



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES  
REHABILITATION SERVICES ADMINISTRATION

JUN 28 2010

Dear Colleague,

Provisions in the *Rehabilitation Act* and its implementing regulations for the State Vocational Rehabilitation (VR) Services Program require the Rehabilitation Services Administration (RSA) to determine whether a state agency is complying with the evaluation standards and performance indicators. RSA is preparing to release the standards and indicators reports for FY 2009. Prior to doing so, we are providing you with an advance copy of the tables we intend to post in our Web site. Attached is an Excel spreadsheet with an index and the following tabs or worksheets:

1. Summary standards and indicators tables:

For general and combined agencies:

- Standard 1
- Standard 2

For agencies for the blind:

- Standard 1
- Standard 2

2. Detailed standards and indicators tables:

For general and combined agencies:

- Indicator 1.1
- Indicator 1.2
- Indicator 1.3
- Indicator 1.4
- Indicator 1.5
- Indicator 1.6
- Indicator 2.1

For agencies for the blind:

- Indicator 1.1
- Indicator 1.2
- Indicator 1.3
- Indicator 1.4
- Indicator 1.5
- Indicator 1.6
- Indicator 2.1

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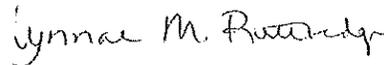
Please note that the calculations for the standards and indicators for FY 2009 are based on data elements contained in RSA-PD-07-01. In calculating the standards and indicators for FY 2009 we used the formulas in the attached document. We have provided you with a similar document in recent years, but each year there are some changes.

Please be aware that the Department of Labor (DOL) has not yet disseminated final state wage data for 2009. However, DOL has released preliminary weekly wage data from the last quarter of 2008, to compute state average hourly wages for FY 2009 for Indicator 1.5. Instructions are given for obtaining the DOL data in the attached document.

Final DOL data for a particular year are usually released between September and November of the following year. Once final data are released for 2009, RSA will compute Indicator 1.5 again to determine if any agency has a change in its pass/fail status as a result of the updated data.

If you have questions, please direct them to Joan Ward 202-245-7565 (telephone) or [joan.ward@cd.gov](mailto:joan.ward@cd.gov) (e-mail).

Sincerely,



Lynnae M. Rutledge  
Commissioner

Enclosures

## **Instructions for Calculating State VR Agency Performance on Standards and Indicators Reports: PD 07-01**

These instructions for calculating standards and indicators apply to data in the format specified by PD 07-01. Data elements are identified by their record position (RP).

For any given year, calculations for indicators 1.1 through 1.6 for DSUs that exclusively serve individuals with visual impairments or blindness are based on aggregated data for the current year and the prior year, i.e., two years of data (34 CFR §361.81(4)). Calculations for indicators 1.1 through 1.6 for general and combined DSUs are based on a single year. Calculations for indicator 2.1 are based on a single year of data for all DSUs.

### **Standard 1:**

- 1.1 The number of individuals exiting the VR program who achieved an employment outcome during the current performance period compared to the number of individuals who exit the VR program after achieving an employment outcome during the previous performance period.**

*Data element:*

RSA -911: RP 198: closure type (item 36), code 3

*Calculation:*

1. Subtract the number of individuals who exited the VR program in employment in the prior year from the number of individuals who exited the VR program in employment for the current year (RP 198 = 3).

Historical Note: When calculating indicator 1.1 for FY 2002 and FY 2003, we compared actual numbers of employment outcomes for the relevant fiscal year. In other words, we did not make any adjustments for the fact that, beginning in 2002, extended employment outcomes were no longer considered employment outcomes under the VR program. As a result FY 2001 counts included extended employment outcomes. This affected all agencies in FY 2002. In FY 2003, it affected only agencies that serve the blind and visually impaired because two years of data are combined for any given year. Thus, their FY 2002 counts include all employment outcomes from FY 2001.

