Minnesota State Rehabilitation Council

2010 ANNUAL REPORT

OCTOBER 1, 2009 - SEPTEMBER 30, 2010

THE STATE REHABILITATION COUNCIL SHALL PREPARE AND SUBMIT AN ANNUAL REPORT TO THE GOVERNOR AND THE COMMISSIONER ON THE STATUS OF VOCATIONAL REHABILITATION PROGRAMS OPERATED WITHIN THE STATE, AND MAKE THE REPORT AVAILABLE TO THE PUBLIC.

–Section 105 of the Rehabilitation Act

Mark Simon

In 1864 a family of immigrant farmers settled near the Czech enclave of New Prague. A century-and-a-half later, after five generations, Mark Simon concluded that the family farm was at a crossroads: either get bigger, get out or find a specialized niche. The time was right to move into organic dairy farming.

Then there was an accident, a violent collision that resulted in multiple injuries to Mark Simon's head, neck, shoulders, legs, and knees. He required reconstructive knee surgery and developed a ventral hernia, torn rotator cuffs, back pain and vertigo. He feared that he'd have to quit farming before his young son, a sixth-generation Simon, was old enough to take over.

One day Mark came across a brochure for AgrAbility, a joint program of the University of Minnesota Extension Service and a community rehabilitation program that assists people with disabilities who work in agriculture. He met Deen Swart at AgrAbility's Willmar office, and she asked him what kinds of equipment would make things easier for him to run the farm.

That conversation led Mark to the Vocational Rehabilitation program in Faribault, where he met Jay Hancock, who was then a counselor and now is the rehabilitation area manager, and Shelli Linders, a VR technician. They arranged for an assessment and found that, with a little help, Mark could continue to operate his farm – and that led to a meeting with Ray Griffin and John Bredehoft, the VRS assistive technology specialists.

"I remember the day they came to visit," Mark says. "It was an extremely cold, stormy winter day. They were extremely helpful and they figured out what kinds of equipment I'd need to keep farming."

VRS eventually purchased several pieces of farm equipment – a utility vehicle, feeder wagon, bale spear, calf carrier and hitch, and a fence line mower – that allowed Mark to keep farming and, in fact, to expand his operations a bit. Today he sells his organic milk to Cedar Summit Farm in New Prague. He also has a growing meat business, selling organic veal to several Twin Cities restaurants.

"I think I can keep farming indefinitely, I'd guess," Mark says. "I don't think a guy ever totally retires. I still like monkeying around with the cattle, and when my kid takes over the farm, I'm still going to go out there and help him out."

Message from the SRC Chair

By Sean Roy

As my time on the State Rehabilitation Council (SRC) ends, I've come to appreciate more than ever the value of what the council does and how it contributes to providing services to people with disabilities. I'm especially pleased that the working relationship between the council and the state Vocational Rehabilitation agency has improved during my tenure on the council. That's not a tribute to me, but to the work of all SRC members, and to the leadership that Vocational Rehabilitation Services Director Kim Peck has brought to the agency. I'm proud of the work we've done together to forge a common understanding of what the role of the SRC really is, and to set the stage for what lies ahead.

Rehabilitation Services Administration Commissioner Lynnae Ruttledge often points out how important and powerful state rehabilitation councils can be as partners to state VR agencies. But what does that mean? How do we exercise that power and influence to make a positive impact? These are questions worth asking, and I hope the council will continue to explore the full potential of that partnership and how it can make a positive impact on the lives of Minnesotans with disabilities.

I'd like to draw attention to a couple of very positive developments from the past year. First is the wonderful and important work our small business development committee did to help VRS find ways for customers to start their own businesses. Second is the SRC involvement in developing the new Comprehensive Statewide Needs Assessment. We were involved at every step of the process, and I think the result is stronger and better for that collaboration.

We also had many challenges, and I'll highlight three that occupied much of the council's time over the past year. First was the RSA monitoring visit in January 2010, which raised several concerns about governance and organizational issues. The SRC was given plenty of opportunity to provide input and counsel into organizational restructuring, redistributing VR staff time, and negotiating new cost allocation agreements at each of the state's WorkForce Centers.

