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Regency Ballroom **Fourth General Session‑ Updates from the Rehabilitation Services Administration**

>>> All right. Could you begin to take your seats, please. Please come on in and settle in so we can begin our fourth session on time. Steve is loosening his tie. I'm not sure what that means!

[LAUGHTER]

>> Come on in! We'll start in just a minute or so.

(Pause.)

>> Kim: Okay. Thank you for taking your seats so we can begin.

(Pause. )

>> All right. Good morning! My name is Kim Peck. I am the director of Minnesota General. Happy to have the pleasure of introducing our colleagues and partners from RSA.

This is always the session that I never want to miss. And so, I'm ‑‑ I would expect that you feel similarly, in terms of the opportunity to have the direct interaction and dialogue with our partners from RSA.

They'll be providing an update, and, also, David Steele, as the fiscal chief, will be providing, as noted in your program, everything you wanted to know about prior approval but were afraid to ask.

So we have, for our panelists we have carol the acting deputy commissioner of RSA. Then to her left we have Suzanne Mitchell the chief of the program unit. David Steele, the chief of the fiscal unit. Mary Lovley, chief training programs. And Melinda Giancola, chief of data collection and analysis unit. And last but not least, we have Tom Finch, the director of the training and services programming divisions. I chatted with him and he remarked about the number of decades that he's had the opportunity to partner with us in this work; so. We love that experience. That wealth of richness of that experience.

So thank you, Tom. So with that, please a warm welcome to RSA beginning with deputy commissioner Carol Dobak.

[APPLAUSE]

>> Good morning everyone. I want to pick up on a word that Kim used several times in her brief introduction of this panel and that is the word "partnership".

Partnership, and collaboration, I think, are a theme that we consistently see evidenced here, when we attend CSAVR conferences, and it is certainly something that we all work for, while we are engaged in our work throughout the year.

It is a ‑‑ a significant theme that Johnny Collett spoke of on Monday morning. I think the theme of collaboration was, again, evidenced in the session following that, when we heard from colleagues of ours, at the VAs, vocational rehabilitation and employment program.

And they spoke of their efforts to collaborate, both at the federal level, with RSA, and at the state level; so that individuals, veterans with disabilities, can find employment.

As always we hear from Kathy west Evans and employers about the great work that they're doing in collaboration to help individuals with disabilities, successfully engage in employment.

And then we also have this opportunity to engage with all of you, RSA, to CSAVR, to VR agencies in a way throughout these several days, that helps to further strengthen our collaboration. We always look forward to engaging in the committee meetings. That gives an opportunity for us to meet with you one‑on‑one.

Provide information that you need to hear from RSA, respond to questions, and have a very open and collaborative dialogue around all the topics addressed at those committee meetings.

And then this is another session, that we hope helps to strengthen our collaborative efforts both with CSAVR and each of your VR agencies throughout the states. It is a session which we always be striving to and hope to impart upon you some very helpful information you can use when you go back to the states. To improve employment outcomes but all doing that for the benefit of individuals with disabilities and their employment.

So I am now going to turn over the stage Suzanne Mitchell chief of our vocational rehabilitation unit she's going to highlight information from you directly relevant to the VR program. Then we're going to hear from our colleagues in RSA who administer our discretionary grants Mary and tom. They're going to help to highlight the important work that discretionary grants are doing in your states in order to benefit vocational rehabilitation, and employment of people with disabilities.

And then we're going to hear from Melinda Giancola chief of the data unit. She has some information to share about recent reporting, 2017, reporting, and first quarters 1 and two.

And I think you're going to find that information very illustrative, of where we are right now in that effort that you are engaged in with us.

And then David Steele will highlight some ‑‑ some information fiscally related to supported employment, but then has some very important information to share with you, about prior approval. As the agenda indicates. So we hope all of you can last these two hours with us, but I think you're going to find it very informative. And hopefully, enjoyable. So thank you for giving your attention to us this morning!

>> Thank you, Carol.

Can everybody hear?

Okay?

All right. It's a pleasure to be here again with all of our good colleagues in CSAVR and we're delighted as carol said to work in collaboration with you. I'm going to just highlight a few things this morning to... to you, to help to build on our collaboration.

First off, I would like to ‑‑ a little ‑‑ okay. There we go. First of all, I would like to talk a little bit about some of the work that our staff is doing in RSA, and in concert with you. Right now, of course, I'm sure you all are familiar that we're working on the state plan modification process in January. You received e‑mails and also technical assistance circular, related to guidance on the modifications for the state plan, both the VR services portion, and the unified and combined state plan.

And our staff in the VR unit and the ‑‑ and the technical assistance unit have been working with you as you have submitted your ‑‑ your VR portions; and we are contacting you as necessary if there's need for any clarification; or any revisions to those plans ‑‑ as you know, the ‑‑ the plans were due on March the 15th, with an extension of ‑‑ to April 2nd. They wouldn't be considered late if they were submitted by April 2nd.

And we do have a few exceptions, where particularly, our areas that were hard‑hit by the hurricanes who requested exemptions, you know ‑‑ we're glad to be able to work with them and continue working with them in submitting their state plan information

The ‑‑ our staff not only are reviewing all of the 79 VR portions of the ‑‑ of the state plan from the blind and ‑‑ and general and combined agencies, but, also, we have approximately a third of the 57 plans that are submitted of the combined and unified plans that are being led in our federal panel lead function, by our RSA staff. We split that with Octe and the Department of Education and ETA in the Department of Labor so our staff had been very busy in not only coordinating and reviewing the VR services portion, but also in working on a unified and combined modifications.

We hope that you are finding this new process okay. And that things are going well for you. If they're not, please don't hesitate to contact us and let us know how we can help.

In addition to the state plan, we are also ‑‑ our staff have also been working on monitoring ‑‑ we had 14 on‑site monitorings in 2017.

Most of the reports have been issued in draft or published form; and we hope to have the remainder of the reports by the end of the month, or within the next couple of weeks or so, issued. We are very, very appreciative ‑‑ I know I speak on behalf of all of our teams in saying how much we have enjoyed our visits with you on‑site. And are very appreciative of the collaboration and the cooperation that all of you have demonstrated as we've been on‑site.

So far, this year in our 2018 site ‑‑ on‑site visits, we have been to California and Louisiana. We have been to New York General Agency and we've been to Arizona.

And, actually, this week, we have a team working with New York Blind on‑site. We will continue ‑‑ we have 10 more scheduled. You've been contacted by your team, so you know if you don't know by now that you're on the list ‑‑ I don't know what to tell you!

[LAUGHTER]

>> But we are, again, delighted to be able to come out and work with you, and, as has been emphasized, you know, we're not only looking at compliance; we want to be there to provide any technical assistance to you, as you implement and continue to move forward with some of the new requirements under WIOA.

The areas, again, just to remind you, that we're looking at are.

Performance of the VR program.

Transition, including preemployment transition services;

The supported employment program;

We're looking at the fiscal aspects of your ‑‑ of your performance as well;

And the implementation of the joint final rule under WIOA.

So those are the areas, again, that we are focusing on in this monitoring this year.

I do want to say just a word about supported employment. As you know, from our meeting in November, that we did not anticipate that there would be supported employment funds available to you this year, based on the proposed bills that had been submitted by the house and the Senate. However, to our surprise ‑‑ and to yours as well, I'm sure ‑‑ we were delighted to see that supported employment funding was restored, minus about 5 million, I believe.

So David is going to talk to you some more about the awarding of those grants.

I just would want to remind folks, as you are developing new policies and procedures; and implementing those in compliance with WIOA, with supported employment, do not forget to update your policies and procedures, to reflect all of the new provisions in the Act around supported employment.

Finally, I would like to just talk a bit about order of selection.

I know that this has been a topic of interest. Carol, actually, did a presentation yesterday, to the attorneys and I think there were several VR directors as well; but this has been an area that we've been watching very closely. We have 37 ‑‑ you know, 38 ‑‑

[LAUGHTER]

>> Yeah, it changes daily. We have 38 state VR agencies that are now implementing an order of selection, 27 of those have actually closed categories; and of those 27, that have closed categories, one or more closed categories, we have six that have no categories open at this time.

So as you can see, this is ‑‑ this is.... in terms of the order of selection, we are seeing some escalation in the closing of categories.

We are watching this very closely.

And with that, I don't have anything else to ‑‑ to add to the conversation at this time.

I will be happy ‑‑ obviously, at the end to take any questions; so I'm going to turn it over to Mary Lovley.

>> Mary: Good morning, everybody! My voice isn't strong so I have to make sure the microphone is close enough.

I am relatively new in the role as chief of the training programs unit. I took over the role that Roseanne Ashby used to have before she moved to the technical assistance unit.

I have been there since the end of April last year.

As you probably know, the total training budget for the programs in the training unit, is 29,388,000 which we were very relieved to see is level from 2017 budget.

So we ‑‑ you know, while it's not great news, it's ‑‑ it's, actually, pretty good news that we didn't receive any cuts.

We have, as you know, programs including the long‑term training program, and the short‑term training program, the technical assistance centers, and two contracts that we fund out of the training program.

Most of my remarks today will be related to the long‑term training program, because that's where most of the activity right now is happening.

Also, in this unit, we have the demonstration and training programs, which also was level funded for this year.

But, as you may have noticed in the president's FY2019 budget, there was a ‑‑ a proposed increase of 3 and a half million dollars to that program for the purpose of apprenticeships. We're not going to get into that yet, because that's future look.

