

NH State Rehabilitation Council

NH State Rehabilitation Council Minutes

May 1, 2018

Governor's Commission on Disability

121 Fruit Street, Concord, NH, 03301

Attendance: Nancy Rollins, Chair, Charles Saia, VC, Darren Beattie, Sherry Burbank, Holly Cadwallader, Sandy Hunt, Michelle Lapointe, Courtney Lockwood, Chris Purington, Lorrie Ripley, Isadora Rodriguez-Legendre, Lisa Hinson-Hatz, Jeff Dickinson, Holly Rioux, Kim Phillips

Absent with excuse: Larry Ashford, Sam Caswell, Peter Darling, Corey Kotz, David Morgan, Michael Powers, Michael Rudis, Maureen Tracey, and Therese Willkomm

VR Staff: Dee Clanton, Bill Finn, Susan Roma, Ella McAllister, Jim Piet, Kevin Stevenson

Guest: Frank Edelblut, Commissioner of Education

Interpreters: Rebekah Mallory, Patty Stuart

PCA: Jeanne Keith

The meeting was called to order at 1 pm. In order to accommodate the Commissioner of Education's schedule, he was placed first on the agenda.

Commissioner Edelblut was invited to this meeting to share with the Committee the process that occurred necessitating that NH Vocational Rehabilitation seriously consider entering into an Order of Selection (OOS). For the past several years, NHVR has spent more money than it had taken in as revenue. During this time, the federal grant saw a reduction, along with declines in program income, while fixed costs either remained the same or increased depleting accumulated surpluses. With the introduction of the 15% pre-ets federal spending requirement, surpluses that were previously counted on to carry program expenditures through the year were exhausted.

The budget shortfall was discovered shortly after the Department underwent reorganization, centralizing its financial operations and implementing quarterly financial review meetings.

Staff within the Department has met steadily during the past several weeks, along with affected community partners, in order to make adjustments within the budget to make up for the shortfall. A review of all approved customer plans, costs and time of services have been reviewed to insure that the agency has the funds to complete services in all approved plans.

The plan of action to get the agency back on track financially includes right sizing VR resources more in line with past caseload numbers as well as decrease spending in several budget categories.

The Department is instituting changes immediately to monitor the situation including beginning a complete review of VR's finances on a weekly basis. The Commissioner asks that the agency continually evaluate its service model for the best way to service its constituents, while being careful to insure it is accountable and operates within a high degree of transparency.

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Report of the Director: Lisa Hinson-Hatz, as part of her presentation to the Committee, reviewed the financial report for available funding vs. reconciled information for the past three quarters (note: the 3rd quarter was not included as typically the SRC does not meet during this quarter and reports are not done). The SRC was presented information at its prior meetings that appeared to be accurate at the time but in reality was not (grant balances were over-reported). Also reviewed, was additional information in member's packets which included RSA's OOS Federal Regulations, VR counselor customer data for quarter three and the Department's revised budget information for the remainder of the federal fiscal year.

Lisa reported that she has also been in contact with New Hampshire's Federal RSA liaison regarding the OOS process. Amendments to the State Plan will be submitted by week's end after a public hearing on May 3rd, where public input on the amendments will be sought.

The Agency intends to enter an OOS on Monday, May 7, 2018. Changes to the Agency's case management system have occurred to allow the system to keep track of customers with an assigned disability priority not currently being serviced and placed in a delayed status pending funding. Staff training in operating within an OOS is scheduled for the week of May 7th. Meetings have already occurred with members of Governor's Office and SRC leadership regarding the OOS and today the agency seeks the official vote from the Council.

Much discussion followed and the general consensus of the group is that SRC members are frustrated by the process, specifically the time line between discovery and implementation of the OOS. Members questioned why the SRC vote was occurring before the public hearing and before hearing public input. It was also noted that the SRC Policy Committee had not yet met and reviewed its quarterly data. Also under question was why the financial discrepancies were not picked up by prior State audits that the VR Agency had undergone during the past several years. Several members voiced concern that the Department had not investigated all available options for the State Agency to meet its obligations without going in an OOS.

A **motion** was made and approved to delay the SRC's official vote on whether to enter into an OOS until after the completion of the public hearing and public input scheduled for Thursday, May 3, 2018. The SRC vote will occur by the end of Friday afternoon. Those not able to be physically present will be able to participate via teleconference. For those wishing to comment on the state plan amendments, Ella McAllister will be collecting comments for inclusion into the State Plan until its submittal to RSA by COB May 4, 2018.

Approval of minutes from October 31, 2017: Deferred until the June meeting.

Next Meeting: The next meeting of the SRC will occur on Tuesday, June 26, 2108 in Room 100 of the Walker Building, 21 South Fruit Street, Concord, NH, 03301.

Adjournment: A motion made and approved to adjourned the meeting at 3:30 pm.