Second was the budget challenge that emerged about halfway through the past year. It's a credit to the VR agency that the SRC was engaged right from the start to provide insight and opinions about how to develop and implement sound budget strategies and maintain a high level of service to Minnesotans with disabilities.

And finally, the economy in general presented a huge challenge. We all know how difficult it is during times of recession to place people into jobs. The lingering effects of the Great Recession are still with us, and will continue to demand our time and attention as we move ahead, especially in times of austerity and funding challenges. The council needs to be mindful of its advocacy role when money is scarce.

I am honored to have had the opportunity to serve on the SRC these past six years, and especially privileged to have served as chair in 2010. I believe the council is a strong and powerful partner to the VR agency, and I'm confident that the partnership will continue to be nurtured and strengthened so the employment needs of Minnesotans with disabilities can be met.

Sean Roy

VR Outcomes

- 2,143 Vocational Rehabilitation participants obtained employment, down 10 percent from the 2009 placement rate of 2,389.
- 98 percent of those who found employment earned more than minimum wage. The remaining 2 percent earned less than minimum wage, but have jobs with the capacity to work towards minimum wage.
- Of all who obtained employment, 18 percent utilized long term job supports.
- The average hourly wage for participants earning above minimum wage, without long term job support, was $11.29, up from last year's average hourly wage of $11.04. The average wage for all Minnesota job openings for the second quarter of 2010 was $13.56 per hour.

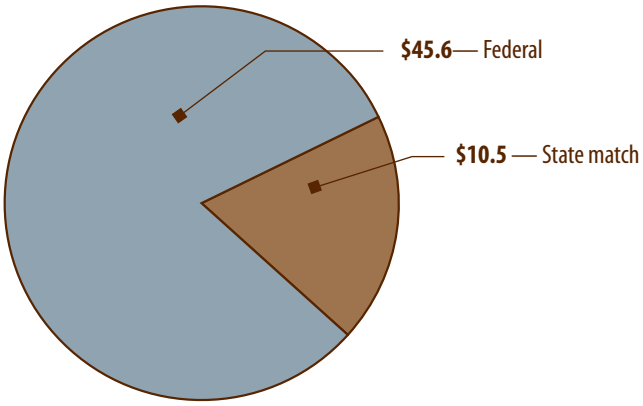
Who VR Serves

- 21,486 people with disabilities received services from Vocational Rehabilitation Services this year.
- There were 8,970 new applicants, compared to 9,431 in 2009 and 9,864 in 2008.
- 66 percent of VR participants had three or more serious functional limitations.
- 31 percent of VR participants report a serious mental illness as their primary disability.
- At acceptance, 36 percent receive Supplemental Security Income, Social Security Disability Insurance or a combination of both.
- 36 percent of those accepted for service in 2010 were transition-age youths, age 16 through 21.

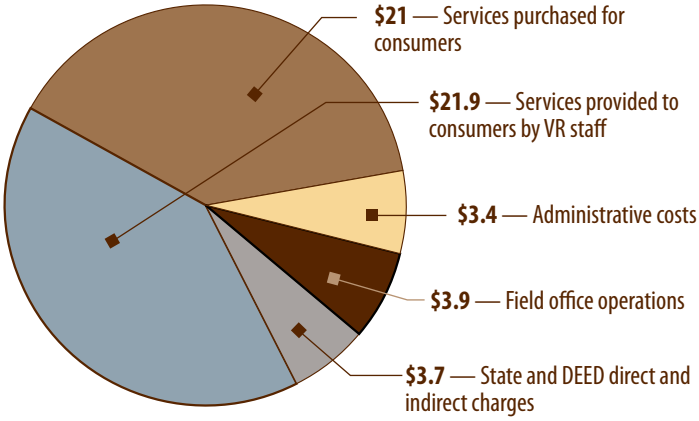
VR Staff

- Participants are served by VR teams with an average caseload size of 95. Teams include rehabilitation counselors, rehabilitation representatives, rehabilitation technicians, job placement coordinators, customer service and administrative support staff.

