

**BRIEFING SHEET**Report 15-18  
December 2015

State Auditor

[Joe Chrisman](#)**Division of Vocational Rehabilitation***Department of Workforce Development***Background**

The Division of Vocational Rehabilitation (DVR) in the Department of Workforce Development (DWD) administers the vocational rehabilitation program, which helps individuals with disabilities to obtain or retain employment. Vocational rehabilitation counselors, who work out of 41 offices located in 11 workforce development areas, authorize services participants need to achieve their specified employment outcomes. Typical services include training, job search assistance, and rehabilitation technology. Participants are considered rehabilitated after they achieve their specified employment outcomes.

**Key Findings**

We found:

- Federal law and program policies require DVR to determine an applicant's eligibility for the program within 60 days of application, unless an extension is approved. From October 2011 through March 2015, DVR did not approve extensions for 2,559 applicants, or 5.3 percent of all applicants, whose eligibility had not been determined within 60 days.
- Within 90 days after a participant is eligible for services, federal law and program policies require a counselor and the participant to complete an individualized plan for employment, unless an extension is approved. From October 2011 through March 2015, DVR did not approve extensions for 2,027 individualized plans for employment, or 7.2 percent of the total, that had not been completed within 90 days.
- We found considerable variation among workforce development areas in annual average expenditures for services per participant from federal fiscal year (FFY) 2011-12 through FFY 2013-14.
- Our review of 100 cases closed from October 2014 through March 2015 indicated that DVR generally served these participants appropriately. However, our file review identified concerns with how DVR served some participants.
- Rehabilitation rates for participants increased steadily from FFY 2011-12 through the first six months of FFY 2014-15. However, the annual rehabilitation rate may be inaccurate.
- Rehabilitation rates varied considerably among workforce development areas. These rates also varied considerably based on the employment status of participants at application and the demographic characteristics of participants.
- The federal Workforce Innovation and Opportunity Act of 2014 will likely require DVR to provide additional services to individuals, but DVR is uncertain how much these services will cost.

**Recommendations**

We include recommendations for DWD to:

- improve its program management, including by examining and assessing the variation in annual average expenditures per participant, ensuring participants are served in accordance with federal law and program policies, and examining and assessing the variation in rehabilitation rates; and
- report to the Joint Legislative Audit Committee by June 30, 2016, on its plans for complying with the federal Workforce Innovation and Opportunity Act of 2014 and the status of its efforts to address each of our recommendations.

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