

New Mexico Division of Vocational Rehabilitation



Fiscal Year 2019 Appropriation Request

LEGISLATIVE FINANCE COMMITTEE

OCTOBER 26, 2017

FY2019 Appropriation Request –

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 FY2019 Appropriation Request totals \$50.2 million. Approximately 88.5% of our funding is provided by the federal government.
- DVR is requesting 323 FTE statewide:
 - Administrative Services Unit - 42
 - Rehabilitation Services Program - 170
 - Independent Living Program – 1
 - Disabilities Determination Program - 110

FY2019 Appropriation Request – NMDVR TOTAL

<u>Revenue</u>	FY18 Operating Budget	FY19 Appropriation Request	FY19 Rqst Over / (Under) FY18 OpBud
General Fund	\$ 5,647.6	\$ 5,647.6	\$ 0.0
Other Transfers	\$ 191.5	\$ 106.1	\$ (85.4)
Federal Funds	\$ 43,702.9	\$ 44,402.2	\$ 699.3
Other Revenue	\$ 0.0	\$ 0.0	\$ 0.0
<u>Fund Balance</u>	<u>\$ 550.0</u>	<u>\$ 0.0</u>	<u>\$ (550.0)</u>
Total	\$ 50,092.0	\$ 50,155.9	\$ 63.9
<u>Expenditures</u>			
Pers Svs / Emp Bens	\$ 19,007.7	\$ 20,273.7	\$ 1,266.0
Contractual Services	\$ 4,938.4	\$ 7,817.7	\$ 2,879.3
Other	\$ 25,945.9	\$ 21,809.5	\$ (4,136.4)
<u>Other Financing Uses</u>	<u>\$ 200.0</u>	<u>\$ 255.0</u>	<u>\$ 55.0</u>
Total	\$ 50,092.0	\$ 50,155.9	\$ 63.9

FY2019 Appropriation Request – ADMINISTRATIVE SERVICES

<u>Revenue</u>	FY18 Operating Budget	FY19 Appropriation Request	FY19 Rqst Over / (Under) FY18 OpBud
General Fund	\$ 0.0	\$ 0.0	\$ 0.0
Other Transfers	\$ 0.0	\$ 0.0	\$ 0.0
Federal Funds	\$ 5,550.0	\$ 5,800.0	\$ 250.0
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	\$ 5,550.0	\$ 5,800.00	\$ 250.0
 <u>Expenditures</u>			
Pers Svs / Emp Bens	\$ 3,422.7	\$ 3,226.7	\$ (196.0)
Contractual Services	\$ 807.2	\$ 868.6	\$ 61.4
Other	\$ 1,320.1	\$ 1,704.7	\$ 384.6
<u>Other Financing Uses</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Total	\$ 5,550.0	\$ 5,800.0	\$ 250.0

FY2019 Appropriation Request – REHABILITATION SERVICES

<u>Revenue</u>	FY18 Operating Budget	FY19 Appropriation Request	FY19 Rqst Over / (Under) FY18 OpBud
General Fund	\$ 4,998.6	\$ 4,998.6	\$ 0.0
Other Transfers	\$ 191.5	\$ 100.0	\$ (91.5)
Federal Funds	\$ 22,689.3	\$ 23,089.3	\$ 400.0
Other Revenue	\$ 0.0	\$ 0.0	\$ 0.0
<u>Fund Balance</u>	<u>\$ 400.0</u>	<u>\$ 0.0</u>	<u>\$ (400.0)</u>
Total	\$ 28,279.4	\$ 28,187.9	\$ (91.5)
<u>Expenditures</u>			
Pers Svs / Emp Bens	\$ 9,224.5	\$ 10,341.0	\$ 1,116.5
Contractual Services	\$ 2,028.5	\$ 3,346.4	\$ 1,317.9
Other	\$ 16,826.4	\$ 14,300.5	\$ (2,525.9)
<u>Other Financing Uses</u>	<u>\$ 200.0</u>	<u>\$ 200.0</u>	<u>\$ 0.0</u>
Total	\$ 28,279.4	\$ 28,187.9	\$ (91.5)

FY2019 Appropriation Request – INDEPENDENT LIVING

<u>Revenue</u>	FY18 Operating Budget	FY19 Appropriation Request	FY19 Rqst Over / (Under) FY18 OpBud
General Fund	\$ 649.0	\$ 649.0	\$ 0.0
Other Transfers	\$ 0.0	\$ 6.1	\$ 6.1
Federal Funds	\$ 756.1	\$ 805.4	\$ 49.3
Other Revenue	\$ 0.0	\$ 0.0	\$ 0.0
<u>Fund Balance</u>	<u>\$ 150.0</u>	<u>\$ 0.0</u>	<u>\$ (150.0)</u>
Total	\$ 1,555.1	\$ 1,460.5	\$ (94.6)
 <u>Expenditures</u>			
Pers Svs / Emp Bens	\$ 70.4	\$ 74.8	\$ 4.4
Contractual Services	\$ 0.0	\$ 0.0	\$ 0.0
Other	\$ 1,484.7	\$ 1330.7	\$ (154.0)
<u>Other Financing Uses</u>	<u>\$ 0.0</u>	<u>\$ 55.0</u>	<u>\$ 55.0</u>
Total	\$ 1,555.1	\$ 1,460.5	\$ (94.6)