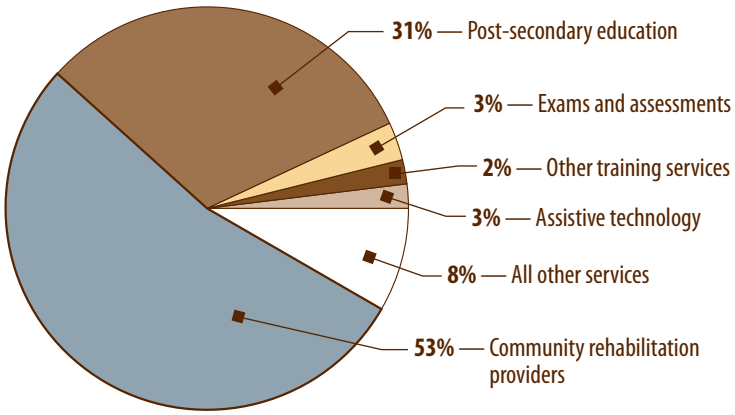
VR FUNDING SOURCES 2010 (in millions)



VR EXPENDITURES 2010 (in millions)



SERVICES PURCHASED FOR CONSUMERS 2010



The primary indicator of Vocational Rehabilitation's success is employment. This year, Vocational Rehabilitation participants obtained 2,143 jobs. That might seem like quite a few jobs, but it's actually down 10 percent from the 2009 numbers, which were down by 8 percent from 2008. These two consecutive years of employment declines are largely attributable to a mix of a weak economy, a sluggish job market and rising service costs.

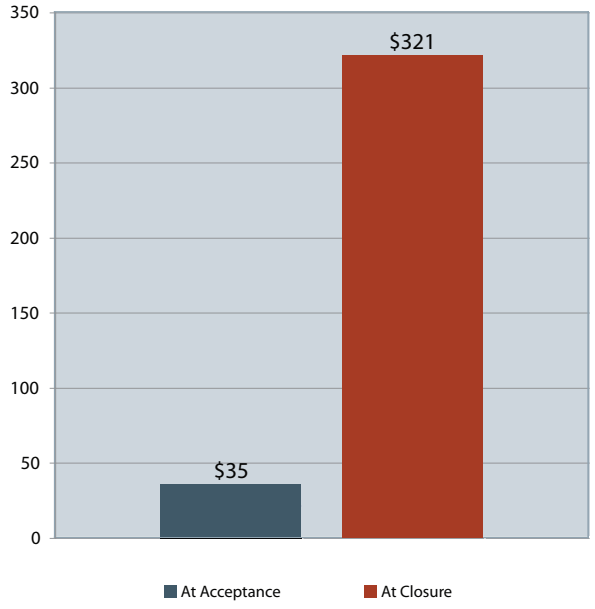
The recession began in early 2008. It is substantial and the recovery to this recession will be very, very slow. The U.S. Department of Labor states that the impact on employment has been greater for people with disabilities than those without disabilities. For men with disabilities, employment went down nearly 4.5 percent, whereas for men without disabilities, employment went down less than 1 percent. For women with disabilities, the impact was even greater. There is nearly a 9 percent drop in the number of employed women with disabilities compared to slightly more than a 1 percent drop for women without disabilities. Overall, there has been a tremendous impact on the employment status for people with disabilities.

— Tom Gillaspy, Minnesota State Demographer, at a SRC public forum in May of 2010

The economy has also had a significant impact on the VRS budget. In June, Vocational Rehabilitation Services director, Kim Peck, brought to the council's attention that VR's costs were outstripping its budget. She reported that case service costs were escalating rapidly, at the rate of about 44 percent between 2007 and 2010. To manage costs, VRS instituted a 10 percent aggregate reduction in staffing, overhead and case service expenditures.

In times of tight resources, VR is unable serve all eligible people who request services. The agency continues to serve the vast majority of those who apply, but people whose disability has the least impact on their capacity to work have been placed on a wait list. By September 30, 73 people were waiting for services.

AVERAGE WEEKLY EARNINGS: At Acceptance and Successful Closure



Individuals employed after receiving VR services earned a combined total of $689,000 per week.