I want to focus more on activities that we are actively engaged in right now.

Although we are planning for those apprenticeship dollars should they come. And I'll let Tom focus more on that, because he's involved directly in that more than I am.

We also administered the Section 21 set aside award. And the disability innovation fund.

Out of this unit.

I'm also going to leave discussion of the TA centers to Tom.

So that he can give you the most recent information about what's going on with those.

So in terms of the rehabilitation, long‑term training grants and the reason that those are going to be the focus of today's discussion, is that we have 67 long‑term training grants that were awarded in 2014.

That will be coming to their natural conclusion, in FY2019.

And we have an additional 39 grants that will be ending in 2020.

That means we're spending a lot of time planning for the use of those funds.

It's 14.4 million, turning over in 2019; and an additional 7.7 million for a total of 21.1 million.

The 7.7 million will be turning over in 2020.

So we have been planning for what we are going to be doing with those funds. We've been looking at all sorts of inputs, including working with our SMPID colleagues, looking at the state plans; looking at the kinds of questions and issues that are being raised with the state liaisons; we're looking at um...

Issues that are being handled and raised through the TA centers that may be more training, in focus.

We're looking at gathering input from the field, and we strongly encourage participation by the VR state agencies, at not only the director level; but lowered down in the organization at the VR counselor level.

We are planning to publish a request for information, to take input.

And we really want your best thinking about.... where we should focus these dollars, in 2019. And 2020.

It could be that we leave them in a long‑term training with a different emphasis in terms of which ‑‑ which degree levels; which specialty areas. It could be that some of the monies are more needed in short‑term training for things that would address some of the requirements in WIOA that we don't have long‑term training programs for.

And it could be, perhaps, some things in innovative training that are needed, based on new requirements that you need to have training on, but there isn't yet any training available for it.

So begin thinking about that.

Keep your eye out on the Federal Register. We will announce it when it is published. We will let you know, through the RSA LISTSERVs, as well as our other communication mechanisms. So be alerted to that. We will encourage you to provide thoughtful, meaningful information to us that we can consider. Because we really want to make the best use of those dollars, in supporting what you do at the state agency level.

The other thing related to long‑term training, that I wanted to discuss with you, is that we have engaged in a pay‑back contract. It's the same contract that OSEP uses and the office of Indian education uses for their payback processes, which means we will be changing the way we handle paybacks slightly.

And the good news is it should be less burdensome on everybody. It should be less burdensome on the universities that receive the funds. It should be less burdensome or less confusing for the scholars.

And it should be less burdensome for the employers, because it will be a fully automated system; at the employer level, which is most of you, because you are very much involved in providing verification when a scholar receives employment in your agencies.

Right now you provide that verification to the university, and it's ‑‑ it's ‑‑ you have to provide it through e‑mail or through mail or through phone conversations; and it's not consistent.

With the new system it will be provided online. The scholar will enter their information. And all you have to do, once you receive a notification, is go in and verify that the information is accurate and if it's not, deny it and say why. And the scholar will have to update it until it is accurate.

So it should take far less of your time.

The other thing ‑‑ going back ‑‑ I just want to make one more comment on the RFI. The RFI is going to contain a series of questions that we will be asking you to think about and respond to, as... appropriate. You don't have to respond to every single one, obviously, but those that you feel are most.... that you ‑‑ you can best respond to, we are hearing from our scholars, in some cases, that...

Depending on the state, the state either is begging for more scholars because they have a lot of vacancies to fill; and internship opportunities to provide. Or, on the other end of the spectrum, states are feeling like there are too many scholars in that area. They can't provide internship opportunities to all of them or employment opportunities to all of them.

So that's something, also, to keep in mind.

In addition, at the HRD meeting, the other day, there was some concern expressed about how... how VR counselors, particularly, those that don't have a degree, specifically in vocational rehabilitation, are receiving training once they're employed.

So that's another thing to think about.

And those questions, there are targeted questions to those specific issues, as well as others in the RFI; so I just want to reemphasize the importance that we're placing on getting your input, as well as the input of others from that RFI.

That's all that I have.

But like Suzanne, at the end I would be happy to take questions, but right now I'm going to turn it over to Tom, to present the rest of the material related to the training and service programs division.

>> Tom: Good morning everyone.

FROM THE FLOOR: Good morning!

>> Tom: It's a pleasure to be back again.

[LAUGHTER]

>> Tom: And as Kim mentioned early on, I'm over here standing at the podium as opposed to sitting at the ‑‑ at the table.

For several reasons. One of which was the guidance that I received as I was getting out of the car, this morning as my wife dropped me off at metro and she says, "Tom, remember, how you can be" and I said, "Yes," and she said, "Sometimes you become overly verbose."

[LAUGHTER]

>> So try to be concise, and to the point.

So as a consequence ‑‑

[APPLAUSE]

>> Tom: Thank you!

[LAUGHTER]

>> We're wiping you off the grants. That's it! Forget the partnership here!

[LAUGHTER]

>> Tom: What I want to try to do is, in addition to what Mary has shared with you, just a little bit of a summary of the technical assistance centers that we are particularly ‑‑ that we are funding and have been funding for the past couple of years, and I notice over to my right and to your left, there are a number of staff from the TA centers here so I'm sure they will take every opportunity to correct me in terms of anything that I was that is inaccurate. But first, what I would like to do right off the bat is to thank you all.

Thank you each and every one of you, and for the staffs in the state agencies that you represent because quite honestly without your participation and willingness to work with our technical assistance centers, the progress that we are able to document now, would not be noticeable.

Many of you, who can recall, about eight years ago, we stopped and took time to reevaluate our discretionary grant investments.

We took a look at a long‑term training program. We took a look at demonstration in training programs and we took a look in terms of the commitments that had been made over decades, with regard to the assistance provided to state agencies, primarily in terms of continuing education.

So just about six, seven years ago, we made a shift; and that shift, essentially, moved from continuing education to one of technical assistance.

The basis upon which was to move to a model, if you will, of supporting systems change at the state level.

We're doing this through a series of what is now become the vernacular ‑‑ or the mantra, which is having to do with intensive, targeted, and universal TA agreements, which have been negotiated or in the process of being negotiated between the various grantees and state vocational rehabilitation agencies, because all of what it is that we are doing through the technical assistance centers is to ensure that there is a partnership between you and RSA in order to essentially, work towards a continuous improvement of the vocational rehabilitation program.

We moved away from small geographic grants, with limited funding, to a more ‑‑ if you will ‑‑ to a series of programs that have substantially more funds in order to dedicate the amount of resources to really drill down on specific topics that you are ‑‑ and have told us ‑‑ are of interest to you. But it also reflects the changes brought about by the Workforce Investment Opportunity Act.

We wanted to create a ‑‑ if you will, a structure to encourage that the TA centers that we are funding, have a requirement, not only to work amongst themselves, but also, to ensure that they are responsive to the needs that you are bringing to their attention. This is purely both voluntary in that we are not requiring states to work with our technical assistance centers, but we do open up the door, in hopes that you will take advantage of the services, the ‑‑ the training, the technical assistance that is available through each of the ‑‑ the technical assistance centers.

So we've gone from a... if you will ‑‑ multiple center base to something which is now more singularly focused, but is also based on specific topics, as opposed to requiring a grantee to be all things to all people and to cut across all areas of consideration.

And so what we have done, and quite honestly, we gambled.

We changed what had been historically, a system of providing continuing education and technical assistance, to state agencies, to one that is focused primarily in terms of technical assistance. And I met Robert in the ‑‑ in the lobby. Robert Doyle in the lobby ‑‑ he's smiling because he knows what I'm going to say. But we took ‑‑ I say a gamble. We essentially put our neck out there. Just much like a turtle.

And so ‑‑ and I come from Maryland so you can understand this ‑‑ this analogy.

[LAUGHTER]

>> You know, the turtle doesn't make progress unless it sticks its neck out. And that's exactly what we did, because what we had envisioned is that what was occurring, and had occurred over time, was not a value, but we thought there was now a need to shift one in anticipation of the Workforce Investment Opportunity Act being passed but also in terms of being more responsive to the needs that you had within the state agencies.

So as a consequence, we now are funding several centers. We have seven specific centers, focused in terms of vocational rehabilitation. We have two other centers, that have a particular focus that are not directly related to the state agencies.

But are more focused in terms of the American Indian vocational rehabilitation program.

Where are we at this particular point? Well, the numbers necessarily don't speak, I think, to the success that the centers have enjoyed.

And have reported back to us.

And so what we know, is that we are currently operating, with regard to all of our centers, in 43 different states. Where intensive TA agreements have been negotiated and have been implemented. Consequently, we have a series of ‑‑ I think, the numbers ‑‑ and I'm ‑‑ I ‑‑ I ‑‑ subject to change, or to.... correction, but we do have 43 signed intensive TA agreements with 33 state agencies.

We are operating two collaboration groups. One that is focused on all of the TA centers; and the other one is focused ‑‑ and related only ‑‑ to the TA centers dealing with youth.

We have a coordination and collaboration effort that goes beyond, as a result of the work that you and in concert with our TA centers have been able to document ‑‑ and that is that we've now been able to influence to some degree, the work that is being funded out of the office of special education programs, with regard to the promise projects.

We have also been engaged with ‑‑ and have been able to ‑‑ coordinate and collaborate with adult and youth TA centers that are funded through ODEP. And we are engaged with ‑‑ and continue to work with ‑‑ grants funded under the Disability Employment Initiative.