FY2019 Appropriation Request – DISABILITY DETERMINATION

<u>Revenue</u>	FY18 Operating Budget	FY19 Appropriation Request	FY19 Rqst Over / (Under) FY18 OpBud
General Fund	\$ 0.0	\$ 0.0	\$ 0.0
Other Transfers	\$ 0.0	\$ 0.0	\$ 0.0
Federal Funds	\$ 14,707.5	\$ 14,707.5	\$ 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	\$ 14,707.5	\$ 14,707.5	\$ 0.0
 <u>Expenditures</u>			
Pers Svs / Emp Bens	\$ 6,290.1	\$ 6,631.2	\$ 341.1
Contractual Services	\$ 2,102.7	\$ 3,602.7	\$ 1,500.0
Other	\$ 6,314.7	\$ 4,473.6	\$ (1,841.1)
<u>Other Financing Uses</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Total	\$ 14,707.5	\$ 14,707.5	\$ 0.0

FY2019 Appropriation Request ~ Contracts

- The FY2019 DVR appropriation request re-classifies a total of \$2,817.9 from the 400s – Other Costs category to the 300s – Contractual Services category as follows:
 - \$1,317.9 in the Rehabilitation Services Program for Pre-Employment Transition Services;
 - \$1,500.0 in the Disability Determination Program for Medical Consultants, these expenditures were under Care and Support in previous fiscal years.

FY2019 Appropriation Request ~

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. DVR has used Fund Balance to ensure the match is met:

- Federal Fiscal Year 2017, which ended Sept. 30, 2017, the match requirement is:

Federal Award Amount (actual):	\$ 20,373.7
State Match Requirement:	\$ 5,514.1

- Federal Fiscal Year 2018, which began Oct. 1, 2017, the match requirement is:

Federal Award Amount (projected):	\$ 20,268.7
State Match Requirement:	\$ 5,485.7

- Federal Fiscal Year 2019, which begins Oct. 1, 2018, the match requirement is:

Federal Award Amount (projected):	\$ 20,268.7
State Match Requirement:	\$ 5,485.7

FY19 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 (PreETS) 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).

FY2019 Appropriation Request ~ Base Increase

NMDVR is requesting to create 10 TERM Positions.

- 9 Supervisor Vocational Rehabilitation Counselors (SVRC) and 1 Accountant & Auditor Advanced
 - Currently NM has 195 High schools that will need transition services from NMDVR with our proposed SVRC additions. This allows for each SVRC to serve 9 high schools and carry a caseload of 75 transition students a year. Which will allow for expanded caseload capacity this will begin to provide the resources NMDVR needs to meet PRE-ETS requirements.
 - 9 SVRC's will bring NMDVR field span of control down from 14 employees per supervisor to an average of 6 per supervisor which is in line with business standards. This will improve and increase service capacity to New Mexico citizens.

FY2019 Appropriation Request –

DIVISION OF VOCATIONAL REHABILITATION

- During FY2017, DVR has continued an initiative to reduce its vacancy rate and has made significant progress. Including recent staff departures, the agency's vacancy currently is 24.8%.
- The agency submitted the FY2019 Appropriation Request with the following Vacancy Rate.
 - Administrative Services: 7.6 %
 - Rehabilitation Services Program: 3.8 %
 - Disabilities Determination Services Program: 6.0 %
- DVR currently has 5 positions posted in NEO Gov for recruitment and is actively working to fill all vacant positions.

FY2017 ADMINISTRATIVE SERVICES ACCOMPLISHMENTS

- Reduced the number of repeat audit findings
- Implementation of Disaster Recovery and Business Continuity CoLo site
- Implementation of SharePoint 2016 Document management solution
- Voice over IP (VOIP) ongoing phone project, Installation of 2 Network Attached Storage (NAS) 32Terabyte devices, MAXXESS proximity card building access
- SQL server database environments updated to create high availability (HA)
- AWARE Request Application - Enhanced and expedited provision of customer service to Aware users statewide
- Cisco Spark video endpoint upgrades
- State of the art Cisco video project Gibson Field Office. Hearing loop installed specifically to aid those staff and participants with hearing impairment
- MFD printer refresh with secure fax and scan capabilities
- Telco circuit upgrades to Metropolitan Over Ethernet (MOE) 10MEG connections. This replaces older 1.5MEG ATM frame relay circuits
- Redesign of agency website, Windows 10 deployment, Desktop/Laptop refresh

FY2017 REHABILITATION SERVICES ACCOMPLISHMENTS

- NMDVR served 9,904 participants
- 863 individuals were employed through DVR services, 36 more than previous fiscal year.
- 95 individuals maintained employment through post employment services with NMDVR, 24 more than previous fiscal year.
- Pre-Employment Transition Services (PRE-ETS) were implemented May of 2017, with an execution date of Fall 2017.

FY2017 DISABILITY DETERMINATION ACCOMPLISHMENTS

- The New Mexico Disability Determination Services (NMDDS) adjudicated a total of 31,590 cases which include Initial, Continuing Disability Reviews, Reconsiderations, Hearing and Assistance Requests in Federal Fiscal Year 2017 (FFY 17).
- In FFY 17, the NMDDS finished with a Production Per Work Year (PPWY) of 357% which ranked 8th in the nation.
- Work weeks pending at the end of FFY 17 was 9.2 weeks, down from 15.21 weeks at the end of FFY 16.
- The NMDDS's performance accuracy (based upon a random federal sample of initial claims), for FY17 was 96.2%. The national average was 94.8%, and the regional average was 94.9%. The NMDDS was ranked highest in the region and in the top quintile nationally.
- The NMDDS accuracy rate for Continuing Disability Review claims was 98.7%. The national rate was 96.7 percent, and the regional rate was 96.5 percent. The NMDDS was the highest regionally, and tied for third nationally (with Oregon).
- For Reconsideration claims, the NMDDS accuracy rate in FY17 was 98.3%. The national rate was 93.6%, and the regional rate was 93.4%. For NMDDS's that had Reconsideration claims sampled, the NMDDS was second nationally and first regionally.

FY2019 Appropriation Request –

DIVISION OF VOCATIONAL REHABILITATION

Thank you for your time
and consideration !