PLACEMENTS BY TYPE OF EMPLOYMENT

	2008	2009	2010	Percent of 2010 Placements
Competitive Employment	2,077	**1,891**	**1,728**	80.5%
Self-employment	49	**39**	**31**	1.5%
Employment With Supports	494	**459**	**384**	18%
Total	2,620	**2,389**	**2,143**	100%

COMPETITIVE EMPLOYMENT PLACEMENTS 2010

Occupation	Number of Consumers	Percent of Total	Average Hourly Wage	Average Hours/ Week
Clerical/Sales	516	25%	$9.84	27.5
Healthcare: support and service	248	12%	$10.62	26.0
Industrial Trades	274	13%	$11.21	35.0
Miscellaneous Occupations	150	7%	$10.98	32.0
Professional/Technical/Managerial	317	15%	$17.06	31.5
Service	589	28%	$8.74	24.5
Total	**2,094**	**100%**	**$10.97**	**28.5**

**Competitive employment is defined as work typically found in the community with wages and benefits commensurate to other employees.*

Forty-nine people found employment below minimum wage, but are working towards competitive employment.

TOP SIX 2010 VOCATIONAL REHABILITATION REFERRAL SOURCES

Referral Sources	Percent
Educational Institutions	34%
Self Referral	23%
WorkForce Centers	7%
Community Rehabilitation Programs	7%
State or Local Government	7%
Health Care	5%

The individuals who represent VR's caseload are from all walks of life. Although each person has his or her own unique story, it can be useful to look at aggregate numbers to understand broad programmatic needs.

VR PARTICIPANTS RECEIVING SSI/SSDI 2010

Social Security Benefits at Application	Number Served	Percent
SSI	2,689	12.5%
SSDI	4,250	20%
SSI & SSDI	862	4%
Total	**7,801**	**36.5%**

VR PARTICIPANTS SERVED BY CULTURAL/ETHNIC GROUP 2010

Percent of Total MN Population [1]	Cultural/Ethnic Group	Percent of Caseload	Percent of Total Employment Outcomes
1%	American Indian	2.6%	1.5%
3.5%	Asian	2.0%	2.9%
4.4%	Black or African American	12.9%	9.5%
4.0% [2]	Hispanic/Latino	2.8%	2.3%
0.0%	Pacific Islander	0.3%	0.4%

[1] U.S. Census Bureau, 2006 - 2008 American Community Survey, Data Profile Highlight. www.factfinder.census.gov
[2] Duplicate Count.

12 LARGEST DISABILITY GROUPS SERVED BY VOCATIONAL REHABILITATION 2010

	2008		2009		2010		2010
Primary Disability Group	Participants	% of Caseload	Participants	% of Caseload	Participants	% of Caseload	% of Total Placements
Serious Mental Illnesses	7,380	33%	7,416	33%	7,055	33%	31%
Learning Disability	3,912	17.5%	4,193	18.5%	4,295	20%	21.5%
Developmental Disabilities	2,756	12%	2,868	13%	2,859	13%	14%
Orthopedic & Neurological Impairments	1,806	8%	1,630	7%	1,395	6.5%	6.5%
Traumatic Brain Injury / Stroke	1,007	4.5%	959	4.5%	900	4%	3.5%
Deaf / Hard of Hearing	1,019	4.5%	958	4.5%	895	4%	6%
Chemical Dependency	575	2.5%	587	2.5%	534	2.5%	2.5%
Arthritis & Rheumatism	407	2%	399	2%	351	1.5%	2%
Cerebral Palsy	370	1.5%	369	1.5%	344	1.5%	1%
Cardiac / Circulatory System / Blood Disorders	264	1%	254	1%	199	1%	1%
Spinal Cord Injury	248	1%	229	1%	191	1%	0.5%

Howard Rosten

Howard Rosten emerged from a court-ordered chemical dependency treatment program hoping to find work. VR Counselor Kendra Grunig and Placement Coordinator Roberta Johnson in Mankato helped him to explore his options and arranged for financial assistance for tuition and books to upgrade his computer science skills at South Central Technical College in North Mankato. It wasn't long before he landed a temporary computer industry job – a first step on his road back to full employment.