**Required Performance Level:** DSU's performance in current period must equal or exceed performance in previous period.

**1.2 Of all individuals who exit the VR program after receiving services, the percentage who are determined to have achieved an employment outcome.**

*Data element:*

RSA-911: RP 198: closure type (item 36), codes 3 and 4

*Calculation:*

1. Divide the number of individuals who exited the VR program in employment (RP 198, code 3) by the number of individuals who exited the VR program after receiving services (RP 198 = 3 OR RP 198 = 4).
2. Multiply by 100.

**Required Performance Level:** For the general and combined DSUs, the level is 55.8 percent; for agencies that serve the blind and visually impaired, the level is 68.9 percent.

**1.3 Of all individuals determined to have achieved an employment outcome, the percentage who exit the VR program in competitive, self- or business enterprise program (BEP) employment with earnings equivalent to at least the minimum wage.**

*Data elements:*

RSA-911: RP 198: closure type (item 36), code 3  
RP 161: employment status (item 28), codes 1, 3, 4, and 7  
RP 163-166: weekly earnings (item 30)  
RP 167-168: hours worked (item 31)

Department of Labor minimum wage URL is:  
<http://www.dol.gov/esa/minwage/america.htm>

*Calculation: (Note: Steps 1 and 2 are the same for Indicators 1.3 through 1.6.)*

1. For each individual with an employment outcome who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting (RP 198 = 3 AND (RP 161 = 1 OR RP 161 = 3 OR RP 161 = 4 OR RP 161 = 7)), divide earnings in the week before closure (RP 163-166) by the number of hours worked in the week before closure (RP 167-168) to obtain an hourly wage. Use mathematical rounding rules when computing the hourly wage. That is, round up if the computed wage is greater than or equal to .nn5 and round down or truncate if the computed wage is .nn49 (where n is a relevant number.) For example, an hourly wage of \$5.845 would round to \$5.85. It would meet the minimum wage of \$5.85. An hourly wage of \$5.8449 would round down to \$5.84. It would not meet the minimum wage of \$5.85.
2. Select all cases where the hourly wage is greater than or equal to the minimum wage to obtain the number of individuals who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting with earnings equivalent to at least the minimum wage. Use the higher of federal minimum wage or state minimum wage. RSA will use the minimum wage in effect on October 1, the first day of the fiscal year. When using two years of data (agencies that serve the blind and visually impaired), use the minimum wage relevant for each specific year. For records closed in FY 2009, use the minimum wage as of October 1, 2008. For records closed in FY 2008, use the minimum wage as of October 1, 2007.
3. Divide the number of cases from step 2 by the total number of individuals who exited the VR program with an employment outcome (RP 198 = 3).

4. Multiply the result by 100.

**Required Performance Level:** For the general and combined DSUs, the level is 72.6 percent; for agencies that serve the blind and visually impaired, the level is 35.4 percent.

**1.4 Of all individuals who exit the VR program in competitive, self- or BEP employment with earnings equivalent to at least the minimum wage, the percentage who are individuals with significant disabilities.**

*Data elements:*

RSA-911: RP 198: closure type (item 36), code 3  
RP 161: employment status (item 28), codes 1, 3, 4, and 7  
RP 163-166: weekly earnings (item 30)  
RP 167-168: hours worked (item 31)  
RP 211 (item 41), code 1

Department of Labor minimum wage URL is:  
<http://www.dol.gov/esa/minwage/america.htm>

*Calculation:*

1. For each individual with an employment outcome who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting (RP 198 = 3 AND (RP 161 = 1 OR RP 161 = 3 OR RP 161 = 4 OR RP 161 = 7)), divide earnings in the week before closure (RP 163-166) by the number of hours worked in the week before closure (RP 167-168) to obtain an hourly wage. Use mathematical rounding rules when computing the hourly wage. That is, round up if the computed wage is greater than or equal to .nn5 and round down or truncate if the computed wage is .nn49 (where n is a relevant number.) For example, an hourly wage of \$5.845 would round to \$5.85. It would meet the minimum wage of \$5.85. An hourly wage of \$5.8449 would round down to \$5.84. It would not meet the minimum wage of \$5.85.
2. Select all cases where the hourly wage is greater than or equal to the minimum wage to obtain the number of individuals who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting with earnings equivalent to at least the minimum wage. Use the higher of federal minimum wage or state minimum wage. RSA will use the minimum wage in effect on October 1, the first day of the fiscal year. When using two years of data (agencies that serve the blind and visually impaired), use the minimum wage relevant for each specific year.
3. Identify the number of these individuals who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting with earnings equivalent to at least the minimum wage (item 2 above) whose disabilities are significant (RP 211 = 1).

