



STATE OF WISCONSIN

Legislative Audit Bureau

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Joe Chrisman
State Auditor

DATE: April 6, 2015

TO: Senator Robert Cowles and
Representative Samantha Kerkman, Co-chairpersons
Joint Legislative Audit Committee

FROM: Joe Chrisman
State Auditor 

SUBJECT: Proposed Audit of the Division of Vocational Rehabilitation—Background
Information

At your request, we have gathered some background information the Joint Legislative Audit Committee may find useful in considering an audit of the Department of Workforce Development's Division of Vocational Rehabilitation (DVR).

DVR's vocational rehabilitation program helps individuals with disabilities to obtain or maintain employment, or to improve their employment opportunities. Federal aid provides 78.7 percent of program funding. State funds, which are primarily general purpose revenue but also include program revenue, provide a 21.3 percent match. From October 2013 through September 2014, program expenditures totaled \$79.2 million. The Governor's 2015-17 biennial budget proposal would appropriate \$92.4 million in fiscal year (FY) 2015-16 and \$92.2 million in FY 2016-17 for vocational rehabilitation services.

In April 2014, DVR was authorized 322.0 full-time equivalent (FTE) staff positions, 25.0 of which were vacant. The Governor's 2015-17 biennial budget proposal would authorize 320.01 FTE staff positions in both FY 2015-16 and FY 2016-17 for vocational rehabilitation services. From October 2014 through September 2015, DWD estimates that 45,405 individuals will apply for program services, receive program services, or be on a waiting list.

We last completed a program evaluation of DVR in October 2000 (report 00-11), when we analyzed DVR's expenditures, financial management, and success in serving program participants. We found significant variations in average per person expenditures among DVR's 21 districts. We also found instances in which program participants appeared to have received questionable services, given the participants' disabilities and employment goals, and instances in which the program paid for services that participants' employers may have been obligated to provide under federal law.

An audit of DVR could analyze:

- vocational rehabilitation program expenditures and staffing levels in recent years, as well as the numbers of individuals served and on a waiting list;
- whether program services provided to a sample of participants were reasonable and allowable under applicable laws and DVR's policies; and
- the extent to which the program helped participants to obtain or maintain employment, or improved participants' employment opportunities.

I hope you find this information helpful. If you have any additional questions regarding this request, please contact me.

JC/DS/bm

cc: Senator Mary Lazich	Representative John Macco
Senator Alberta Darling	Representative John Nygren
Senator Kathleen Vinehout	Representative Melissa Sargent
Senator Janet Bewley	Representative Terese Berceau

Reginald Newson, Secretary
Department of Workforce Development