Roberta offered assistance in developing Howard's job search and resume writing skills, and one day pointed him to an opening for someone with an IT background at SMILES, a south central Minnesota independent living center. Howard applied for the job and got it. He now has three distinct titles: information referral director, assistant technology manager and head of the Ramp Project, which builds ramps for homes of people with disabilities. He also helps with installation and training on assistive technology for people who are deaf or blind. Many referrals for assistive technology and ramps come from his Mankato VRS partners.

Howard has also started an interesting computer recycling program. For a fee, people can drop off old computers and, through an arrangement with Waste Management, those computers are then disposed of properly and SMILES collects the fee as a donation. And that donation? It goes for the purchase of assistive technology for SMILES and VR customers.

"I think it's important that we take the money we make, and turn it around and spend it for the people we serve," Howard says. "It's just my way of giving back, and saying thanks to the people who helped me. It was Roberta who came across the job and encouraged me to apply. It turns out this is just the kind of job I needed. I love helping people out who need help. I get a lot of satisfaction out of that."

The SRC was pleased to meet with the Rehabilitation Services Administration (RSA) monitoring team that visited the Minnesota VR program in January 2010. Among other things, RSA raised a key question:

Are the dollars that Minnesota VR program invests in the WorkForce Center directly benefiting VR participants?

RSA's examination of VR staff time concluded that VRS does not meet the federal standard that 90% of VR staff time be spent 100% of the time providing services to VR participants. Additionally, RSA's review of the WorkForce Center cost allocation formula indicated that the vocational rehabilitation program carries a disproportionately high percentage of overhead costs. Throughout the year, DEED leadership has been grappling with alternative cost allocation formulas. The SRC will continue to closely follow this issue.

Beginning in 2009, a VR staff workgroup analyzed the VR process from start to finish and recommended several strategies that might increase the number of VR participants who obtain employment. The exercise was, in part, a response to the relatively high number of people who apply for VR services and then drop out before obtaining a job, or even before receiving any VR services. Many of the recommendations focused on how to more actively engage VR participants, particularly early in the VR process. Some of these approaches were implemented in 2010, including:

- Shortening the time for intake, eligibility determination and plan development.
- Notifying participants of eligibility by phone rather than by mail.
- Sending follow-up letters to confirm appointments.
- Providing meeting summaries and action plans with goals and expectations for all parties.

Other efforts to engage and support participants – and keep them motivated throughout the VR process – include:

- Motivational Interviewing: This collaborative, person-centered form of counseling is designed to elicit and strengthen consumer motivation for change. Technique training is being offered to all staff, and the response has been very positive.
- Teaming: Rather than working with a single VR professional, each participant is supported by a *team* of VR professionals. This allows participants quicker and more efficient access to staff assistance.
- Disability Benefits 101: This new web-based tool helps people with disabilities understand how employment might affect their state and federal benefits. For a look at this website, go to http://mn.db101.org/
- Vocational Rehabilitation/Independent Living Collaborations: Beginning in 2008, this pilot project paired local VR leaders with their regional Independent Living Centers to develop a service delivery model unique to the needs in their region. In all of the collaborations, independent living services staff worked closely with vocational rehabilitation participants to help participants prepare for employment. Funding for the three-year project expired at the end of 2010; a modified project is being funded through the first nine months of 2011, with the goal of finding ways to sustain the VR/IL collaborations into the future.

Twenty six percent of the vocational rehabilitation staff is projected to retire in the next four years. Vocational Rehabilitation Services is planning for this dramatic change in staffing through recruitment, staff development, internships, and close collaboration with local graduate programs. The State Rehabilitation Council encourages readers to consider a career in vocational rehabilitation. For more information on rehabilitation counseling careers, go to http://tinyurl.com/2arhnpf or contact Lori.Thorpe@state.mn.us .

