



COLORADO
Department of
Labor and Employment

Executive Director's Office
633 17th Street, Suite 1200
Denver, CO 80202-3660

November 1, 2017

The Honorable Kenneth Lambert
Chair, Joint Budget Committee
State Capitol Building
Denver, CO 80203

Dear Honorable Senator Lambert,

Please find attached the annual submission for the request for information pursuant to HB 17-254 for the Colorado Department of Labor and Employment, Division of Vocational Rehabilitation.

Sincerely,

Ellen Golombek

Cc: Amanda Bickel, JBC Staff

1. Department of Labor and Employment, Division Of Vocational Rehabilitation and Independent Living Services, Vocational Rehabilitation Programs -- The Department is requested to provide quarterly reports on the number of individuals receiving vocational rehabilitation services including: a break-down by category of the number of individuals receiving services; the average cost by category of services; the projected fiscal year expenditures, and the projected balance of the State's federal vocational rehabilitation account.

Table 1 Count of Individuals Receiving Services on June 30, 2017				
Case Status	Most Significant Disability	Significant Disability	Disability	Total
Eligible	1,510	610	91	2,211
Service	3,362	1,125	120	4,607
Employed	531	225	52	808
Post-Employment	26	10	1	37
Total	5,296	1,906	246	7,663

Table 2 Average Cost by Category of Services for Cases with Payments SFY 2016-17		
Disability Priority Category	Number of Clients in Category	Cost per Client in Category
Individual with a Disability	286	\$2,469
Significantly Disabled	1,488	\$2,573
Most Significantly Disabled	5,038	\$2,401
Overall Average	6,812	\$2,441

Table 3		
Division of Vocational Rehabilitation Projected Expenditures by Long Bill Line Item SFY 2017-18		
Long Bill Line Item	Long Bill	Projected Total Expenditures
Centrally Appropriated Lines*	\$3,600,000	\$3,600,000
Vocational Rehabilitation Personal Services	\$15,972,937	\$15,972,937
Vocational Rehabilitation Operating	\$2,539,404	\$2,539,404
Vocational Rehabilitation Services	\$14,831,622	\$14,831,622
School to Work Alliance Program (SWAP)**	\$9,133,891	\$9,924,433
Vocational Rehabilitation Mental Health Services	\$1,748,180	\$1,730,507
Business Enterprise Program for People Who are Blind	\$1,532,125	\$1,532,125
Business Enterprise Program-Program Operated Stands, Repair Costs, and Operator Benefits	\$429,000	\$125,000
Federal Social Security Reimbursements	\$1,885,600	\$2,523,582
Total	\$51,672,759	\$52,779,610
Fully Matched Federal Case Services	\$4,306,872	\$4,306,872

*Centrally Appropriated Lines includes: Executive Director's Office Personal Services and Operating, Worker's Compensation, CORE, Risk Management, Legal Services, Leased Space, Fixed Vehicle payments, Payments to OIT and Statewide Cost Allocation Plan payments.

**CDLE has increased SWAP spending authority for the past two state fiscal years to target expenditures to students with disabilities between the ages of 15-21 (Pre-ETS), as the FFY16 and FFY17 federal awards came with a required 15 percent set-aside for Pre-ETS. As a result, CDLE has increased Pre-ETS expenditures from approximately \$1.9 million in FFY 2016 to approximately \$5.2 million in FFY 2017.

Table 4					
Distribution of Federal Award by State Fiscal Year					
	Basic Support Federal Award to CDLE	SFY 16	SFY 17	SFY 18	Remaining
FFY 16	37,349,084	0	16,363,870		20,985,214
FFY 17	38,998,851	0	21,349,910	17,648,941	0
Totals	76,347,935	0	37,713,780	17,648,941	20,985,214

Source: CORE, total of all federal expenditures and encumbrances associated with the Basic Support program code as of the end of SFY 2018, Period 3 close.

The State Vocational Rehabilitation Services grant (Basic Support) award has a one-year grant period. Federal funds remain available for obligation and expenditure in the next federal fiscal year (carryover year) only if the unexpended award amount is fully state matched in the current grant year. CDLE anticipates matching the full FFY 17 award.

The FFY 17 award was reduced due to a maintenance of effort (MOE) penalty of \$4,924,932 for FFY 16. This penalty is assessed when a state does not meet or exceed the same level of non-federal expenditures as in two federal fiscal years prior. The calculation of the maintenance of effort penalty is provided below.

As indicated below, CDLE anticipates meeting its MOE requirement for the FFY 2017 award. CDLE anticipates a higher federal award amount in FFY 2018, which may require additional sources of non-federal funds. CDLE will first search for intergovernmental partnerships that may exist as sources of non-federal funds prior to requesting a decision item.

Federal Award	Award	Federal Expenditures	Match Required	Match 2 years Prior	MOE penalty
FFY 14	\$40,918,495	\$40,918,495	\$11,074,510	Base Year	\$576,036
FFY 15	\$41,000,267	\$35,710,313	\$9,664,926	Base Year	\$1,174,669
FFY 16	\$42,317,015	\$22,721,805	\$6,149,612	\$11,074,510	\$4,924,828
FFY 17	\$38,998,851	\$38,998,851	\$10,554,962	\$9,664,926	\$0

2. Department of Labor and Employment, Division of Vocational Rehabilitation and Independent Living Services, Office of Independent Living Services -- The Department is requested to provide as of November 1, 2016 the number of clients served by each Independent Living Center for the past six months, the status of development of a new Independent Living Center, and the distribution of funds by Independent Living Center.

