



**CENTERS FOR INDEPENDENT LIVING
COMPLIANCE REVIEW REPORT**

The Disability Network

Grant Award Number: 1801MIILCL

Flint, Michigan

REVIEW DATE: December 11, 2019

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I. PURPOSE OF THE ON-SITE MONITORING REVIEW

Sections 706(c) and 722 of the *Rehabilitation Act of 1973, as amended* (Rehabilitation Act) mandate that the Administration for Community Living (ACL) conduct reviews of centers for independent living (CILs) funded under Title VII, Part C, Section 722. The objectives of reviews are to:

- assess compliance with the requirements of Section 725(b) and (c)(3) of the Rehabilitation Act;
- study program operations, organizational structure and administration of the CIL under Section 725(c)(1), (2), (5) and (6) of the Rehabilitation Act;
- review documentation sufficient to verify the accuracy of the information submitted in the most recent CIL Program Performance Report (PPR);
- verify that the CIL is managed in accordance with federal requirements;
- assess CIL conformance with its work plan, developed in accordance with Section 725(c)(4) of the Rehabilitation Act, conditions of the CIL's approved application, and consistency with the State Plan for Independent Living (SPIL);
- identify areas of suggested or necessary improvements in the CIL's programmatic and fiscal operation and provide technical assistance resources available on the local, state, regional and national level;
- identify areas of exemplary work, projects and coordination efforts and make this information available to the larger CIL community; and
- identify technical assistance to enhance CIL operations or to minimize or to eliminate problem areas.

II. METHODOLOGY

The Disability Network (TDN) volunteered to participate in a pilot onsite review to help ACL test the Compliance and Outcome Monitoring Protocol (COMP). As an incentive to volunteer, ACL modified components of the COMP. Namely, TDN received an initial onsite review report that included all observations and findings identified by the review process. TDN was able to respond and resolve findings prior to ACL issuing a final public report. Brief statements identify the observations and findings addressed or resolved prior to issuing the final report. If applicable, unresolved findings are noted with required corrective action steps.

Participation in this review does not preclude additional oversight activities related to these findings. Future enforcement actions may include the recovery of funds, drawdown restrictions, funds withholding, or grant terminations, pursuant to 45 CFR 1329.7(a).

ACL conducted an onsite review of The Disability Network (TDN) December 11, 2019. ACL reviewed activities from September 30, 2017 through September 29, 2018 (PY 18¹) with a focus on program and fiscal operations related to TDN's administration of Title VII, Part C funds. ACL conducted interviews with the center's management, staff, consumers, and members of the board of directors. In addition to the interviews, ACL reviewed program and financial documents in accordance with the Compliance and Outcome Monitoring Protocol (COMP), including written policies and procedures, a sample of consumer information files (CIFs), and other documents that verified compliance with standards and indicators. ACL randomly selected and reviewed eleven CIFs (6.4% of TDN's 170 active CIFs). The review team conducted an exit conference at the conclusion of the review to provide initial feedback.

Review team participants included:

- Dr. Corinna Stiles, Director of the Office of Independent Living Programs;
- David Wickstrom, Program Officer, Review Lead;
- Peter Nye, Program Officer;
- Damian Francis, ACL Fiscal Specialist;
- Dave Bulkowski, nonfederal reviewer

III. EXECUTIVE SUMMARY

TDN was incorporated in 1992 and received a Part C grant under Title VII of the Rehabilitation Act in 2002. TDN serves Genesee County. In PY2018, TDN had a net operating budget of \$2,097,623, of which \$123,919 was Title VII, Part C funding. At the time of the review, TDN had fifteen full-time equivalent (FTE) staff; of those staff members, two are considered decision makers. Twelve of the fifteen FTEs are people who identify as having a disability. TDN has nine members on the Board of Directors; eight members identify as having significant disabilities.

In addition to the core services, ACL recognizes TDN for the following community initiatives::

- **Community Partnership:** In 2019 Lansing based Peckham, Inc., opened a new manufacturing plant in Flint, MI with 200 new positions. Named #11 on Fortune Magazine's Great Place to Work list, Peckham, Inc. is a nonprofit vocational rehabilitation organization that provides job-training opportunities for persons with significant disabilities and other barriers to employment. Peckham, inc. was known to employ people with disabilities at sub-minimum wage. TDN engaged in significant systemic advocacy to ensure people with disabilities employed at Peckham, Inc. were not paid sub-minimum wage. The successful advocacy resulted in people with and without disabilities working together in an integrated setting, all with the same starting pay of \$12.22 per hour. Peckham, Inc. provides its employees benefits that include health insurance and the availability of a work-incentive counselor. Additionally, because of these

¹ which is the same as federal fiscal year 2017, which has the grant number 1701MIIILCL.

efforts, Peckham, Inc. discontinued sub-minimum wage practices at their locations in Michigan, Arizona, and Kentucky.