Public Forums

Twice a year the SRC and VRS co-sponsor public forums to obtain grassroots input on VR performance and unmet customer needs. The forums consist of a mix of presentations, panels and public comment. The May 2010 forum in Saint Paul was called *Demographics, Economics and the Minnesota Budget: The Impact on Employment for People with Disabilities.* (Go to http://tinyurl.com/25ykgwb for the state demographer's provocative presentation). The September forum in Bemidji was titled *Regional Economic and Community Development: Its Impact on Employment for People with Disabilities.*

Needs Assessment

Each year the content and commentary from these public forums, as well as interviews with SRC members and other key stakeholders, provide valuable input into the annual update of the VR comprehensive statewide needs assessment. The SRC executive committee provides additional input, and the full SRC reviews the draft needs assessment. The current needs assessment was submitted in March 2010, and it grouped unmet needs into four broad categories:

- **Long term support on the job**
- **External communication, education and training**
- **Staff training**
- **Employer partnerships**

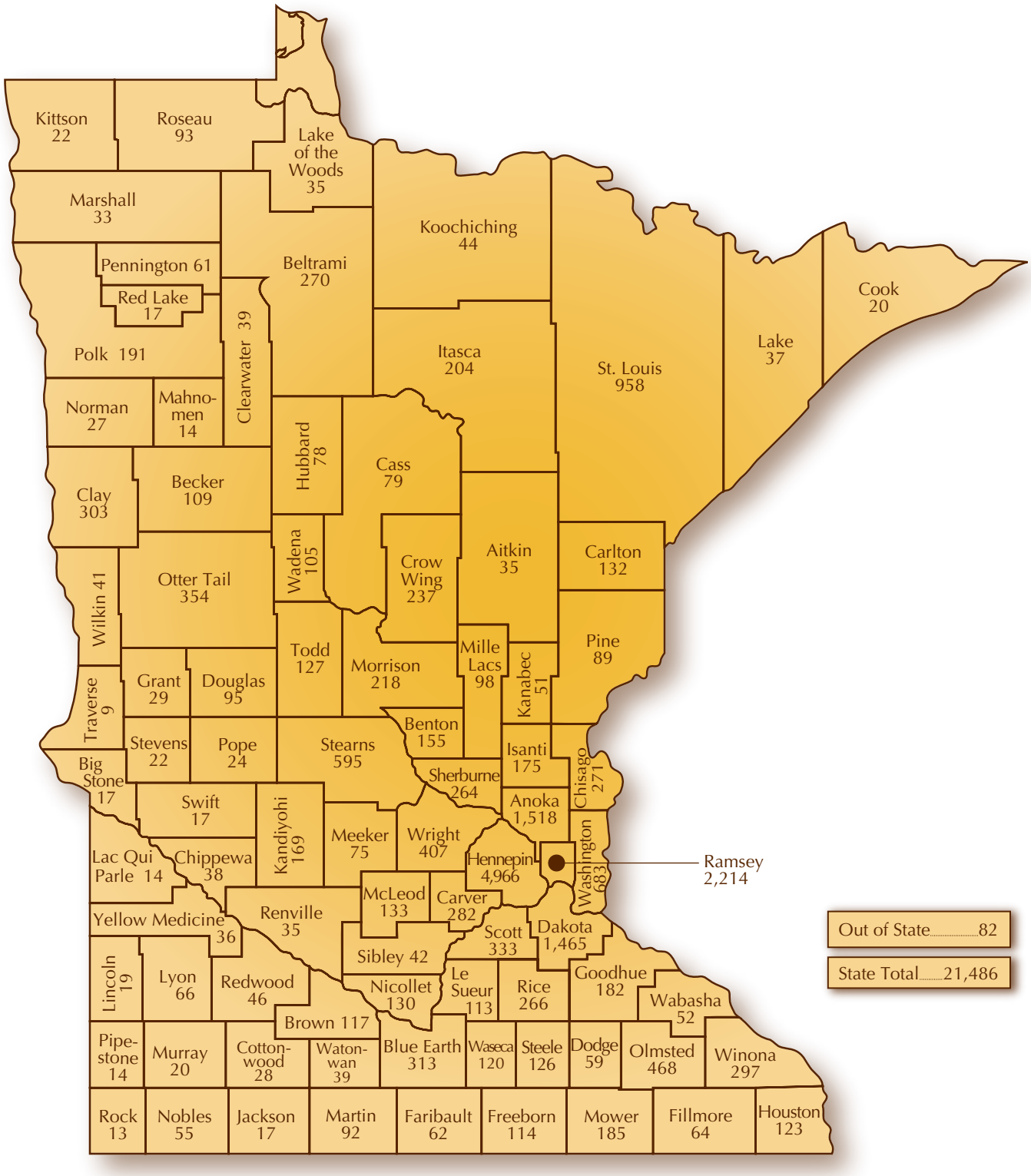
Strategic Goals

The needs assessment is the primary driver of the agency's strategic planning process. The following strategic goals were developed by a team of VRS leadership and representatives from the SRC and the Statewide Independent Living Council:

1. **More Jobs, Better Jobs: Expanded job opportunities and improved employment outcomes.**
2. **Organizational Vitality: VRS is a vibrant organization providing the best possible services.**
3. **Effective Partnerships: VRS has collaborative partnerships that fully use resources.**
4. **Employer Engagement: Robust employer relationships and new employment opportunities.**
5. **Engaged Councils: Participatory council fulfilling their missions and statutory roles.**

These strategic goals form the backbone of the state plan, which is the three-year contract between VRS and its federal funder, the Rehabilitation Services Administration. To view the full comprehensive needs assessment, the strategic goals and the state plan, go to www.PositivelyMinnesota.com/vrs and look under "Research and Reports".

NUMBER OF VOCATIONAL REHABILITATION PARTICIPANTS BY COUNTY



For information on the WorkForce Center nearest you, go to
www.positivelyminnesota.com/wfc
or call 1.800.328.9095 (TTY 651.296.3900).

The Council and its Work