This is something that we had not envisioned. Other than on paper, being able to come to, and before you, to describe if you will, a ‑‑ a commitment to essentially work together.

And just as a side note: I was talking to someone ‑‑ in fact, it may have been Steve Wooderson at another committee meeting during Monday's afternoon session. And reminding me of why it is that I came into federal service decades ago.

I started out as a counselor, in Astoria queens. Worked my way from there down to the university here in D.C., to pursue a degree.

One degree led to another. I work would the Maryland state Department of Education for seven years, where I cut my teeth in terms of serving individuals with disabilities, with significant disabilities.

I cut across during that particular time programs that were funded by special education, not only vocational rehabilitation, but adult and ‑‑ and basic education programs ‑‑ all of which was dedicated to essentially, coming and working with components with one voice.

And I think now, after these many years, the vision that I had and thought that would occur, by joining the federal service is now coming into reality. It's taken some time.

But we are now talking across ‑‑ if you will ‑‑ agencies, across disciplines, and across stovepipes in a way that basically says ‑‑ we ‑‑ we acknowledge we can't do this all by ourselves.

And that we need the support and the commitment of other entities in order to provide the necessary services to our clientele.

So let me give you a little bit of a snapshot in terms of where we are, and I will try to do this in a concise way as I was instructed to this morning.

But let me share with you, just a few of these things.

When we began ‑‑ actually, before the seven technical assistance centers were initially funded, we began with a ‑‑ an award to ICI, with regard to the job‑driven vocational rehabilitation tech. And there were a ‑‑ this was a director that came out of the ‑‑ by the administration at that particular time. And they were tasked with essentially providing technical assistance to state agencies, around four specific areas.

One being labor market information.

The second had to deal with services to employers.

The third was building and maintaining employee relations.

And the fourth was services to customize training providers.

Now, granted that was a three‑year award that ended in September of '17.

However, we've been able to extend that program through, what we called a no‑cost extension to complete the activities that were begun during those three years, but then also to engage in conversations with the wintech that you'll hear about a little later on to essentially continue the good work that was established there in a way that we can ensure that the emphasis in terms of business engagement continues.

So we're looking to that. The wintech that you've heard an awful lot about, the workforce innovation and technical assistance center that was awarded to San Diego state university ‑‑ is also charged with four topical areas.

One is the preemployment transition services.

The second has to deal with implementation of services. Adapted to requirements of Section 511. Of the Workforce Investment Opportunity Act.

The third has to do with competitive integrated employment.

Including supportive employment customized employment, and the ‑‑ the other has to deal with integration of vocational rehabilitation into the workforce development systems.

They are also engaged in terms of ‑‑ and working with ‑‑ data collection reporting and evaluation activities.

What we know ‑‑ and can report out ‑‑ is that there have been multiple intensive technical assistance agreements that have been developed as well as... a series of webinars, and ‑‑ and WebEx types of activities that have essentially taken the ‑‑ if you will, the general information, and essentially presented it to ‑‑ or provided the opportunity for others to participate and learn a little bit more about what it is occurring. What the current state of the art is, if you will through community of practices et cetera et cetera.

But one of the things that, I think, is of importance to you‑all, is the ‑‑ the roll‑out of the career index plus.

This is a software system that interprets a wide variety of labor market information, and job openings into a single system that is available to all 80 state vocational rehabilitation agencies.

They have also introduced and rolled out, Sara, and this took me some time to really be able to say this. Semiautonomous rehabilitation assistant, which is also a software system, that can reach across multiple program information systems, to create common individual, and system information as well as assisting first‑time workers; and caseload management.

We are in partnership with the national technical assistance center on transition, which is primarily funded out of the office of special education programs. But we are engaged with them and to ensure the following: To ensure the transition youth with disabilities receive high‑quality education services.

We're there to assist state education, local education agencies, vocational rehabilitation and VR service providers, to implement evidence‑based and promising practices, ensuring students with disabilities, graduate prepare for success, in post secondary education, and employment.

Be part of efforts to create organize and disseminate information to help districts, schools, and teachers support students with disabilities, and they are focused in terms of the following five topic areas.

Rigorous academic preparation.

Career‑related curricula.

Quality secondary transition planning.

Strategies to reduce dropout.

And increase education rates and data‑driven decision‑making. The other center we are currently supporting has to deal with the program evaluation and quality assurance, which is awarded and the purpose of which that was driven, by, actually, feedback that we had received from you‑all, in terms of acknowledging that there was a need, or ‑‑ a need to ensure that there were people trained in terms of program evaluation.

And that came from ‑‑ and as a result of several summits that have occurred over the past numbers of years ‑‑ this had an effect hey, you guys need to kind of look at this and see what it is you might be able to do to ensure that we do have a cadre of qualified individuals who can engage in program evaluation and quality assurance activities.

Another that we are funding, two others that we're funding that are of note. One is the center on youth and disabilities. And that really is taking a look at youth who are not necessarily in special education programs, not necessarily engaged in vocational rehabilitation services either.

But really, to essentially, outreach to the community through you‑all, to essentially identify those who might benefit from vocational rehabilitation services. And that is, too, in its third year. This is one that has been delayed in start for any one of a number of reasons but we're right now on track and, in fact, see that there is a great deal of opportunity that is available to us.

And ultimately, to you‑all as well.

The last that we are particularly funding is the ‑‑ we refer to as targeted communities. This is ‑‑ an award that was made that is focused in terms of unserved, underserved populations looking at individuals in ‑‑ who are socioeconomically deprived, as well as living in socioeconomic areas that are... made up of a number of unserved individuals.

So all of which reflects, if you will, the work of the ‑‑ of the centers themselves.

There is one other that we are involved with. It is not a center necessarily, but it's four grants that we awarded last year to four state agencies with regard to career pathways. And really, the intent there is to assist states or to work with individuals with disabilities to acquire marketable skills. And recognized host secondary credentials, as well as to secure competitive employment and high‑demand, high‑quality occupations.

All in all, we are... pleased with the progress that has been reported out to us by the centers. And quite honestly as I mentioned to Robert outside and I can say this as the gabbing Thomas. I think many of us at the beginning were not clear exactly how this would shake out and what I'm deleted to be able to say to you is that all of the expectations that we have, not only have been met but they've been exceeded in terms of the centers being able to work with you‑all, with you volunteering to work with them; and the centers working amongst themselves to ensure that there's really a limited duplication of effort.

And so that the activities and supports the products that have been developed in one center are shared across other centers, as well, in order to improve, if you will, the services to our clients.

The last that I would leave with you, is that, as Mary indicated there's a request for information that is in process of being cleared, and ultimately be published in the federal Register.

While that is true, I would also add that the ‑‑ that we will ‑‑ essentially, be putting out another request for information, several ‑‑ several months away from now.

But it has to deal with the acknowledgment that the technical assistance centers that we support ‑‑ which were five‑year grants ‑‑ will be coming to an end naturally in September of 2020.

So we will be in the process of soliciting input from you‑all, in terms of what the centers should be looking like, as we move forward into 2020. And I think as I mentioned to Steve the other day, some of the conversations that we are having, are built around the premise of the CSAVR 2020 initiative. So forth. So I thank you for your attention. It's a little bit more than but please don't report back to my wife that I was a little bit more verbose than normally but I thank you for your attention and look forward to any conversations later on.

Thank you!

[APPLAUSE]

>> All right. Oh, all right. I know what you're all thinking now. The data person. PowerPoint.

Um, I promise most of my slides have uh graphics and such on them. So it should be interesting to you.

And this part of the presentation, I'm going to talk to you a little bit about some of the PYA2017 reporting, some of the trends and the data that we've seen and I'll also give you some updates on some of the projects that we're working on, in the data unit, and forgot to introduce myself I'm Melinda Giancola, chief of the data unit. I've been with RSA for about two years now but I think we've accomplished so much I feel like I've been here for decades with Tom.

[LAUGHTER]

>> Melinda: And in this first section I'm going to talk to you a little bit about some of the data trends on the quality of the data. I want to preface this by saying, I understand the past two, three years have not been fun, regarding data in the RSA 911. I know that the instrument had been turned on its head. You went from closed‑case data and only 200 elements to open case quarterly data and 400 elements.

And, you know, in my previous slide, if I was an IT project manager, so I completely understand how miserable it is, converting systems ‑‑ and how much fun it is to test data and get data to, you know, go back into the system. And ‑‑ you know, I understand that no matter how many times you test the system, how many users you have test the system, two days after you put it into production you're going to find a bug.

So I ‑‑ I completely understand the misery that you all have been going through, and I ‑‑ this part of the presentation, I'm not trying to throw stones from my glass house.

I ‑‑ I just want to make you aware of some of the quality analysis that we've been doing on the information that's going to be in the annual report; and some of the stuff is going to be very noticeable in the annual report so I'm hoping to point it out to you‑all today so we can take this back and start working on our data quality programs; you know, I hope that we're now at the point where we've cleared the hurdle of cleaning up the legacy data and we're at a point that we can start moving in that direction.

Okay. So the ‑‑ PYA2017 data we've got two quarters, and the first quarter, we were in Greenville South Carolina when it was due. We had 53 of 80 agencies submit the data file on time.

Since then we have received data files from a few more agencies. So we have 75 total for the first quarter of PYA2017. And in the second quarter we did a lot better. We had 71 agencies report on time.

Since then received two data files. We're up to 73 of 79 so we're missing six files for the second quarter, and Texas had combined between the first and second quarter. So that's why we have one less agency.

