



Division of Rehabilitative Services

Employment Service Organization Steering Committee (ESOSC)

Tuesday, January 11, 2022

10:30 a.m. – 1:30 p.m.

In-Person Meeting Location: 8004 Franklin Farms Drive Henrico, VA 23229

Minutes

Members Present: Shirley Lyons, Chuck McElroy, Alan Hargraves, Joanne Aceto, Megan Bergen, Chris Lavach, Jason Harper, Teresa Hall, Stephanie Hoer, Jim Fenerty

Members Absent: none

DRS Staff Attending: Kathryn Hayfield, Dale Batten, Donna Bonessi, Anita Mundy, Leah Mills, Julie Jacobs

Full Committee Call to Order and Introductions

Joanne Aceto, Committee Chair

Joanne Aceto called the meeting to order at 10:38 a.m. and welcomed members and guests. Ms. Aceto asked members and expected guests to acknowledge their physical presence. All current members were present.

Approve Meeting Minutes from October 12, 2021

Joanne Aceto

The Committee reviewed a draft of the meeting minutes dated October 12, 2021. A motion was made by Chuck McElroy to approve the minutes. Chris Lavach seconded the motion. All members present voted to approve the meeting minutes.

Approval of Agenda

Joanne Aceto

The Agenda was presented for approval. The Committee members present unanimously approved the Agenda dated January 11, 2022.

Public Comment

Joanne Aceto

The ESOSC offered two occasions during the meeting for public comment. No members of the public signed up to speak for the first public comment opportunity that was made available early on in the meeting. A second opportunity was made available during the latter half of the meeting. Member of the public, Karen Tefelski, signed up to speak, however, exited prior to this section of the meeting. Public notice was also posted prior to the meeting with the opportunity for the public to submit written public comment via a variety of means by January 10. Anita Mundy reported that no members of the public submitted public comment prior to the meeting.

**Review of Committee Responsibilities,
Conflict of Interest, Financial Disclosure Requirements**

Anita Mundy, DARS Provider Program Specialist

Anita Mundy reviewed the responsibilities of the Committee to file Conflict of Interest/Financial Disclosures to the Ethics Advisory Council. All Committee members present acknowledged that they had received communication in regard to filing this information. It is the responsibility of each Committee member to file their disclosures annually by February 1.

SFY 22 LTESS-EES Economic Relief Funds Update

Anita Mundy

Ms. Mundy provided an update on the ESO economic relief applications that were received by DARS. Two types of allocations were made available: general economic relief for LTESS-EES organizations, and additional funds for these organizations to continue to build capacity.

Forty-five organizations accepted general economic relief, four ESO's declined offers, one ESO was ineligible, and four ESO's did not respond. The total general economic relief accepted by ESO's was \$474,582. Thirteen ESO's applied for additional funds to build capacity. The total requested and allocated was \$146,758.

**LTESS-EES Second Quarter Spending Report
With Breakdown by Organization, Comparisons,
and Projected Balances**

**Donna Bonessi, Director
Employment Services & Special Programs**

Ms. Bonessi provided a breakdown of the 2022 Second Quarter Spending Review. Trends in services by Providers continue to show an increase. Per Quarter services being provided have inched up from last year at this time from 36% to a 39% increase. As pandemic restrictions decrease, larger employment service organizations are increasing the number of services being provided.

Ms. Bonessi provided a breakdown on Second Quarter Expenditures. There was a balance of \$582,835.35 See Expected vs. Actual Expenditures in the chart below.

Second Quarter Ending November 30, 2021			
	EES	LTESS	Total
Expected Expenditure	\$ 629,317.00	\$ 1,464,064.20	\$ 2,093,381.20
Actual Expenditure	\$ 353,395.13	\$ 1,157,257.94	\$ 1,510,653.07
2nd QTR Bal on 11/30/21	\$ 275,921.87	\$ 306,806.26	\$ 582,728.13
Mid year Balance			\$ 582,835.35
Final Balance after 2nd Qtr			\$ 582,835.35

Ms. Bonessi provided a breakdown by organization which showed the expenditures for all employment organizations for the second quarter. There are numerous organizations who have not used their funding allocations to provide services to individuals who are attached to this funding.

Anita Mundy reported to the Committee that she reached out to fourteen LTESS-EES organizations that were identified as not currently providing LTESS and/or EES services. Nine of the ESOs contacted stated that they would not be utilizing their allocations this fiscal year. Two organizations responded that they do intend to use their allocations to provide services. Three organizations did not respond to Ms. Mundy's inquiry.

Ms. Bonessi reported that DARS is reviewing mid-year reallocations. There is a small number of providers that are projected to expend more than their initial allocations. Several of these organizations are projected to substantially exceed initial allocated funding for services.

