

February 21, 2020

Senator Mary Kiffmeyer, Chair  
Senate State Government Finance and Policy  
and Elections Committee  
3103 Minnesota Senate Bldg.  
St. Paul, MN 55155

Representative Michael Nelson, Chair  
House State Government Finance Division  
585 State Office Building  
St. Paul, MN 55155

Senator Jim Carlson, Ranking Minority Member  
Senate State Government Finance and Policy  
and Elections Committee  
2207 Minnesota Senate Bldg.  
St. Paul, MN 55155

Representative Tony Albright, Republican Lead  
House State Government Finance Division  
259 State Office Building  
St. Paul, MN 55155

**Subject: 2019 Accommodation Fund Report**

Dear Legislators,

The attached report is submitted on behalf of the Department of Administration and in accordance with Minnesota Statutes §16B.4805, Subdivision 6. The report details the reimbursement of state agencies for the cost of expenses incurred in making reasonable accommodations that have occurred in calendar year 2019.

Please contact my office if you have any questions or need assistance.

Sincerely,



Alice Roberts-Davis, Commissioner  
Department of Administration

Attachment

cc: Legislative Reference Library

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## **Accommodation Reimbursement Fund**

February 2020

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Upon request, this document will be made available in an alternative format.

## Contact

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# Introduction

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This annual report on the State's Accommodation Reimbursement Fund is mandated under [Minnesota Statute 16B.4805 Subd. 6.](#)

## Background

The State of Minnesota recognizes the significant contribution employees with disabilities make to keep the state competitive in a global economy. To remain competitive, the State must aggressively pursue new and inclusive recruitment strategies to both prepare for the rapidly approaching workforce shortage, and ensure a state government that reflects the people it serves. However, employees with disabilities remain an underutilized resource. In 2015, there were 296,300 Minnesotans with disabilities of typical working ages (18-64) of which 44% were unemployed.<sup>1</sup>

Minnesota Management and Budget (MMB), in collaboration with the Commission of Deaf, DeafBlind, and Hard of Hearing Minnesotans (MNCDHH) submitted a report to the Legislature in 2015, noting that:

Several studies have cited a centralized reasonable accommodation fund as a best practice for hiring individuals with disabilities. Specifically, it can reduce the unconscious or conscious bias a hiring manager may experience when considering an applicant with a disability and the associated costs of workplace accommodations. This bias has been shown to potentially deter a manager from hiring an individual with a disability.<sup>2</sup>

Subsequent to this report, legislation was enacted to establish a fund to reimburse state agencies for qualifying reasonable accommodation expenses to better support the hiring and retention of employees with disabilities.

## Accommodation Fund

During the 2015 Legislative Session, \$200,000 was appropriated to the Department of Administration (Admin) to establish an accommodation fund for the purpose of reimbursing state agencies (as defined in Minnesota Statute 16A.011, Subd. 12) up to 100 percent of the cost of reasonable accommodation expenses in accordance with Minnesota Statute 16B.4805, Subd. 6.

In 2017, the statute<sup>3</sup> was amended to allow the Commissioner of Administration to reimburse state agencies up to 50 percent of the cost of expenses incurred in making reasonable accommodations.

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<sup>1</sup> (November 2016). Population Notes - Minnesotans with Disabilities: Demographic and Economic Characteristics. Saint Paul: Minnesota State Demographic Center.

<sup>2</sup> (February 26, 2015). Centralized Reasonable Accommodation Fund Study - Minnesota.... Retrieved January 12, 2017, from <https://www.leg.state.mn.us/docs/2015/mandated/150351.pdf>

<sup>3</sup> 2017 Minnesota Statute 16B.4805 <https://www.revisor.mn.gov/statutes/?id=16B.4805>

The goal of the accommodation fund is twofold:

1. To provide an equal footing for job applicants with disabilities during the hiring process, in support of Executive Order 19-14; and,
2. To provide for a more inclusive workplace environment for current state employees with disabilities.

The three types of accommodation expenses eligible for reimbursement are:

1. For **applicants for employment** in any amount;
2. For **current employees** for services that are needed on a periodic or ongoing basis; and
3. For **current employees** for one-time expenses that total more than \$1,000 for a single employee in a fiscal year

During Fiscal Year 2016, Admin set up the fund and a method for distribution. Since its establishment, Admin has distributed \$638,360.38 in reimbursement to agencies for accommodations.