Okay. The employment rate, well, the employment rate isn't one of the joint indicators. It ‑‑ it ‑‑ you know, it is a leading indicator of what we can expect to see in the second and fourth quarter after ‑‑ while it's not going to be on the annual report it is important for us to look at.

We can see on this graph that in fiscal 2014, through 2016, the national un ‑‑ the national employment rate held steady around 57% in fiscal 2017, the bottom kind of fell out and we dropped down below 50. You know, we understand that there was some perhaps some case cleanup that was going on.

And that could be a factor.

So we expect to see the rate climb from here.

In the first quarter of PY2017, it ticked up to about 52% and then last quarter it dropped back down to about 50.

So that's where we are right now with the national employment rate.

This slide we see, the data behind that chart. And now we can't directly compare all ‑‑ all ‑‑ all the data points here because we do have the break‑in series between fiscal 2016 and '17; and fiscal '17 and PY '17, but it is interesting to note that the number of individuals without employment outcomes in fiscal 2017 that three quarters of data, is quite comparable to the number of individuals without employment outcomes in fiscal '14 through '16.

Okay. We're going to talk a little bit about preemployment transition services. And, again, this isn't necessarily reported on the annual report. But it's, obviously ‑‑ data of extreme interest on the Hill. We have a ‑‑ a study right now with GAR, the government accountability office. It's very in tune to this According to the data, 147,362 individuals have received preemployment transition services from VR since July 22nd of 2014.

Of those 61,690 were potentially eligible; so they had not been determined eligible by VR yet.

In the second quarter of PY2017, so from October 1st through December 31st of 2017, VR agencies provided 141,153 preemployment transition services.

And that's a count of transition services provided, not individuals served. So if someone received multiple ‑‑ they received a job exploration service, and they received a workbase learning, they're both counted up there.

I want to point out that agencies must report the 10 required elements for each individual receiving a preemployment transition service in the RSA 911.

If the agency is purchasing a preemployment transition service that must also be captured at the individual participant level in the RSA 911.

We've seen a lot of significant differences between the fiscal data and the data reported in the RSA 911; and as I mentioned, GAO is looking at this topic and I'm sure is going to have a lot of questions for us about that.

On this slide, continuing with preemployment transition services, you see a pie chart that provides the percentage of preemployment transition ‑‑ transition services, that were provided in the second quarter of PY2017.

So you can see that the largest slice of this pie is the blue one, job exploration counseling.

27%, 15% workbase learning experiences. That's the red slice.

Counseling on enrollment opportunities, 16%. That's the green slice.

Work readiness training, 25%. That's the purple slice.

And introduction to self‑advocacy is 17%, and that's the teal slice.

Okay.

RSA provided a lot of flexibilities to states in this first year of the transition to the RSA 911.

We know that going back and collecting all of this data for individuals who had cases open on July 1st, was extremely difficult.

Getting accurate data was extremely difficult. So we knew that we were going to be seeing a lot of updates; so we wanted to, you know, be as flexible as possible and make that as easy for you as possible.

So we relaxed all of our... requirements on the updatability of fields so we did some analysis and looked at the trends between the first and second quarter and notice that 135,000 changes were made to data elements.

It was interesting that these four that I've listed on the screen, comprise the ‑‑ a very significant amount of those changes. School status, 24%. Start date of initial VR service, 18%. Highest education level completed, 17%.

And highest elementary or secondary school grade completed, at 9.5%. So we're hoping that we start to see the data stabilize a little bit, and in the third quarter. You know, as I mentioned, people are very excited about this RSA 911 data. We've received several requests from GIO, in addition to the preemployment transition services.

We've provided them with information on source of referral.

WIOA program involvement. And IPE dates. They are very interested right now in looking at the cooperation between the programs so that they wanted to see the number of individuals referred from the other WIOA programs as well as what level of involvement our participants have at their program entry in those programs

Okay. On this slide we look at the percentage of employment outcomes at exit by agencies so I took the total number of employment outcomes, by agency and calculated the percent of each of those outcomes.

So we looked at five agencies on this slide. I, obviously, renamed them. A, B, C, D, and E ‑‑ so if we look at ‑‑ this is live data from the second quarter. If we look at agency C, the one in the middle, you see that purple bar. That represents 100% of this agency's outcomes. And ‑‑ and employment outcome 7. Which is a homemaker outcome. And you might think okay that's a small blind agency. No it is a large combined agency. So there's clearly something going on in the data that that agency would need to look at.

If we look at agency E, you see that green bar, that represents about 75, 80%, of employment outcomes and outcome 5. That's supported employment in competitive integrated employment. It seems like it might be a pretty high percentage of outcomes in that employment outcome. So might be something to look at, too.

The ‑‑ the purple bar that ‑‑ or the I'm sorry, the pink bar that you see for A, B, and D, being above 80%, that's competitive integrated employment outcomes.

The other ‑‑ the other thing I would point out on here with agency A is you see there's about 15% in the gold bar outcome 6, and that's a mistake in the 911 that outcome should not be there.

It is supported employment in the short‑term basis period. Which is, obviously, a valid employment outcome but not an employment outcome at exit. You can't exit into the short‑term basis period as an employment outcome.

So that will be something fixed in the 911.

On this slide we look at barriers to employment and this is something that is reported on the annual report.

You can see that 93% of individuals receiving services from VR, are participants, are individuals with disabilities.

So I'm not sure what happened to those other 7%.

[LAUGHTER]

>> Melinda: You could also see from the slide that our other significant populations, low income, about 42%, long‑term unemployed about 35%; and cultural barriers, almost 30%.

Okay. This is the wordiest of the slides. I promise!

[Cell phone interruption]

>> I wanted to talk a little bit about data quality so the information we saw on the ‑‑ the previous couple of slides, shows some things that got through that weren't discovered before the reports were sent to us.

So having good data quality procedures and data reviewed procedures well, you know, not only prevent that from coming through, but will help improve the quality of your data and allow you to look and ‑‑ to use your data to help improve your program's performance, and, you know, you can use it to evaluate your program's performance which I'll show you an example of on the next slide.

You know, we don't want data reporting to drive the program.

We want you to be able to have good‑quality data so that you can use it to evaluate the ‑‑ your program, and make improvements to it.

WIOA requires states to have data quality or data validation procedures in place. I use the terms synonymously. I think it's Section 116 (D) 5. It also requires the departments to provide guidelines for states to do that. So we will be issuing guidance in a few months. Joint guidance Which will provide a framework for you to use in doing that.

It's not prescriptive. It just provides some guidelines, and ask you to implement those as you see fit.

So a sneak peek for you at some quality practices for a good data quality program, you want to have written procedures for your data validation.

Document steps so everyone knows what's going on. This is more robust than just reviewing the data that kicked out from the 911 edits. We want to have procedures for identifying and correcting errors or missing data so, you know, you found robust data. Now what?

Requirements to document, identify, and identify missing information, and erroneous data, and if they've been corrected, what procedures do you have in place to ensure the person who found the error knows that it's been corrected?

You want to have data validation training for your staff.

Need to have procedures in place to monitor that program staff are following the written data validation policies and procedures.

Case record reviews are a good tool for this. I know we've been doing those when we go out on‑site in the monitoring visits and we've heard from quite a few states it's been a very enlightening experience for them.

And a very valuable one.

You want to have a review of the quarterly data errors, missing data. Out of range values and anomalies. This will prevent issues we saw from sneaking few. I've been on quite a few calls with states talking about performance, and all too often there seems to be this shock when we talk about the data and the services that are being provided.

So I'm not sure if it's errors in reporting or disconnect between what management thinks is being provided in the field, and what's actually been implemented. You know, I used to work with regional offices, and we would send out memo that said, "Do X." And you thought it was pretty clear. Do X. 3 regions would do X. 1 would do Y and one would do Z and you would be, like, "what?" Looking at your data and seeing what's going on out there can help ensure the policies and procedures that you've developed are being implemented as you wanted them to be implemented.

And the last thing I wanted to touch on here, were feedback groups to assess the effectiveness of the quality program, you know, it's not enough to just develop it and implement it.

You need to follow up and make sure that it's effective and doing what you think it should be doing. Okay, and it's not sufficient just to use the RSA 911 edit checks that are in the MIS that your file has to pass before it will be accepted by the MIS system.

Those audits are looking at file structure. They're also looking at a few basic data relationships, you know, date of application comes before eligible comes before IPE. It's not looking at things like we saw on the previous slide. So while your file structure might be okay and the file got accepted it doesn't mean that the data quality is high, or that the data are accurate.

I want to put out one plug here for the ‑‑ piqua tack. Starting to focus on quality assurance now I see Terrie back there.

Kate was around. Somewhere. I don't know if I see her right now. But go talk to them if you're interested in this. They're starting to kick off some QA practices. Our win tech performance group Betsy is back there. Rachel is somewhere, too. They would be happy to help you with this as well.

So there are a lot of resources, I hope you take advantage of them.

And look forward to this guidance that's coming out. All right. So I mentioned that you can use data to evaluate your program performance.

Now that we have this realtime data it will be very useful. So this is another example from the Q2911 the percentage of exit type by agency.

Again, live data, we're looking at agencies A, B, C, and D this time.

So in the ‑‑ the type of exit ‑‑ exit type zero, 1, two, and three, are all ‑‑ the individual has exited prior to signing an IPE and receiving services. So if you look at agency D, they're losing 15, 20% of their individuals in exit type zero, which is after application, before eligibility.

