Accommodation Reimbursement Fund

Department of Administration
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Introduction

In March 2015, Minnesota Management and Budget (MMB), in collaboration with the Commission of Deaf, DeafBlind, and Hard of Hearing Minnesotans (MNCDHH), submitted the 2015 Centralized Reasonable Accommodation Fund Study\(^1\) to the Legislature. That study sought to determine the overall need for, and the potential impact of, a centralized fund to pay for workplace accommodations for people with disabilities who are seeking employment with, or are employed by, the State of Minnesota. Key findings included:

- On average, the State spends approximately $100,000 per year on reasonable accommodations.
- In FY2012 and FY2013, a total of 774 accommodation requests were made under the Americans with Disabilities Act (ADA). The average cost of those accommodations was $279.
- 90% of the FY2012 and FY2013 accommodations were made for employees and the remainder were made for applicants.

The study recommended that initial funding be adequate to cover an anticipated increase in accommodation requests.

Overview of 2015 Legislation

Consistent with Governor Dayton’s Executive Order 14-14\(^2\) setting a goal of 7 percent of the state workforce being persons with disabilities, the 2015 Legislature created an accommodation reimbursement fund to be administered by the Commissioner of Administration (Admin).

As an initial funding level, the Legislature appropriated $200,000 for the reimbursement fund, per year, a portion of which is for start-up costs and on-going administrative expenses. Based on the parameters in law, the appropriation is expected to be used as follows:

- FY2016 -- $200,000
  - $30,000 administrative costs
  - $10,000 for program setup
  = $160,000 available for reimbursements
- FY2017 -- $200,000
  - $30,000 administrative costs
  = $170,000 available for reimbursements

The goal of the fund is twofold. First, the fund is intended to make available to all agencies resources for a more inclusive workplace environment for current employees with disabilities. Second, the fund provides an

\(^1\) [http://archive.leg.state.mn.us/docs/2015/mandated/150351.pdf](http://archive.leg.state.mn.us/docs/2015/mandated/150351.pdf)
equal footing for applicants with disabilities during the hiring process, in support of Governor Dayton’s Executive Order 14-14. Three types of accommodations for which agencies can seek reimbursement:

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

All expenses incurred after June 30, 2015 are eligible for reimbursement.

**Summary of Stakeholder Feedback**

Over the summer, staff from Admin’s System of Technology to Achieve Results (STAR) Division met with stakeholder groups to determine how to best move forward with the details of the fund’s implementation. Stakeholders included representatives from the following:

- Commission of Deaf, DeafBlind, and Hard of Hearing Minnesotans (MNCDHH)
- Admin’s Financial Management and Reporting
- The ADA Coordinator ACCESS Group
- State office of Diversity and Equal Opportunity
- A small group of directors from disability-focused agencies/programs
  - Governor’s Council on Developmental Disabilities
  - DEED
  - State Services for the Blind
  - Deaf and Hard of Hearing Services
  - Minnesota Council on Disability
  - MN.IT Office of Accessibility

As summarized below, STAR asked for and was provided feedback across all areas of implementation including:

Review of the proposed questions for the reimbursement request form:

- Process and procedure
  - Who signs-off /validates request? (Feedback showed a preference for having manager approval.)
  - Who submits request? (Feedback provided no strong preference but there was consensus that ADA Coordinator makes sense.)
  - Should a signed accommodation agreement with employee be required? (No preference but felt it should at least be optional to help create awareness of the accommodation tools available to state agencies.)
- Fund allocation scenarios (Preference was to keep it simple and make sure fund is fully depleted.)
Additional stakeholder comments included:

- Ensure that both the application forms and the on-line system is accessible.
- There is no historical justification for setting aside a significant portion of the fund for applicants. If funds are set aside, keep the amount small.
- Show support for small agencies but not at the expense of larger agencies since they do a significant amount of hiring.
- Add a preference to pay for ongoing/periodic services during probation. Some commented that newly hired staff are not requesting services for fear that doing so will jeopardize their job. Another story was told of a work unit that kept staff from attending an event because they could not afford to provide an interpreter for the one staff member who needed it.
- Keep it simple – would rather exhaust the fund quickly than have money left on the table.