Table 5							
Clients Served by ILC by Month							
Center Name	March	April	May	June	July	August	Total
Atlantis	189	201	182	183	171	227	1,153
Center for Disabilities*	370	380	389	410	391	404	2,344
Center for Independence	170	176	217	235	241	278	1,317
Center for People with Disabilities	526	534	551	554	519	381	3,065
The Independence Center	227	145	146	150	126	134	928
Connections	193	193	221	185	208	215	1,215
Disabled Resource Services	152	102	80	116	104	140	694
Northwest Colorado Center for Independence	179	171	151	103	144	119	867
Southwest Center for Independence	85	82	69	88	73	87	484
Total	2,091	1,984	2,006	2,024	1,977	1,985	12,067
Source: Monthly ILC Report billing submissions of new and existing clients for unduplicated clients. Unduplicated clients refers to the monthly number of individuals served, rather than individual service delivery instances by month.							

Table 6	
Distribution of General Funds by Independent Living Center	
Independent Living Center	General Fund Amount
Center For Independence	\$ 726,686
Center For People with Disabilities	\$ 721,159
Atlantis	\$ 870,270
Connections for Independent Living	\$ 706,885
Center for Disabilities*	\$ 425,182
Northwest Center for Independence	\$ 671,442
Disabled Resource	\$ 665,752
Southwest Center for Independence	\$ 677,780
The Independence Center	\$ 776,504
Total	\$ 6,029,069

*Funds for the Center for Disabilities are disbursed on a quarterly basis following an audit conducted by CDLE.

3. Department of Labor and Employment, Division of Vocational Rehabilitation and Independent Living Services, Vocational Rehabilitation Programs -- The Department is requested to provide by November 1, 2016 a listing of the current leased spaces for Workforce Centers and a listing of the current leased spaces used by the Vocational Rehabilitation Programs including costs. The Department is also requested to provide the status of consolidation of leased spaces including locations that can be consolidated and estimated cost savings.

Listing of Current Workforce Centers and Vocational Rehabilitation Programs

Division	CITY	Estimated Total FY 2018	Co-location Dates
DVR	Alamosa	\$31,100	Co-location deferred due to space constraints
Workforce	Alamosa	\$30,333	
DVR	Aurora	\$39,074	Co-location deferred due to space constraints
Workforce	Aurora	\$26,236	
DVR	Boulder	\$40,360	
Workforce	Burlington	\$12,788	
DVR	Colorado Springs	\$167,511	
Workforce	Cortez	\$23,582	
DVR	Craig	\$3,588	Closed due to caseload size
DVR	Denver (Littleton)	\$280,990	
DVR	Denver (633 17th)	\$282,959	
DVR	Durango	\$31,652	Assessment pending prior to lease expiration
Workforce	Durango	\$61,810	
DVR	Edwards	\$9,180	Assessment pending prior to lease expiration
Workforce	Edwards	\$12,483	
Workforce	Elizabeth	\$15,777	
DVR	Englewood (Greenwood Village)	\$61,974	Proposed Consolidation with Denver office December 2017
DVR	Fort Collins	\$99,204	
DVR	Golden	\$84,673	
Workforce	Granby	\$6,600	
DVR	Grand Junction	\$19,854	Capitol Complex
DVR	Greeley	\$30,194	
Workforce	Gunnison	\$19,140	
DVR	Lamar	\$7,545	Assessment pending prior to lease expiration
Workforce	Lamar	\$14,841	
Workforce	Leadville	\$13,086	
DVR	Limon	\$11,136	Assessment pending prior to lease expiration
Workforce	Limon	\$5,400	
DVR	Longmont	\$22,809	
Workforce	Meeker	\$1,940	
Workforce	Monte Vista	\$15,346	
DVR	Northglenn	\$99,704	
DVR	Pueblo	\$109,211	Assessment pending prior to lease expiration
Workforce	Pueblo	\$185,394	
Workforce	Rangely	\$0	
Workforce	Rifle	\$7,522	
DVR	Steamboat Springs	\$23,150	Current distance is .1 mile
Workforce	Steamboat Springs	\$24,650	
DVR	Sterling	\$8,131	Assessment pending prior to lease expiration
Workforce	Sterling	\$19,308	
Workforce	Yuma	\$6,321	
Workforce	Walsenburg	\$1,200	

Co-location assessments are prioritized by lease expiration dates in order to avoid additional operating costs to programs due to early termination of leases. The assessment to co-locate facilities includes many factors, such as:

- Distance between locations
- Client population in a geographic location
- Cost and availability of funds for operating costs for moves and buildouts
- ADA accommodations for DVR clients
- Capacity for dedicated offices for DVR counselors to discuss health information
- Availability of accommodating space for both programs
- Accessibility to public and alternative transportation

Consolidated Locations (as of 6/30/2018)

Division	CITY	Estimated Total FY 2018
DVR	Canon City	\$1,960
Workforce		\$26,040
Total		\$28,000
DVR	Craig	\$0
Workforce		\$0
Total		\$0
DVR	Delta	\$2,455
Workforce		\$22,103
Total		\$24,558
DVR	Fort Morgan	\$3,423
Workforce		\$13,692
Total		\$17,115
DVR	Frisco	\$0
Workforce		\$0
Total		\$0
DVR	Glenwood Springs	\$22,188
Workforce		\$48,978
Total		\$71,166
DVR	Montrose	\$3,534
Workforce		\$15,066
Total		\$18,600
DVR	Trinidad	\$3,528
Workforce		\$14,792
Total		\$18,320