They're also losing about 30% of their individuals with exit Type 3, which is between eligibility and IPE. So this agency is losing about 50% of its applicants prior to IPE so what does that say to you if that's your agency?

[LAUGHTER]

>> We look at agency C. You see they have this giant red bar here.

About 35% in exit type 2, this is from the order of selection wait list so, again, what does that say if that's your agency? The green bar, that is the highest percentage in A, B, and C.

Exit type 4, those are individuals who are on an IPE received a service and exited without an employment outcome.

And the purple bar, is the exit type 6, and that is exited with an employment outcome after receiving services.

Okay. I wanted to spend a few minutes talking about measurable skill gains, as this is the only performance indicator that will be on the annual report this year.

We have received 17,544 measurable skill gains reported thus far.

You can see on this ‑‑ in this chart that the majority of them are in secondary and post secondary advancement. 48% of those reported, 23% are in secondary diplomas. And 17% are in skills progression. We're not using the education level the EFL gains or milestones. We expect to see a lot more measurable skill gains in this quarter that we've just started the fourth quarter because you have kids graduating high school who are on IPEs and the advancement ‑‑ the secondary and post secondary advancement.

One thing that I would want to point out here as well. We do have over 17,000 skill gains reported. Only 10,805 of them will actually be included in the indicator because of reporting issues.

We use element 127 in the RSA 911, which is the date of service after ‑‑ the date of initial service after IPE, and that's how we determine that someone goes from a reportable individual to a participant. So if that date isn't coded they're not going to be included in any of the performance measures or any of the information on the annual report.

So it's important that that data is coded. We have one state that has not coded that date for anyone so when we do their test annual reports they have zeros across the board.

So that's something to... definitely look at in your data.

I also want to shout out to West Virginia. They lead the nation in measurable skill gains by far so if you have questions go talk to them.

[APPLAUSE]

>> Melinda: One other issue that's preventing those measurable skill gains from being counted, you can see on this chart ‑‑ so this is the percentage of participants eligible for measurable skill gains by agency. So the total number of participants and then we take the number of individuals who had been coded in Element 85, which is enrolled in a program that ‑‑ leads to a recognized post secondary credential or employment.

So that's what puts you in the measurable skill gain denominator. And that's what you're looking at on this chart.

So you see some agencies are well above 70%. So 70% of their individuals are enrolled in these training programs. And then you see a whole bunch below 10%.

And 4, five, six at zero %.

So if you aren't using Element 85 to put people in the denominator, when we do your annual report you're going to have zero measurable skill gains regardless of how many measurable skill gains you actually had.

Okay. And the last data element that I wanted to highlight, was the credential, which we won't be reporting on this year, because we have the lag in reporting.

But 84,743 participants out of 555,410 individuals who met the definition of "participant" were enrolled in an educational or training program that leads to a recognized post secondary credential and I have the break down here you can see 5.7% in 4‑year college. 4.5% in a community college.

4.6% in occupational and vocational skills training; and while it's not a post secondary credential, I did include the secondary school with the diploma on the IPE up here.

That's 12.9%.

Something that I did want to point out ‑‑ and Mary mentioned this earlier ‑‑ that apprenticeship may be a focus next year. If you listen to the news you know it is a focus of the Administration.

Only 277 participants across the country are enrolled in a registered apprenticeship training.

So I think that's an area that we can look at, maybe improving.

Okay. So in the last section of my presentation, I just wanted to highlight a couple of things that I get a lot of questions on.

The first being the WIOA annual report.

So RSA, my team were working on developing mechanism to collect the WIOA annual reports from the states, and this will be done through the MIS. You'll see a form on the MIS that looks very similar to the WIOA annual report template, which is ETA form 9169.

If you have talked to any of your title 1 or Title III partners about the process that they went through in submitting their annual reports last year, ours is going to basically mimic that. So we will prepopulate all of the data that we received in the RSA 911 into this template.

And you'll just need to go in and update the 5 fields that we can create for you. And those are funds expended on career services. Funds expended on training services.

And those are found in tag 1701, attachment 7, table D.

You also need to calculate the cost per participants served in career services, the costs per participant in training services; and the percent enrolled in more than one core partner program and that's the ‑‑ the coenrollment.

If, during your negotiations with your labor agency, and your adult Ed agency regarding effectiveness of serving employers. If you drew the short straw and were nominated to submit the effectiveness of serving employers information you'll have to do that too.

If not you'll just follow your state procedures for providing that to Labor or adult Ed, whoever is submitting it for you.

I would like to point out here that the annual report is done at the state level. So if you are a state that has a blind and a general agency you must coordinate with each other to submit one report.

We're not accepting reports from the blind and general agency. You must combine them together.

Okay. The RSA 113, I'm sorry, Scott, the answer to this is you must still report the RSA 113.

[LAUGHTER]

>> Melinda: So we need the RSA 113 for some internal reports, and some reporting we have to do to external stakeholders.

While we do have all of that information in the 911, we ‑‑ as you saw earlier we still do not have 911 data from all agencies.

So until we do, we will be collecting the 113.

(Pause) okay. And then the RSA 911 revisions, I talked to you in Greenville in November about the fact that the 911 clearance expires in August of 2019.

So we have started working on that. So we can get changes in the federal register for you to comment on.

And so you can start working on making changes to your systems.

Our goals in this are to streamline the data collection.

To remove redundant data elements;

To clarify instructions; and, you know, we'll keep in mind that there is burden associated at the state and federal level in making significant changes to the system ‑‑ or to the instrument because you have you have to, you know, modify your IT systems.

At the same time, we also recognize that there is burden on collecting these elements and if they're duplicative or we don't need them we shouldn't be collecting them. So we've got these two opposing forces that we're trying to balance here in our revisions to the 911.

We will be soliciting feedback from agencies, in the federal Register.

In the meantime, if you have any comments that you want us to consider, please send them to RSA data@Ed.gov. Or you can communicate them through the win tech if you don't want to go to us. You know, I talked to the wintech ‑‑ Rachel and Betsy on a biweekly basis and we e‑mail all the time; so they will send all of your concerns to me.

And the last thing that I wanted to show you ‑‑ and this went out throughout the LISTSERV. It's the voc rehab infographic. So we highlighted at the national level a couple of key pieces of data.

In a onepage infographic. So I hope that this was helpful to you. If you have suggestions of things we could loo like this in the future I would love to hear them. RSAdata@ed.gov and with that I'll turn it over to the man of the hour. David Steele.

[APPLAUSE]

>> David: Thank you. Yes, it is a pleasure to be here.

And, you know, it's funny I got a text this morning from one of my staff that said, "Have a great time presenting your prior approval CSAVR and please remember we want you to come back!"

[LAUGHTER]

>> David: So, you know, I appreciated ‑‑ I'm sure things will be fine. As Carol mentioned earlier, I would like to start with just a couple of announcements regarding grant awards.

I'm pleased to inform you that in accordance with the recently passed federal fiscal year 2018 omnibus appropriation act the VR cap and pair grants awards were obligated last night; so those of you ‑‑ I know there were some states who were running low on VR funds and contacted me. Those should be available in G5 tomorrow morning at the latest.

Those funds will be available in your accounting streams in the system.

We are working on the OIB and ESSE awards to get them out as quickly as possible. As a reminder the VR funds awarded represent only 85% of the full appropriation amount as 15% is reserved in case of maintenance of effort. Penalties. As in previous years that remaining balance, will be awarded during the fourth quarter.

In the 2018 appropriation act. 22.5 million dollars as Susan mentioned earlier, was made available to state supported employment services program. This represents a 5 million dollar reduction from the prior federal fiscal year.

In accordance with the notification that RSA provided to grantees in June of 2017, just wanted to remind you that the supported employment grant awards this year will be two awards.

There will be one grant award will be for the half of the supported employment federal allotment not requiring match.

And the other grant award will be for the half of the supported employment federal allotment that requires match and must be reserved and expended to provide supported employment services, including extended services to youth with the most significant disabilities.

In light of the fact these awards will be coming out late I've had questioned regarding the period of performance for what will be for the supported employment awards.

They will be from October 1, 2017, to September 30, 2018, because the funding is being made available for this federal fiscal year. That said, you know, if an agency meets the requirements for carryover of supported employment funds for one or both awards the period of performance will be extended, into September 30th of 2019.

Supported employment funds for the half of supported employment award that must, requires match must be matched by September 30th of 2018. So even though the awards will be issued later in the year, the nonfederal share for the part that has to match will still have to be obligated or expended by September 30th, 2018.

We'll also ‑‑ grantees will also be responsible for submitting 2 supported employment SF‑425 reports; one for the half that doesn't require match, and one for the half of funds that requires match. And RSA is in the process of revising the SF‑425 reports.

All right. So now let's move on to prior approval.

The subject of what everyone's been asking me about since I've been here that I have fortunately not been able to respond to.

RSA is aware that the prior approvals is an area of concern for most VR agencies and is pleased to be able to present information in response to the comments we received. I would like to start by providing some background information.

The education department general administrative regulations known as Edgar, originally published on July 6th of 1994 and required prior approval from the secretary of the U.S. Department of Education, before various categories of otherwise allowable costs could be charged any department grant or subgrant. On October 21st, 1995, the office of special education and rehabilitative services, published a notice in the federal register that prior approval was no longer required for certain categories of costs for forming the grant awards.

The department effective as of December 26th 2014, adopted the office of management and budgets uniform administrative requirement cost principles and audit requirements for federal awards in the uniform guidance had is codified as you know in two CFR21 once adopted the uniform guidance superseded Edgar parts 74 and 80 which were removed. From the department of educations general administrative regulations.