4. Divide the number of individuals whose disabilities are significant (item 3 above) by the total number of individuals who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting with earnings equivalent to at least the minimum wage (item 2 above).

**Required Performance Level:** For the general and combined DSUs, the level is 62.4 percent; for agencies that serve the blind and visually impaired, the level is 89.0 percent.

- 1.5 The average hourly earnings of all individuals who exit the VR program in competitive, self- or BEP employment with earnings equivalent to at least the minimum wage as a ratio to the state's average hourly earnings for all individuals in the state who are employed (as derived from the Bureau of Labor Statistics report "State Average Annual Pay" for the most recent available year).

*Data elements:*

RSA-911: RP 198: closure type (item 36), code 3  
RP 161: employment status (item 28), codes 1, 3, 4, and 7  
RP 163-166: weekly earnings (item 30)  
RP 167-168: hours worked (item 31)

Department of Labor minimum wage URL is:  
<http://www.dol.gov/esa/minwage/america.htm>

Bureau of Labor Statistics Report, State Average Annual Pay for 2001  
URL is: <http://stats.bls.gov/news.release/annpay.t01.htm>

For FY 2002, DOL changed their location to the following URL:  
<http://stats.bls.gov/cew/state2002.txt>

For FY 2003, annual pay by state for 2003 can be obtained at the following URL: <http://www.bls.gov/cew/home.htm#data> DOL designated these data as 'preliminary' at the time the standards and indicators were computed.

For FY 2004 through FY2009, annual pay by state was obtained from weekly wages for quarters that correspond to the fiscal year. Data can be found at the following URL: <http://www.bls.gov/cew/home.htm#data> DOL designated these data as 'preliminary' at the time the standards and indicators were computed. See below for more details.

*Calculation:*

1. For each individual with an employment outcome who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting (RP 198 =3 AND (RP 161 = 1 OR RP 161 = 3 OR RP 161 = 4 OR RP 161 = 7)), divide earnings in the week before closure (RP 163-166) by the number of hours worked in the week before closure (RP 167-168) to obtain an hourly wage. Use mathematical rounding rules when computing the hourly wage. That is, round up if the computed wage is greater than or equal to .nn5 and round down or truncate if the computed wage is .nn49 (where n is a relevant number.) For example, an hourly wage of \$5.845 would

round to \$5.85. It would meet the minimum wage of \$5.85. An hourly wage of \$5.8449 would round down to \$5.84. It would not meet the minimum wage of \$5.85.

2. Select all cases where the hourly wage is greater than or equal to the minimum wage to obtain the number of individuals who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting with earnings equivalent to at least the minimum wage. Use the higher of federal minimum wage or state minimum wage. RSA will use the minimum wage in effect on October 1, the first day of the fiscal year. When using two years of data (agencies that serve the blind and visually impaired), use the minimum wage relevant for each specific year.
3. For each individual identified in item 2, compute the hourly wage by dividing each person's weekly earnings by that person's hours worked.
4. Add the hourly wages of all of the persons in item 3 and divide the sum by the total number of these individuals to obtain the average hourly earnings for all individuals who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting with earnings equivalent to at least the minimum wage.
5. Using the most relevant available data from the Bureau of Labor Statistics Report, State Average Annual Pay, divide the state's average annual pay by 2080 to obtain average hourly earnings for all individuals in the state who are employed. (Note: Prior to FY 2000, RSA used 2000 hours as the divisor for state average hourly earnings; beginning in FY 2000, RSA used 2080 hours as the divisor.) When using two years of data (agencies that serve the blind and visually impaired), use the state average wage relevant for each specific year. Beginning in FY 2004, RSA is computing annual pay from the weekly wage data of quarters that correspond to our fiscal year. At the time the standards and indicators were computed, state average annual pay was computed using preliminary 2009 annual weekly wage data. For agencies that serve the blind and visually impaired, fiscal year wages for FY 2008 and FY 2009 were used to obtain a weighted average. To obtain these data follow the instructions below that begin with "\*The following instructions...."
6. Divide average hourly earnings for all individuals who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting with earnings equivalent to at least the minimum wage (item 4 above) by average hourly earnings for all individuals in the state who are employed (item 5 above) to obtain the ratio.