Stakeholders noted that there are limitations to the data that can be collected through the fund:

- Accommodation requests are not always reported.
- Applicants often choose NOT to disclose a disability until after they are hired.
- Agencies/work units may choose NOT to request reimbursement.
- The fund only captures accommodation requests that exceed $1,000 per employee per year (please note that the average cost of an accommodation is less than $500); ongoing/periodic expenses; and applicants.

It was also necessary for Admin to obtain data from the state’s Americans with Disabilities Act (ADA) report to fill in gaps such as accommodations made that were less than $1,000).

**Implementation**

The Fund was promoted among state agencies in a variety of formal and informal ways by Admin and key stakeholders. Throughout the summer of 2015, Admin staff gathered input among stakeholders on how the fund should be administered. The input process raised awareness of the fund among the broader human resources community. Admin provided notice to state agencies commissioners, deputy commissioners, human resource directors, and ADA coordinators through multiple targeted messages and regular electronic newsletter updates beginning in August 2015 through January 2016 as the first submission deadline approached. Additionally, Admin created a webpage dedicated to the fund.

**Preliminary Response**

During January 2016, agencies were invited to submit their requests for reimbursement for expenses incurred during the first six months of the state fiscal year. Below is a breakdown of the applications received.
Number of Applications Received: 41

Type of Accommodation:

- **33** were for “periodic or ongoing services for a state employee.”
- **8** were for “one-time expenses for a state employee that total more than $1000.”
- **0** received for applicant accommodations.

Nature of Accommodation:

- **33** were related to hearing
- **2** were related to vision
- **6** were related to physical/mobility

Total Dollar Amount Requested by Agency:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Reimbursement Amount</th>
<th>Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Agriculture</td>
<td>$1,509.75</td>
<td>1</td>
</tr>
<tr>
<td>Department of Commerce</td>
<td>$8,306.00</td>
<td>6</td>
</tr>
<tr>
<td>Department of Employment and Economic Development</td>
<td>$4,670.25</td>
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</tr>
<tr>
<td>Department of Human Services</td>
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<tr>
<td>Department of Public Safety</td>
<td>$4,458.00</td>
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<td>Housing Finance Agency</td>
<td>$31,578.75</td>
<td>2</td>
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<tr>
<td>Minnesota Management and Budget</td>
<td>$16,950.00</td>
<td>2</td>
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<tr>
<td>MN.IT Services</td>
<td>$3,231.20</td>
<td>3</td>
</tr>
<tr>
<td>MNsure</td>
<td>$9,930.00</td>
<td>1</td>
</tr>
<tr>
<td>Pollution Control Agency</td>
<td>$2,131.30</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$110,365.78</strong></td>
<td><strong>41</strong></td>
</tr>
</tbody>
</table>

Application Approvals
Thirty nine applications totaling $93,414.78 were approved. $66,585.22 remains available in the fund for accommodations provided by state agencies in FY16. Currently, payments from the fund are on track to exceed the $100,000 annual accommodation spending estimate from the 2015 Centralized Reasonable Accommodation Fund Study.

Application Denial
Two applications totaling $16,950 that were submitted by Minnesota Management and Budget (MMB) were denied. MMB requested reimbursement for two employees of other state agencies selected for leadership development provided by MMB’s Enterprise Learning and Development. The request was denied because the employees were not employed by MMB. Interested employees are eligible for funding from the Central Accommodation fund; however, funding requests must come from the agency with which they are employed.
**Next Steps**

Agencies will continue to submit applications for reimbursement of reasonable accommodations for state employees with disabilities. Admin will review and reimburse applications up to the maximum available funding in the accommodation fund.

Based upon the rate of reimbursement during the first six months of the fiscal year, it is likely that the funds expended from the Central Accommodation Fund will exceed the estimate provided in the 2015 Centralized Reasonable Accommodation Fund Study. If reimbursements continue at the same rate, the accommodation fund will fully expend the resources available prior to new funds becoming available on July 1, 2016.