The uniform guidance as you know requires prior approval for various grant activities and proposed obligations in the expenditures. Prior approval is defined as the written approval from an official of the department who is authorized to grant such approval to assign proposed expenditures to a federal program.

And ‑‑ and the comments that we received, I wanted to basically say I know there are three myths that I've heard.

One is that the Department rescinded the prior approval exemption that was previously held, which is not the case. The department in no way rescinded that requirement.

That requirement was superseded by OMB's regulation under the uniform guidance. The purpose of the uniform guidance was to take all the previous OMB circulars which there were multiple ones of. There was one for financial ‑‑ responsibilities of universities. There was one for nonprofits. There was one for state agencies.

And the federal government put together a group called cofar, which is the council on financial administrative reform. Those were made ‑‑ that council was made up of representatives.... of the U.S. Department of Education; of many of the federal agencies.

Was made up of many federal agencies and as a result of that, we... they ‑‑ they looked across all of those with the goal of combining those, and the reason they wanted to combine those and create one consistent uniform was because they kept hearing that the department of Ed's requirements were different than the Department of Labor's. The department of ed's grant award when you have to manage those. If we've got multiple federal awards coming to our agency, we're having to manage those in very different ways. We want a set of uniform ‑‑ excuse me, uniform requirements that go across the cross cut all federal awards across the Federal Government and that's what the uniform guidance is. It was not specific to VR. It wasn't specific to the Department of Ed.

It applies to all federal agencies. And it's a requirement for the awards that are administered in accordance with the office of management and budgets uniform guidance.

So similar to ‑‑ you know, one of the other myths we've heard is that, you know, this was VR specific, which it isn't. It's specific to all federal grants in the Department of Education.

The other thing I wanted to say is I know there's been comments about a lack of training being provided, and, you know, when we first rolled this out in the department, and the department around 2014 when it was first published in the federal register the review for guidance was the public comment and our department adopted it in 2015 there were a series of ‑‑ of trainings that were made available through the department.

I sent out five LISTSERV notices that went out. Regarding the uniform guidance and the requirements.

We placed the notice on grand award attachments. To remind the states of the requirements.

And the department held a variety of trainings that were made available and those are available as Kim was talking about earlier this morning online. If you go to the Department of Ed.gov and you search the word uniform guidance you're going to find a variety of information about the department's implementation of the uniform guidance requirements across the department's programs.

And so I just wanted to ‑‑ you know, give you some background. It was unfortunate that ‑‑ I know the timing was, because folks were so involved in WIOA activities.

In such a great deal. But we have tried to, you know, point the states to that information, when ‑‑ when they need it so they can go back and look at the department's guidance that's been issued to all grantees, as a result of the uniform guidance and the department's implementation of that.

You know, so it's important to note that those requirements are not specific and that the uniform guidance are applicable to all federal awards. The reason that's important is because in addressing guidance, prior approval has to be consistent with the Department of Education's overall strategies for how they're going to address prior approval.

As I said it's not just for one award; it's also for, like, all discretionary awards with the goal of ensuring consistency in those requirements across all federal programs. Especially for agencies that manage multiple programs. From different federal agencies.

In light of that I am very pleased to announce that this afternoon, RSA will issue a technical assistance circular RSA tack 1802 ‑‑ this tack titled submission procedures for prior written approval requests, under the state vocational rehabilitation program, discusses the applicability of the uniform guidance prior approval requirements, and provides guidance regarding flexibilities for submission of prior approval requests, for two specific cost categories.

So we're going to be looking at flexibilities that we're going to grant for two specific cost categories.

Namely, certain general purpose equipment. Purchases. And participant support costs.

So within those two categories, there are three subcomponents for which this flexibility will be granted.

And we'll talk a little bit about what those are.

We are prioritizing the streamlining of the process for addressing these costs. First, these ‑‑ for a couple of reasons. First these particular prior approval cost categories compromise a majority of requests for prior approval that RSA receives.

Second, based on past experience, these costs represent a relatively low risk of harm to the federal interest because these costs are typically low relatively to all other costs incurred by VR agencies they represent costs necessary to operate and administer the VR program or provide necessary services to consumers.

For only the two categories listed in the tack, and only for the VR grant award, state VR agencies may request prior approval in the aggregate, based on a budget estimate. Budget estimates which would include projections of obligations and expenditures for an entire federal fiscal year, rather than submitting separate prior approval requests for each proposed expenditure.

Budget estimates in the aggregate for those specific cost categories must be based on reliable cost estimates. Recent general purpose equipment purchases recent participant support cost expenditures current bids or reasonable cost research.

For those funds expected to be incurred in a given federal fiscal year for all other cost categories that require prior approval. State VR agencies will continue to submit more specific and detailed prior approval requests as required in the uniform guidance.

I would like to briefly review each area where the flexibilities are being provided and provide some additional detail.

General purpose equipment.

Under the uniform guidance state VR agencies must obtain RSA's prior approval before purchasing or incurring obligations for equipment.

Under the uniform guidance you can't... obligate or encumber equipment without prior approval from RSA. It's not an expenditure. The uniform guidance is clear. It's encumbrance. And one of the reasons that the federal agencies and ‑‑ agreed to these areas as requiring prior approval, was these were the areas identified across the Federal Government. As the most ‑‑ as the ‑‑ the areas where most unallowable costs and unallowable expenditures were being incurred by grantees across the Federal Government.

So, again, it was ‑‑ you know, these were the areas that they looked at and said well, we look at audit findings, when we look at monitoring findings things ‑‑ these are the areas where we find the most problem with unallowable costs. That's why they were ‑‑ these were set out in the uniform guidance for requiring prior approval.

So when you look at equipment costs, in determining whether prior approval was required for any kind of equipment obligation and purchase, state VR agencies must first determine whether the tangible personal property meets the definition of equipment.

And this is ‑‑ comes back to really knowing two CFR200. I mean, I've talked ‑‑ you know, we've talked to some people this time and I mentioned it the other way to management services. Prior approval is just one aspect of uniform guidance.

Internal controls are there, and agencies are really responsible for looking for that uniform guidance across it, and ensuring that they have policies and procedures, prior approval is required for much more than just equipment and participant support costs.

There are multiple categories in there, where agencies are now required to obtain prior approval and I would encourage you to go back and look at those in the uniform guidance and determine what ‑‑ how your internal controls are ensuring that you're able to obtain that prior approval, before making the obligation expenditure or conducting the grant activity...

So if we go back with regard to equipment:

The definition of equipment is very specific in 2CF are 200 state VR agencies must consider three factors. The first is whether the state's use of the uniform guidance capitalization level of 5,000 or lower amount one of the things I've heard is folks comment: Why did you tell one state they have to use a thousand dollars and another $15,000?

Why is RSA being inconsistent? The reason is, the statue says or the regulation you use the federal level or the state capitalization threshold whichever is less, and in some states there are states with a thousand dollar threshold and if that's the case, then the prior approval or what will go in the aggregate budget for that means everything over a thousand that meets the equipment definition like an example you've got one state that wants to purchase 50 laptops at a thousand dollars a piece.

Their capitalization threshold is a thousand dollars those 50 laptops are going to be included in their aggregate budget for this equipment. Got another state who uses the federal capitalization threshold of $5,000 those same laptops would not be included in the state's budget. So there is inconsistency between states and, you know, I've talked with some folks who are working diligently with their states to try to get them to move toward the federal capitalization level threshold because some of them are so low that it puts so many items of equipment.

But, again, that's the state's decision.

And because the federal capitalization level is $5,000.

So the first thing you want to look at is what's ‑‑ whether you're using the $5,000 federal capitalization for equipment or your state level that's lower. The second is the properties per unit acquisition cost.

Which is defined in 2CFR200.

The third... is ‑‑ the property's useful life. You want to look at ‑‑ is ‑‑ for more than a year, at least a year, in the life of that property. And so in considering these three factors a state will be able to determine whether the needed tangible personal property constitutes equipment and thus requires prior approval from RSA before they incur the obligation.

Once the state VR agency determines whether prior approval is required, it must, then, determine whether the general purpose equipment fits the criteria for streamlined submission process.

RSA will permit the streamlined submission process only for prior approval requests for general purpose equipment, in the following categories:

General purpose equipment purchased for VR recipients under an approved IPE.

And this is a ‑‑ something that I know will be a relief to many agencies.

The second category is general purpose equipment purchased for state VR agency use.

Things like vehicles, copiers, office furniture.

The third would be initial purchase maintenance repair and replacement of business enterprise program vending facility equipment. This only includes the equipment.

It does not include renovations rearrangements, or repairs of ‑‑ doesn't include rearrangements, or I guess you would say renovations of Randolph shepherd facilities, again, under general purpose equipment we're talking about just the equipment expenditure.

For example if a state agency uses a previous federal fiscal year's expenditure for general purpose equipment purchased under an individualized plans for employment to develop a budget estimate for the current federal fiscal year as projected IPE equipment expenditure needs, the state VR agency may submit the proposed equipment budget estimate in aggregate for the current federal fiscal year, in its prior approval request to RSA for review and approval.

And this example there's no need for the VR agency to submit a prior approval request for each piece of general purpose equipment that would be purchased for VR consumer under the approved IPE.

And I think one of the myths I want to try to stop right now is folks saying that prior approval is no longer required for general equipment expenditures.

That's not the case.

