs / Emp Bens	\$ 10,484.0	\$ 10,530.3	\$ 46.3
Contractual Services	\$ 3,346.4	\$ 1,595.5	\$ (1,750.9)
Other	\$ 14,392.00	\$ 12,063.0	\$ (2,239.0)
<u>Other Financing Uses</u>	<u>\$ 200.0</u>	<u>\$ 200.0</u>	<u>\$ 0.0</u>
Total	\$ 28,422.4	\$ 24,388.8	\$ (4,033.6)

FY2020 Appropriation Request – INDEPENDENT LIVING

<u>Revenue</u>	FY19 Operating Budget	FY20 Appropriation Request	FY20 Rqst Over / (Under) FY19 OpBud
General Fund	\$ 650.0	\$ 650.0	\$ 0.0
Other Transfers	\$ 6.1	\$ 6.7	\$ 0.6
Federal Funds	\$ 805.4	\$ 832.0	\$ 26.6
Other Revenue	\$ 0.0	\$ 0.0	\$ 0.0
<u>Fund Balance</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Total	\$ 1,461.5	\$ 1,488.7	\$ 27.2
 <u>Expenditures</u>			
Pers Svs / Emp Bens	\$ 75.8	\$ 0.0	\$ (75.8)
Contractual Services	\$ 0.0	\$ 51.5	\$ 51.5
Other	\$ 1,330.7	\$ 1,377.4	\$ 46.7
<u>Other Financing Uses</u>	<u>\$ 55.0</u>	<u>\$ 59.8</u>	<u>\$ 4.8</u>
Total	\$ 1,461.5	\$ 1,488.7	\$ 27.2

FY2020 Appropriation Request – DISABILITY DETERMINATION

<u>Revenue</u>	FY19 Operating Budget	FY20 Appropriation Request	FY20 Rqst Over / (Under) FY19 OpBud
General Fund	\$ 0.0	\$ 0.0	\$ 0.0
Other Transfers	\$ 0.0	\$ 0.0	\$ 0.0
Federal Funds	\$ 14,799.2	\$ 13,614.6	\$ (1,184.6)
Other Revenue	\$ 0.0	\$ 0.0	\$ 0.0
<u>Fund Balance</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Total	\$ 14,799.2	\$ 13,614.6	\$ 1,184.6
 <u>Expenditures</u>			
Pers Svs / Emp Bens	\$ 6,722.9	\$ 6,513.3	\$ (209.6)
Contractual Services	\$ 3,602.7	\$ 2,610.3	\$ (992.4)
Other	\$ 4,473.6	\$ 4,491.0	\$ 17.4
<u>Other Financing Uses</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Total	\$ 14,799.2	\$ 13,614.6	\$ (1,184.6)

FY2020 Appropriation Request – VACANCY RATE

- During FY2018 DVR has diligently worked at trying to reduce its vacancy rate. Including recent staff departures, the agency's current vacancy rate is 28.0%. **Please note all positions are funded 100% with Federal Funds.**
- The agency submitted the FY2020 Appropriation Request with the following Vacancy Rate.
 - Administrative Services: 5.3%
 - Rehabilitation Services Program: 2.3%
 - Disabilities Determination Services Program: 7.6%
- As of 10/22/18 DVR has 33 positions posted in SHARE for recruitment or in the process of conducting interviews. DVR is actively working to fill the majority of all vacant positions.

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Thank you for your time
and consideration !