\*The following instructions tell how to obtain the fiscal year state average annual pay for 2009.

"Weekly Wage" data by state are available at the following Web site:

<http://www.bls.gov/cew/home.htm>

Under "Browse QCEW" on the left side of the screen, click on "QCEW Databases." At the time of this writing, it was the 4<sup>th</sup> item in the list. Under the heading "Database Name – State and County Wages," select "ONE-SCREEN DATA SEARCH." This takes you to the public data query:  
<http://data.bls.gov:8080/PDQ/outside.jsp?survey=en>

The following instructions show the appropriate selection for one state, Alabama; the instructions which follow in parentheses give instructions for obtaining data for all states.

In box 1, "All states—statewide," which is at the bottom of the list). Your selection will be entered in the box.

Note that for all remaining boxes 2 through 7, your selection will be highlighted but not entered into the relevant box.

For box 2, select the state that you want or highlight all states.

For box 3, select "Total, all industries"

For box 4, select "Total covered"

For box 5, select "All establishment sizes" (It will probably be preselected for you at this point.)

For box 6, select "Average Weekly Wage"

For box 7, select "Get Data"

The output produces data for 2001 through 2009 with the initial selection. After the data comes up, you can limit the output by selecting "From: 2008 To: 2009 (or From: 2007 for agencies serving the blind and visually impaired) in the first dropdown box next to "Change Output Options," which is at the top of the page. Click on "Go." The resulting page(s) show average weekly wage for each quarter as well as for the year. Use the annual weekly wage for the four quarters that correspond to the fiscal year. For FY 2009, that is the 4<sup>th</sup> quarter of 2008 and the first 3 quarters of 2009.

Sum the data from these 4 quarters and divide by 4 to get the annual weekly wage. Multiply the annual weekly wage by 52 to obtain the average annual state wage.

Agencies that serve the blind and visually impaired need to obtain comparable data for 2007 and 2008 to apply to their FY 2009 data for this indicator.

**Required Performance Level:** For the general and combined DSUs, the level is a ratio of .52; for agencies serving individuals who are blind and visually impaired, the ratio is .59.

Computation note for average VR hourly wage: It is important to compute the hourly wage for each individual client and then obtain the average hourly wage by summing all of these individuals' hourly wages and dividing by the number of clients as described in steps 3 and 4. A different result is obtained if the total of weekly wages for all relevant clients is first summed and then is divided by the total of hours worked by those clients.

- 1.6 **Of all individuals who exit the VR program in competitive employment, self- or BEP employment with earnings equivalent to at least the minimum wage, the difference between the percentage who report their own income as the largest single source of economic support at the time they exit the VR program and the percentage who report their own income as the largest single source of support at the time they apply for VR services.**

*Data elements:*

RSA-911:      RP 198: closure type (item 36), code 3  
                  RP 161: employment status (item 28), codes 1, 3, 4, and 7  
                  RP 163-166: weekly earnings (item 30)  
                  RP 167-168: hours worked (item 31)  
                  RP 82 (item 20: primary support at application), code 1  
                  RP 192 (item 34: primary support at closure), code 1

Department of Labor minimum wage URL is:  
<http://www.dol.gov/esa/minwage/america.htm>