There's ‑‑ it's required. Before you encumber it under the budget category that's being used and you cannot exceed the budget category without further approval from RSA.

So states will, then, need to have in place internal controls to look at where those equipment purchases come from. What is your budget that's been approved by RSA?

And how you're tracking to ensure that you are monitoring it to ensure you don't exceed that budget for the charges against the federal award.

So it will greatly simplify the process, but there's still a lot of responsibility on the state for ensuring that they're supporting internal coals for this process.

Processes that tell us how this budget ‑‑ how you're developing the estimates so that they're reasonable. They're not just your best guess. That's based on, you know, reliable data. And also, when we come out to do monitoring, it's something we're going to be looking at.

Or when we can request that information to see if the state is ‑‑ is ‑‑ within the budgeted amounts that have been approved by RSA.

(After perusing document) The second.... did I go through all these?

Yeah. Thank you.

The second category that we'll move on to are participant support costs.

And RSA has determined that it's reasonable to permit state VR agencies to use a streamlined approach when submitting prior approval requests for most participant support costs participant support costs mean direct costs for items such as stipends or subsistence allowance travel allowance and registration fees paid to, or on behalf of ‑‑ participants or trainees in connection with conferences or training projects.

Conferences are defined very broadly in the uniform guidance. As a meeting, retreat, seminar symposium workshop or event whose primary purpose is disseminating technical information beyond the nonfederal entity and is reasonable for successful performance of the award.

Participant support costs are allowable with prior approval.

And for purposes of prior approval requirements for participant support costs under the VR program travel costs incurred by SRC and independent commission members to attend required meetings including SRC and independent commission subcommittees to perform statutorily mandated responsibilities, under the rehabilitation act, would constitute prior support cost.

As such, these costs require prior approval.

However, RSA recognizes that some members of the SRCs independent commissions are individuals with disabilities or family members of individuals with disabilities.

Who depend on reimbursements for travel costs in order to participate in these required meetings.

RSA is hereby granting prior approval through the tack, for all participant support costs, to state VR agencies will incur with respect to SRC and independent commission members attending required meetings to fulfill their statutorily mandated functions.

And I'll read that again.

RSA is hereby granting prior approval through this tack for all participant support costs, state VR agencies will incur with respect to SRC and independent commission members attending required meetings to fulfill their statutorily mandated functions under sections 101A21 and 105C of the rehabilitation act.

Therefore, as of today sate VR agencies are no longer required to submit prior approval requests is granting prior approval at this time.

[APPLAUSE]

>> RSA believes this will make it easier for these individuals to fulfill their statutorily mandated responsibilities.

State VR agencies may submit prior approval requests using a streamlined approach for proposed participant support costs associated with any of the following three categories:

So with regard to participant support costs, there are three categories in which we're going to permit an aggregate budget approach.

One is for VR consumers attending conferences, such as those presented in connection with the provision of preemployment transition services are directly related to the service provisions on their IPE.

The second category is for SRC and independent commission members attending conferences like CSAVR like you are here today!

The third is for BEP and Randolph shepherd vendors attending trainings. So under those three categories, again, RSA is ‑‑ is willing to... permit agencies to submit an aggregate budget for those costs.

Participant support costs ‑‑ and this has been something I think is confused folks when submitting requests ‑‑ don't include conference support costs such as facilities, audio‑visual equipment rental, and therefore, such costs do not require prior approval from RSA and, again, when looking at the uniform guidance got to be very specific as to what's being asked for prior approval.

I know agencies have spent a lot of time submitting requests to us, where none were required only to have us turn it back around and say sorry, you know, the prior approval isn't even required for this particular cost or expenditure.

An example, under participant support costs, a state VR agency could submit a prior approval request for an aggregate estimate of $20,000 to cover the participant support costs of five SRC members to attend CSAVR conference during a federal fiscal year. In addition, if the state VR agency anticipates it will send SRC members to both the CSAVR and Nickel Conferences in the federal fiscal year as well as students with disabilities to a pre‑employment transition service conference the state was holding, the state VR agency may submit the prior approval request in an aggregate estimate for those participant support costs in one prior approval request.

So if it's the SRC, doing statutorily mandated functions as the SRC for their committees and subcommittees, where you granted prior approval for that. If it's travel to a conference, it has to be approve through an aggregate budget approach. So there are distinctions between those so that doesn't mean, again, that ‑‑ that if they're going to conferences or VR funds are being paid that those are necessarily covered under, the exemption for related to SRC mandatory functions of the SRC.

Yeah, I'm sorry ‑‑ I don't know how many of you guys have a shared printer at home with folks last night I was work on this and I printed it off, and got up this morning went by and grabbed it got here and two pages were missing.

So my teenage daughter who is a senior is submitting her AP literature project today.

[LAUGHTER]

[APPLAUSE]

>> With two pages related to prior approval.

[APPLAUSE]

>> And I'm sure that will be an interesting response from the teacher but when I got here I was sitting back trying to write as fast as I could so now the pages were messed up, but ‑‑ it happens with sharing a printer in a house, it can be dangerous.

So the responsibilities of the VR agencies in this approach, under the streamlined approach VR agencies will remain responsible for ensuring all expenditures are allowable, and allocable to VR award.

And proportionate to the benefit received. Additionally this process will be subject to monitoring to ensure that agencies base their prior approval requests on accurate information.

And that the amount of funds expended does not exceed the amount approved by RSA.

We'll be looking at internal controls. Not just around equipment, but when we talk with states in our monitoring about internal controls we're also looking at all of the requirements in prior approval, as well as the other ones in the uniform guidance for how states are going about ensuring their policies are meeting those and, again, we would want to know how ‑‑ what the policy of the state ‑‑ what ‑‑ what you're using to determine the estimates.

The process you're using to ensure that you're ‑‑ you're tracking the budget that's been approved by RSA.

How you identify when there's a need for a revision to go back for additional funds and you ‑‑ the controls you have in place to ensure you don't go over that.

And how you're going to ensure that the ‑‑ the approach works within your agency and that you're able to ensure compliance with it ‑‑ the requirements.

Additionally, I know some people have asked me about other applicability to other federal awards, or how prior ‑‑ is prior approval different between federal awards?

And there are differences.

I know earlier, today, there was some mention of the OIB program.

The OIB program a‑permits subgranting or subawards which is different from VR was that's the only program within the RSA awards that permit subgranting.

And the requirements under that are different.

And if you look at the uniform guidance there's specific requirements related to specifically, what the primary grantee the one who is receiving the award is responsible for, ensuring with regard to the subgrant.

So with regard to applicability, that's why I referenced earlier that this is specific to the ‑‑ the vocational rehabilitation services program.

Currently.

And, you know, we'll continue to work with agencies, that might have questions with regard to some of the other programs. We don't anticipate with the ESSE program that there would be much in the way of expenditures for a large equipment expenditures, or the need for paying for conferences or participant support costs for, like, SRCs and others would come out of state supported employment services funds so in that instance, we don't feel like that's a ‑‑ a ‑‑ a ‑‑ a high burden. For agencies.

With regard to the OIB award I can tell you that we have only received one request for equipment for prior approval.

From all federal agencies since 2015. And that was for software. And it took us three days to get the approval back to the grantee requesting it.

So we haven't seen ‑‑ a ‑‑ impact on prior approval requests with relationship to the OIB program.

Currently.

And we do ‑‑ when we get prior approval requests, I instruct the fiscal staff to prioritize those that are directly relevant for consumer expenditures. We do our best to process those as quickly as possible.

However, it's important that you give them to the information or give it to us with sufficient time to be able to process it. I've got some requests for the conference that were... the price goes up tomorrow we need you to approve this today.

[LAUGHTER]

>> That's not likely.

You know, we've got to have enough time and you've got to build into your internal control process the ability to give us some of ‑‑ some time to be able to process those requests, knowing that our staff maybe out monitoring or working on grants, those types of things allow us sufficient times. The type of data becomes effective today. It's very important you review it carefully as additional details are provided there. Agencies, you know, areas where prior approval on a nonstreamlined basis are required as I was saying earlier don't assume that because some of the these flexibilities that means that there would actually be no instances and where participant support casts were required one thing that's September covered in participant support cost if you're paying for contractors to go to trainings. That's not within those flexibilities. Because you had those listed for those services under an IPE.

But it's not necessarily for contract services for ‑‑ for contractors who may be ‑‑ you might be paying for training for to go to a conference or seminar.

So a couple of other instances, too, construction, establishment projects, renovation and rearrangement costs. Going to be charged directly to the federal award, also will continue to require prior approval on a case‑by‑case basis.

In closing I would like to express my thanks to the Department to Carol Dobek to Johnny Collett and for Kim Richie for making this tack possible. It's been under development interest a considerable period of time. And they've been well aware of the concerns internally to make sure those concerns were voiced and to get the tack issued so we can get the flexibilities out to relieve some of the burden from the VR agencies. Each of these individuals is committed to providing as much flexibility as possible to the VR agencies regarding prior approval. And their efforts are substantially reduced the burden for VR agencies. Now I believe we've got some time for some questions.

FROM THE FLOOR:

Q. Okay. Here's what I want to say. Wow!

[LAUGHTER]

Q. You know, could we please have a round of applause for our federal partners?

[APPLAUSE]

>> You know, certainly, the heavy lifting that the fiscal unit and Carol has done in terms of providing the flexibility regarding the prior approval, but certainly, the work that the data unit has done, everyone here that's represented, I mean, as we have been doing our hard work, to implement WIOA, so has RSA. And I think it's readily clear and visible to me, and hopefully, to all of you, that they've been working as hard as we have. But, again, a round of applause and then we'll open it up for questions.