At the October 2021 meeting the committee recommended that DARS do a mid-year reallocation for both LTESS & EES. In order to do the mid-year reallocations DARS will need to decrease the initial amount of funds allocated to those organizations who are not utilizing them and reallocate funds to those organizations who are providing services. DARS will leave a \$2,000 cushion for all identified organizations who are not using their balances to serve individuals in the event they increase service provision. The excess funding that is not being used will be held in a reserve fund and distributed as appropriate to organizations that are serving individuals. Establishing this reserve fund will allow DARS to pay requisitions on a monthly basis to organizations that would have otherwise entered into an outstanding balance vs. those organizations needing to wait until the end of the fiscal year to receive a lump sum reallocation. The Committee will discuss recommendations for another economic relief before the end of the fiscal year if funds are available after the 3rd quarter.

Use of LTESS-EES Projected Balances Discussion & Recommendation

Committee

The Committee reviewed and discussed the information provided by Ms. Bonessi and Ms. Mundy. A motion was put forth by Shirley Lyons and seconded by Teresa Hall that states that “The Committee recommends that DARS take projected unutilized LTESS-EES allocations, except for \$2,000, from organizations projected to not utilize their full allocated funds to provide LTFA services to eligible individuals. The Committee also recommends that these funds be placed in reserve and reallocated to organizations that are providing monthly LTFA services and are projected to have an outstanding balance.” All Committee members present voted and approved this recommendation.

ESO Capacity Building Update & Recommendation

Donna Bonessi

Ms. Bonessi provided a capacity building update to the Committee as it pertains to LTESS-EES. To date, DARS has met twice with ESO’s who have been participating in these meetings to discuss capacity issues such as the organizational costs associated with capacity building, onboarding of staff, and competition with other types of jobs that are not as demanding to staff that are available in the community. DARS has another meeting scheduled for this week via Zoom where they will have a guest speaker from the Missouri Department of Developmental Disabilities who will share how they are implementing strategies to stabilize and structure the workforce and construct career pathways to encourage careers and upward mobility for the Direct Service Professional.

Discussion by the Committee revolved around how and if LTESS-EES projected balances could be used to build organizational capacity. The ESOSC suggested to Ms. Bonessi that the capacity building group investigate alternative ways to increase provider capacity. The ESOSC will review any ideas and determine if a recommendation should be made to use LTESS-EES projected balances.

The Committee discussed DARS setting aside \$200,000 of projected 3rd quarter LTESS-EES balances to be made available for any eligible ESO to apply for to increase capacity to improve long-term employment services for eligible individuals with disabilities.

A recommendation was put forth by Shirley Lyons and seconded by Joanne Aceto that stated “DARS will make \$200,000 of the LTESS-EES projected balance available to ESO’s to increase organizational capacity to improve long-term employment services. If total requests for funds exceed \$200,000 DARS will decrease awarded amounts per organization so as not to exceed the \$200,000 allowance cap. All funds awarded are to begin from date of approval and used by June 30, 2022. ” A vote was conducted. Nine members of the Committee were in favor (Aceto, Lyons, Harper, Hargraves, Fenerty, Hall, Lavach Bergen, Hoer); One member was not in favor of the motion (McElroy). Motion carried.

Commissioner’s Update

Kathy Hayfield, DARS Commissioner

Commissioner Hayfield addressed the Committee by commenting on her excitement of being able to offer the public access to the ESOSC meeting via Zoom webinar. This is the first time DARS has been able to provide this opportunity and the hope is that this will encourage more involvement by ESO’s in these meetings.

The Commissioner also talked about how she appreciates how the Committee has been discussing allocating funds to where the services are being provided instead of just ensuring that all ESO’s are allocated LTESS-EES funds. She encouraged everyone to reframe their language on this and emphasize the services that individuals are receiving. The Commissioner did note that the Committee needs to be aware of where they are recommending taking dollars from when they approve funding methodology/reallocation. We need to ensure that we provide supports to those organizations so that when they are ready to move forward, they are still “whole” and able to do so.

Commissioner Hayfield noted that the climate is changing and 14(c) may be going away. This will impact how we respond to services –larger organizations don’t appear as if they are serving people under 14(c). The Commissioner then turned the floor to the Committee members after asking what is happening with their own organizations. She requested that they provide examples about the demand for services and how they are able to respond.

Committee member provided examples of challenges with staffing, how the client landscape is changing, ineffective technology, losses in relationships with the school system due to schools trying to play catch-up and schools losing staff, losing tax credits, ESO’s competing with other community employers to hire staff. The Commissioner responded by telling the group that we need to figure out the root of these situations. She asked for the assistance of the ESOSC to help reshape the message to services versus funding. The Commissioner suggested that perhaps the ESOSC could think strategically to recommend the top two or three things that will help ensure that long-term services are provided in employment; reshape how we are all doing this.

Upcoming Agenda Items, and Other Business

Joanne Aceto, Chair

The next meeting of the Employment Service Organization Steering Committee is scheduled for April 12, 2022. Agenda items include SFY 23 Allocation Methodology.

Adjournment

The meeting adjourned at 2:02 p.m.