*Calculation:*

1. For each individual with an employment outcome who exited the VR program in competitive, self-, BEP or supported employment in an integrated setting (RP 198 = 3 AND (RP 161 = 1 OR RP 161 = 3 OR RP 161 = 4 OR RP 161 = 7)), divide earnings in the week before closure (RP 163-166) by the number of hours worked in the week before closure (RP 167-168) to obtain an hourly wage. Use mathematical rounding rules when computing the hourly wage. That is, round up if the computed wage is greater than or equal to .nn5 and round down or truncate if the computed wage is .nn49 (where n is a relevant number.) For example, an hourly wage of \$5.845 would round to \$5.85. It would meet the minimum wage of \$5.85. An hourly wage of \$5.8449 would round down to \$5.84. It would not meet the minimum wage of \$5.85.
2. Select all cases where the hourly wage is greater than or equal to the minimum wage to obtain the number of individuals who exited the VR program in competitive, self-, BEP or supported in an integrated setting with earnings equivalent to at least the minimum wage. Use the higher of federal minimum wage or state minimum wage. RSA will use the minimum wage in effect on October 1, the first day of the fiscal year. When using two years of data (agencies that serve the blind and visually impaired), use the minimum wage relevant for each specific year. That is, use a weighted average.

3. Divide the number of individuals who reported their own income as their primary source of support at application (RP 82 = 1) by the total number of such individuals (item 2 above) and multiply by 100.
4. Divide the number of individuals who reported their own income as their primary source of support at closure (RP 192 = 1) by the total number of such individuals (item 2 above) and multiply by 100.
5. Subtract the percentage that reported their own income as primary source of support at application (item 3 above) from the percentage that reported their own income as primary source of support at closure (item 4 above).

**Required Performance Level:** For the general and combined DSUs, the level is an arithmetic difference of 53.0; for agencies serving individuals who are blind and visually impaired, the level is a difference of 30.4.

**Standard 2:** If a DSU had fewer than 100 individuals from a minority background exit the VR program during the reporting period, the DSU must describe the policies it has adopted or will adopt and the steps it has taken or will take to ensure that individuals with disabilities from minority backgrounds have equal access to VR services, in lieu of calculating the ratio described below (34 CFR §361.86(b)(2)(iii)).

**2.1 The service rate for all individuals with disabilities from minority backgrounds as a ratio to the service rate for all individuals with disabilities from nonminority backgrounds.**

*Data elements:*

RSA-911: RP 198 (item 36: closure type)  
RP 32 (item 8: race white)  
RP 33 (item 8: race black or African American)  
RP 34 (item 8: race American Indian or Alaska Native)  
RP 35 (item 8: race Asian)  
RP 36 (item 8: race Native Hawaiian or other Pacific  
Islander)  
RP 37 (item 8: Hispanic or Latino)

*Calculation:*

1. Select individuals from minority backgrounds who exited the VR program: (RP 33 = 1  
OR RP 34 = 1  
OR RP 35 = 1  
OR RP 36 = 1  
OR RP 37 = 1).
2. Divide the number of individuals from minority backgrounds (obtained in step 1) who exited the VR program after receiving services (RP 198 = 3 OR RP 198 = 4) by the total number of individuals from minority backgrounds who exited the VR program (all cases obtained in step 1) and multiply by 100 to obtain a service rate for minority individuals.
3. Select individuals from non-minority backgrounds who exited the VR program: (RP 32 = 1  
AND (RP 33 = 0 or RP 33 = "\*" )  
AND (RP 34 = 0 or RP 34 = "\*" )  
AND (RP 35 = 0 or RP 35 = "\*" )  
AND (RP 36 = 0 or RP 36 = "\*" )  
AND (RP 37 = 0 or RP 37 = "\*" )).

4. Divide the number of individuals from nonminority backgrounds (obtained in step 3) who exited the VR program after receiving services (RP 198 = 3 OR RP 198 = 4) by the total number of individuals from nonminority backgrounds who exited the VR program (all cases obtained in step 3) and multiply by 100 to obtain a service rate for nonminority individuals.
5. Divide the service rate for minority individuals (item 2 above) by the service rate for nonminority individuals (item 4 above).

**Required Performance Level:** All agencies must attain a ratio level of .80.