[APPLAUSE]

>> I want to take a moment to take ‑‑ (inaudible).

>> Why don't you come up here?

>> Oh. That's a long way over there!

[LAUGHTER]

>> Use the button. This is on now.

>> Is this one okay. All right thank you for saving me the embarrassment of trying to get up on the stage.

Q. I also want to take a moment, carol, and staff, to say that there's a lot of behind‑the‑scenes stuff that have been going on for the last several weeks; and so we at CSAVR have to say to the state directors thank you. Because you have been the ones that have been sharing the information with us.

NCASB and CSAVR have worked together to put together your thoughts. Share our information with ‑‑ with OSERS; and I want to say particularly we appreciate the call yesterday, Carol the assistant secretary took the time to call us, and give us a heads‑up that there would be some big news today; and that just reinforces, what we've heard from the assistant secretary on Monday.

So I just ‑‑ there's ‑‑ the behind‑the‑scenes stuff, it really, truly, came together. And so I know we still need to read 1802 and have a better understanding and there may be some more questions that come back as a result of that; but I just want to say thank you to the membership.

And for the working relationship with NCASB and CSAVR to be able to put the information together, and so we'll just ‑‑ we're just very thankful. So thank you.

[APPLAUSE]

>> Okay. We have a few minutes for questions. And Robert Doyle has the microphone. And carol already has her hand up no surprise there the prior approval queen.

>> She is the prior approval queen I want to say thank you very much for the work you've done got a round of applause and we really appreciate it. I think this is going to help, again, we need to see the tack. I've been surprised today and please, you know, in terms of all of the things that are coming out one thing I do want to say as we go here in terms of appreciation, and thinking about construction, and all of those things and ‑‑ and us being able to get those things to you in advance, obviously, we're ‑‑ a leaner turnaround as well being mindful when you talk about construction projects if who have got facilities. If you've got an AC unit that goes out. Those are things that can really slow down operation. They can ‑‑ they can put a operator out of business for a period of time so we just want to be ‑‑ want you all to be mindful that in terms of turnaround time. Not going to put you on the spot and ask for a guaranteed turnaround time at this point but we appreciate the flexibility and want to put those thoughts into you‑all in terms of those emergency situations with our facilities.

>> My question is for David. First off I'm really happy with what you just said. I had a big sigh of relief.

Q. I do want to follow up, though, in regards to the Randolph shepherd and management committees the people that are operating in that aspect that had put in for our OMC to get prior approval for those travel and such for getting to the committees.

Does that fall in with the state rehab council or does that continue to need to be done separately as I had done?

A. We'll take the question back. Let us take the question back. That's a good question. I imagine there are going to be lots after this that we're going to have to work through together.

>> Looks like Bill has a question.

Q. Yes. Thank you, David for that additional guidance.

Appreciate what you guys are doing, and thanks ‑‑ I found the data presentation, very interesting, too, so thanks for that.

I did have a question, when you talked about general purpose equipment.

You seemed to indicate that, for... VR recipients with an approved IPE, and the equipment that I pulled up on the ‑‑ 2CFR, 200, 313, talks about title. So can you address title with respect to all this?

A. I can. And it will be irrespective of ‑‑ of where the title is held by the agency. Or by the consumer. I'm sorry. Yeah, the ‑‑ the ‑‑ when you're submitting your budget it will be irrespective of whether the title is held by the consumer, or by the agency. We'll be ‑‑ you're looking at the aggregate level for both.

Because it gets so confusing when you try to differentiate between the two and there's really not a differentiation in many states.

>> Thank you.

>> Question there on that side of the room.

Q. Hi, I'm Michelle James from West Virginia, and I want to alleviate maybe some of Robert's fears. We've been participating in the prior approval for a couple of months and the RSA staff has been wonderful!

There have been a couple of times we've received approval within a couple of hours. And no longer than 24; so just ‑‑ there ‑‑ there really are making it a priority. So don't worry about that. They'll take care of you.

But also, am glad that the question was asked about title, because we're one of those unfortunate states that has a thousand dollar limit, $500 for computers. So if you could expand on that just a little bit, because we ‑‑ we don't retain title for our equipment. For our client purchases so it would be very helpful. If you could expand on that just a little bit?

A. Certainly so in the aggregate budget that you would provide to us you would look at maybe your last year federal fiscal year of the amount of computers you purchased that were underneath that threshold and estimate based on that the number you would need for the subsequent federal fiscal year. And so once you look at those costs then you're going to come with an aggregate you'll submit. We're not approving this on a per item basis. We're looking at the aggregate. Because we also didn't want to get into the place of having to go back and say I need to move 10% of my laptop budget for this that's not some place we want to be and there's no reason for the Federal Government to be in that level of management within an agency's budget. And so, in the instance of West Virginia you would be including that into your aggregate budget estimate. Another state which occurred a laptop to be a supply would not be including that in their aggregate budget because it's under the $500,000 threshold. So it's going to be different depending from state to state what gets included in that aggregate budget.

>> First, carol, and David, I really appreciate the steps you've taken here, and working with us, on our individual prior approval requests.

I have a question about the prior approval being tied to a particular grant year. The impact of carryover, what our options are with that; and I think there's a little bit of confusion, with respect to that particular issue, prior approval being specified for particular grant year.

A. Thank you for the question.

The prior approval will be based on the ‑‑ for the budget looking at the federal fiscal year award. The award for that period. So if you're charging that in the current year or in the carryover period, it would be considered because our 20 ‑‑ you know, your 2018 year award if you have carryover will still be your 2018 award when we're granting prior approval it's to charge those costs to encumber them to that award.

And so if you would, then, looking at the 2019 award you would have a separate request that would be for that period of time.

Q. Just from a practical perspective, with the ‑‑ SRCs and commissions, I think having the ability to use carryover funds to get you into those meetings that might be taking place before you could request prior approval, for the next federal year is a hopeful thing I don't know if the tack specifies that or not but I think folks should be aware of that option. But I certainly wish we had a little more flexibility to go ‑‑ particularly for the establishment authority, because construction planning, working with legislature takes so long.

So when we're looking at new buildings, construction those kinds of things, we really can't get prior approval on a timeline that would be effective for us in the states for things like establishment authority?

A. Thank you for that.

And as was mentioned from West Virginia our goal is to process as quickly as we can.

And to turn them around so that agencies aren't waiting. It is important to keep in mind the process, though, and that once they come to us, you know, I think some of the confusion, too, exists about what our role is in prior approval, and when we look at, you know, got a software we get a software ‑‑ a request to purchase Microsoft office licenses for 5,000 of them.

And it's at a certain cost.

And we look at that and one of our first responses back would have been, you know, doesn't mention cost allocation because if that's for the entire agency, obviously, people that are being paid on an indirect cost rate. Which means they are stating in that they cannot charge those costs ‑‑ or identify those costs directly to a grant award then VR shouldn't be paying 100% for all the software.

So we'll send it back and say how is this going to be cost allocated? Is everybody in your agency working 100% only on VR? They'll respond back to say here's how it's going to be cost allocated we approve it we're not saying 500,000 licenses is too much or too little we're not saying this is a bad use of VR money. What we are saying is how is this being cost allocated? How are you ensuring VR is paying for ‑‑ is only paying its fair share of those costs?

Those are the types of things that we were looking at in prior approval requests, with participant support, you know, costs and travel I can tell you that, you know, we've ‑‑ found that ‑‑ that ‑‑ you know, some of the requests we received where requests for agencies that weren't consistent with their state travel policies and RSA has had to send some back to say, here's what your state travel policy says, here's what you've submitted. Why aren't the two consistent?

And ask them to revise those to make sure that, you know, those costs were consistent but, again, we weren't saying that, you know, necessarily that it was a bad use of funds or was an inappropriate use of funds. We were asking why is it inconsistent with what the requirement is for that process so I think I'm looking at prior approval, we are trying to take an approach of a very high level, which is why grantees remain responsible for ensuring that it's allowable, allocable, reasonable and, necessary to the federal award; and, you know, prior approval does not preclude recovery of funds. They're used on allowable even if we have granted it under a budget. RSA will in a tack ‑‑ retain the right to recover funds if necessary because it's the agency's responsibility under that budget to ensure all the other terms and conditions are met.

>> I see another question.

Q. Hello I'm Shirley Robinson for Georgia vocational rehabilitation and my question is in regards to equipment.

So when... if ‑‑ we were looking at purchasing low‑vision aids for some of our staff.

So because we're a general agency, would that ‑‑ would not only the VR staff qualify but also those staff that are still under GVRA but work for GIB, would they qualify and then also vendors with the Georgia BUP program?

A. It doesn't matter what ‑‑ who's using the equipment.

If it's purchased. Using ‑‑ and federal funds but it's also state funds remember state fund money if you're using that for state money it has to follow the same rules as the federal. So if you're using this state money purchased equipment, is matched, then it's also got to be included the budget; and that's something that's included on the tack or a mix. If it's a mix you include it ‑‑ it doesn't really matter who's using it as long as it meets the definition of equipment and it's being purchased under the VR program it would need to be included.

>> Okay. Time for one more question. Okay. I'm not seeing any. Let's give another round of applause to our federal partners.

[APPLAUSE]

>> All right well, this concludes the 4th session, and concludes the CSAVR spring 2018 conference!

Thank you very much.

[APPLAUSE]