## Implementation

The Accommodation Fund is administered by the Admin's STAR (System of Technology to Achieve Result) program. STAR is federally-funded and provides assistive technology services to help Minnesotans with disabilities of all ages increase their independence at home, school, work, and in their communities.

## Eligibility

Eighty-one Executive Branch agencies, boards, councils and commissions are eligible to submit requests for reimbursement of reasonable accommodations subject to established eligibility requirements.

Reimbursement requests may only be submitted for state employees and job applicants. Reasonable accommodations provided on behalf of board members, unpaid student workers, interns, and volunteers do not qualify for reimbursement.

# 2019 Summary

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## Reimbursement Requests

### Agency Requests – Fiscal Year (FY) 2019

During FY2019, twelve agencies **requested** reasonable accommodation expense reimbursements totaling \$296,254.42:

#### **HHS Finance \$176,898.84 – 60%**

- Department of Human Services – \$114,920.16
- MNsure - \$30,093.25
- Minnesota Council on Disability- \$29,497.43
- Health Licensing Board- \$2,388.00

#### **Agriculture Finance \$2,356.75 – 1%**

- Department of Agriculture - \$2,356.75

#### **Public Safety Finance \$14,808.51 – 5%**

- Department of Public Safety - \$14,808.51

#### **Job Growth \$66,571.67 – 22%**

- Department of Employment and Economic Development - \$48,416.72
- Housing Finance Agency - \$18,154.95

#### **State Government Finance \$30,152.75 – 10%**

- MNIT Services - \$21,342.75
- Veterans Affairs- \$8,810.00

#### **Energy & Natural Resources \$5,465.90 – 2%**

- Department of Natural Resources - \$4,263.00
- Pollution Control Agency- \$1,202.90

## Approved Requests – FY2019

The Accommodation Fund approved and reimbursed 156 requests submitted by state agencies.

### Number of Approved Reimbursement by Functional Need in FY19

- 8 Vision
- 0 Learning/Cognition
- 146 Hearing
- 1 Physical/Mobility
- 0 Speech
- 1 Other (Combination of Cognition and Vision)

### Number of Reimbursements Approved by Accommodation Type in FY19

- 10 One-time expenses for a state employee that totaled more than \$1000 in a fiscal year
- 143 Periodic or ongoing services for a state employee
- 0 Combination periodic services/one-time expense in fiscal year for a state employee
- 3 Combination periodic services/one-time expense in fiscal year and any expense for a job applicant

### Recipients (Applicants/Employees)

Of the 156 requests made during FY19:

- 153 were for state employees
- 1 was for an applicant who was hired
- 2 were for applicants who were not hired



## Agency Reimbursements Received - FY19

The twelve agencies listed below *received* a total of \$148,127.25 during FY2019:

### HHS Finance \$88,449.44 – 60%

- Department of Human Services - \$57,460.09
- MNsure - \$15,046.63
- Minnesota Council on Disability- \$14,748.72
- Health Licensing Board- \$1,194.00

### Agriculture Finance \$1,178.38 – 1%

- Department of Agriculture - \$1,178.38

### Public Safety Finance \$7,404.26 – 5%

- Department of Public Safety - \$7,404.26

### Job Growth \$33,285.84 – 22%

- Department of Employment and Economic Development - \$24,208.36
- Housing Finance Agency - \$9,077.48

### State Government Finance \$15,076.38 – 10%

- Veterans Affairs - \$4,405.00
- MN.IT Services - \$10,671.38

### Energy & Natural Resources \$2,732.95 – 2%

- Department of Natural Resources - \$2,131.50
- Pollution Control Agency \$601.45

## Denied Reimbursement Requests – FY19

One Accommodation Fund application request was denied in FY2019 because it was not submitted by the 4<sup>th</sup> quarter deadline of July 8, 2019.

## Conclusion

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Due to the current eligibility threshold requirement that one-time expenses must be \$1,000 or more to be eligible for reimbursement, the fund continues to provide more reimbursements to agencies for employees with ongoing or periodic needs versus those agencies whose employees whose needs can be addressed by one-time purchases of assistive technology.