



Opportunities for Ohioans with Disabilities

John R. Kasish
Governor
Kevin L. Miller
Executive Director

Bureau of Services for the Visually Impaired
Bureau of Vocational Rehabilitation
Division of Disability Determination

OFFICE OF
INSPECTOR GENERAL
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January 3, 2014

Randall J. Meyer
Ohio Inspector General
State of Ohio Office of the Inspector General
30 East Broad Street, Suite 2940
Columbus, Ohio 43215-3414

RE: Response to Report of Investigation 2013-CA00012

Dear Mr. Meyer,

The Opportunities for Ohioans with Disabilities (OOD) received approximately \$23 million dollars through the American Reinvestment and Recovery Act (ARRA) in 2009. OOD issued requests for proposals to award contracts to provide services to Ohioans with disabilities, which resulted in 33 contracts relating to services to individuals with disabilities.

OOD initially provided responses and documents to the Office of the Ohio Inspector General (OIG) regarding OOD's ARRA grants in February 2011. OOD also did a presentation to two deputy inspector generals regarding ARRA funds on May 20, 2011 and provided them with follow-up information.

On June 4, 2012 the OIG sent a letter stating that it had been tasked with conducting random reviews of grants issued through ARRA and as part of that review requested that OOD resend ARRA documents that were previously supplied in February 2011. OOD re-supplied documents responsive to that request in July 2012.

On June 12, 2013, the OIG contacted OOD and stated that they were "unable to thoroughly review the information you provided last year in relation to American Recovery and Reinvestment Act of 2009 grants received by RSC (OOD changed its name from the Rehabilitation Services Commission "RSC" to OOD effective October 1, 2013)." At that time, the OIG requested additional information and documentation. OOD supplied this information in July 2013. OOD was never informed that a preliminary inquiry was opened in February 2013 or that a full investigation was opened in June 2013.

On November 5, 2013, OIG issued its report and recommendations. This letter is in response to the recommendations made by your office to OOD.

The Office of the Inspector General made four (4) recommendations. In response to each recommendation, OOD reports:

- 1) Recommendation: Review the contract and determine if there are remedies available for collecting the amounts paid in excess of the contract amount. This could include granting credits on future invoices if these grant recipients are still vendors of OOD.

OOD Response: OOD received approximately \$23 million dollars through ARRA in 2009. OOD issued requests for proposals to award contracts to provide services to Ohioans with disabilities, which resulted in 33 contracts relating to services to individuals with disabilities. Of these 33 contracts, OOD issued payments to 5 contractors that exceeded the original contract amount. The total of these payments was \$52,622.82 (0.2% of the total ARRA grant to OOD). The \$52,622.82 in payments that exceeded the original contract amount was payment to those contractors for actual services received. Contracts should have been amended to increase the total contract award prior to additional expenditures being paid. However, the monies paid were for services that OOD received for activities that were allowable under ARRA. Therefore, OOD does not believe there is a basis to collect these amounts.

In May 2011, shortly after Executive Director Kevin Miller began at OOD, contract processing and verification were centralized under the Division of Legal Services. Since that time, OOD has trained staff regarding their roles and responsibilities in the drafting and monitoring of contracts. In addition the Division of Fiscal Management works closely with the vocational rehabilitation contract unit in monitoring the budget and expenditures of contracted services.

- 2) Recommendation: Ensure the name and contact information of the person(s) responsible for preparing the deliverable reports are included on the form.

OOD Response: As noted in the OIG report, all ARRA activities were done as of June 30, 2012. Therefore, the deliverable reports required under the ARRA agreements are no longer being prepared or submitted.

OOD does contract for case management activities. These contracts state that the contractor shall submit a quarterly review report, on the format provided by OOD, summarizing the current status of the project, achievements, and any issues/concerns that need to be addressed. The name and contact information of the person(s) responsible for preparing these reports have been included on this form.

- 3) Recommendation: Ensure deliverable reports are date and time stamped when received and contain the signature of the OOD employee(s) responsible for reviewing them.

OOD Response: As previously stated, all ARRA activities were completed on June 30, 2012. Therefore, the deliverable reports required under the ARRA agreements are no longer being prepared or submitted.