The Minnesota State Rehabilitation Council (SRC) is a citizen advisory council, appointed by the governor, to provide guidance to the state's Vocational Rehabilitation (VR) program. Members report annually to the governor and the U.S. Department of Education on the status of the VR program in the form of this annual report. SRC members help to shape policy, engage in strategic planning, and provide guidance to promote increased employment for people with disabilities. They coordinate activities with other state councils, spearhead customer satisfaction surveys, participate in the preparation of comprehensive needs assessments, and co-host public forums. The council includes people with disabilities, community rehabilitation program employees, vocational rehabilitation counselors, advocates, VR customers and business leaders.
For more information about the State Rehabilitation Council, www.positivelyminnesota.com/src

Let the Council Know Your Thoughts

The Council is interested in your input. For questions or comments please call 651.259.7364 or 1.800.328.9095; TTY 1.800.657.3973 (MN Relay 711); and speech-to-speech telephone re-voice 1.877.627.3848. Written comment is taken at StateRehabCouncil.VRS@state.mn.us .

All State Rehabilitation Council meetings and forums are open to the public. For a schedule of meetings, go to http://tinyurl.com/26wnupy . Twice a year, the council hosts public forums. Time is scheduled at all meetings and forums for public comment.

Consider becoming a SRC member

If you care about issues pertaining to disability and employment, make a difference by becoming a SRC member. To learn more about SRC membership, go to http://tinyurl.com/2fqvg8l or call 651-259-7364.

State Rehabilitation Council Members

Jeff Bangsberg
New Hope
Advocate

John Barrett
Spring Lake Park
Community Rehabilitation Provider

Vicki Dalle-Molle
Rochester
Statewide Independent Living Council Representative

Anne Dykstra
Golden Valley
Business

Gloria LaFriniere
White Earth Reservation
American Indian VR Project

Kimberley Peck
Saint Paul
Vocational Rehabilitation Services Director

Christina Persons
Saint Paul
Advocate

Wendy Rea
Saint Cloud
Advocate

Anne Robertson
Minneapolis
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Sean Roy
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Chuck Ryan
Robbinsdale
Business

Ardis Sandstrom
Motley
Former VR Participant

Terance Smith
Forest Lake
Governor's Workforce Development Council

Rebecca Sunder
Burnsville
Vocational Rehabilitation Counselor

Lourdes P. Mugas-Changcoco
Saint Paul
Advocate

Greg Toutges
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