OOD does contract for case management activities. These contracts state that the contractor shall submit a quarterly review report, on the format provided by OOD, summarizing the current status of the project, achievements, and any issues/concerns that need to be addressed. OOD sends a reminder to each contractor with the quarterly report template attached. The quarterly reports are sent via email from the contractor to

the assigned OOD rehabilitation program specialist (RPS) for that contract. The email provides verification of the date and time the deliverable report was submitted to OOD. The OOD staff assigned to that contract reviews the report and saves the report and email receipt on a shared computer drive to maintain documentation. To further support OOD's contract management efforts, OOD assigns RPS staff to each contract to streamline communication and technical assistance and ensure that the contractors meet deliverables.

The information submitted on these quarterly reports is also accessible via OOD's electronic case management system. OOD reviews deliverable outcomes of contracts monthly and posts this data on OOD's extranet. This ensures transparency as OOD engages its contractors in discussions for continuous improvement.

- 4) Recommendation: Ensure future reports are submitted on time and consider adding specific contract language to address any penalties for failure to meet this requirement.

OOD Response: As previously stated, all ARRA activities were completed on June 30, 2012. Therefore, the deliverable reports required under the ARRA agreements are no longer being prepared or submitted.

OOD does contract for case management activities. These contracts state that the contractor shall submit a quarterly review report, on the format provided by OOD, summarizing the current status of the project, achievements, and any issues/concerns that need to be addressed. OOD sends a reminder to each contractor with the quarterly report template attached and OOD staff follows up with the contractor if the report is not submitted timely.

OOD's contracts for case management activities contain a thirty (30) day termination clause without cause and allow for immediate suspension or termination of the contract with cause. The contract specifies that the contractor shall cooperate with the following monitoring and evaluation requirements: (1) contractor staff shall be responsible for coordinating and preparing information for fiscal and programmatic monitoring and evaluation activities, as determined by OOD; (2) contractor shall submit a quarterly review report, on the format provided by OOD, summarizing the current status of the Project, achievements, and any issues/concerns that need to be addressed; and (3) contractor shall perform case reviews as set forth in OOD Policies and Procedures for case reviews, with a minimum requirement of five (5) case reviews per year per VR coordinator. In addition, the contract states that the contractor shall comply with program and fiscal monitoring evaluations and periodic reviews conducted by OOD to assess the progress, achievements, and deliverable under the agreement. The contract states that if "OOD determines that contractor has not complied with a required term and/or deliverables of this contract, in addition to any other rights and remedies available, OOD may require contractor to submit a corrective action plan to resolve any deficiencies within 30 days of said request to contractor. Failure to resolve or make progress to resolve any non-compliance hereto may lead to termination of this contract."

As outlined above, OOD has already implemented detailed contract templates, training, and monitoring and quality assurance measures to address the OIG's recommendations. In addition, in May 2011, Executive Director Miller created the Division of Performance and Innovation within OOD and hired a Deputy Director of Performance and Innovation to ensure

that the agency has a strong focus on the utilization of performance metrics across all OOD operations, including contracted services. The Division of Performance and Innovation has a detailed manual that provides further details regarding quality assurance of contract services and program evaluation for contracts. These services include, but are not limited to: case reviews, consumer surveys, program monitoring and VR related reports. OOD also engages in an annual planning process for contract renewals that allows for continuous improvement of OOD contract templates and terms as well as deliverable development. OOD's contract planning process also results in non-renewal of contracts that do not meet deliverables.

OOD has engaged in a proactive and robust model for contract management. OOD reviews deliverable outcomes of contracts monthly and posts this data on OOD's extranet. This ensures transparency as OOD engages its contractors in discussions for continuous improvement. To further support OOD's contract management efforts, OOD assigned staff to each contract to streamline communication and technical assistance and ensure that the contractors meet deliverables. OOD also implemented a monitoring protocol.

If OOD may provide any further clarification or assistance to the Office of the Inspector General regarding this matter, please contact Chief Legal Counsel Christina Wendell at 614-438-1217.

Sincerely,

Handwritten signature of Kevin L. Miller in blue ink, with a small flourish at the end.

Kevin L. Miller
Executive Director

cc: File
Christina Wendell