- **Flint Water Crisis:** TDN provided extensive systemic advocacy in response to the 2016 water crisis. TDN worked to ensure the needs of people with disabilities were addressed during the crisis and during the subsequent ongoing response. This included TDN participation on the Red Cross Flint Water Recovery Team, DHS Resiliency teams, and participated in the Michigan Civil Rights Water Hearings. TDN also convened a “Disability Voice Team” of thirty disability organizations to advise about effective engagement and communication for people with disabilities. TDN continues to advocate and collaborate with ongoing local, state, and national water-response registries.
- **Collaborative Community Technology Center:** In collaboration with Mott Community College, TDN offers an onsite, fully accessible, full-service integrated community technology center (CTC). The CTC is available to people with disabilities free of charge. Services include full computer access, training on available assistive technologies and technology accommodations, tutoring, and independent living supports.

IV. OBSERVATIONS AND RECOMMENDATIONS

Observations and recommendations strengthen CIL operations and performance. Because observations are not compliance issues, a grantee is not required to accept the recommendations.

ACL offered observations and recommendations in the following issue areas:

1. Independent Living Plans; and
2. Board of director term limits.

TDN provided thorough responses to both observations.

V. FINDINGS AND CORRECTIVE ACTIONS

During its review activities, ACL identified compliance findings in the following issue areas:

1. Consumer Information Files and Independent Living Plans, and
2. Personnel files.

TDN provided ACL thorough responses, and ACL has determined the findings resolved. To ensure ongoing compliance, ACL will review implementation of the corrective action steps no later than December 30, 2020.

Appendix: Legal Requirements

This Appendix contains the full text of each legal requirement cited in Section VI of this report.

29 U.S.C. § 706(c)

ONSITE COMPLIANCE REVIEWS.—

- (1) The Administrator shall annually conduct onsite compliance reviews of at least 15 percent of the centers for independent living that receive funds under section 722 and shall periodically conduct such a review of each such center
- (2) QUALIFICATIONS OF EMPLOYEES CONDUCTING REVIEWS.—The Administrator shall—
 - (A) to the maximum extent practicable, carry out a review described in paragraph (1) by using employees of the Department of Health and Human Services who are knowledgeable about the provision of independent living services;
 - (B) ensure that the employee of the Department of Health and Human Services with responsibility for supervising such a review shall have such knowledge; and
 - (C) ensure that at least one member of a team conducting such a review shall be an individual who—
 - (i) is not a government employee; and
 - (ii) has experience in the operation of centers for independent living.

29 U.S.C. § 722(b)(g)(1)

IN GENERAL.—The Administrator shall periodically review each center receiving funds under this section to determine whether such center is in compliance with the standards and assurances set forth in section 725. If the Administrator determines that any center receiving funds under this section is not in compliance with the standards and assurances set forth in section 725, the Administrator shall immediately notify such center that it is out of compliance.

29 U.S.C. § 725(b)(2–3)

- (2) PROVISION OF SERVICES.—The center shall provide services to individuals with a range of significant disabilities. The center shall provide services on a cross-disability basis (for individuals with all different types of significant disabilities, including individuals with significant disabilities who are members of populations that are unserved or underserved by programs under this title). Eligibility for services at any center for independent living shall be determined by the center, and shall not be based on the presence of any one or more specific significant disabilities.
- (3) INDEPENDENT LIVING GOALS.—The center shall facilitate the development and achievement of independent living goals selected by individuals with significant disabilities who seek such assistance by the center.

29 U.S.C. § 725(c)(1–6)

ASSURANCES.—The eligible agency shall provide at such time and in such manner as the Administrator may require, such satisfactory assurances as the Administrator may require, including assurances that—

- (1) the applicant is an eligible agency
- (2) the center will be designed and operated within local communities by individuals with disabilities, including an assurance that the center will have a Board that is the principal governing body of the center and a majority of which shall be composed of individuals with significant disabilities;

(3) the applicant will comply with the standards set forth in subsection (b)

(4) the applicant will establish clear priorities through an annual and 3-year program and financial planning objectives for the center, including overall goals or a mission for the center, a work plan for achieving the goals or mission, specific objectives, service priorities, and types of services to be provided, and a description that shall demonstrate how the proposed activities of the applicant are consistent with the most recent 3-year State plan under section 704;

(5) the applicant will use sound organizational and personnel assignment practices, including taking an affirmative action to employ and advance in employment qualified individuals with significant disabilities on the same terms and conditions required with respect to the employment of individuals with disabilities under section 503;

(6) the applicant will ensure that the majority of the staff, and individuals in decisionmaking positions, of the applicant are individuals with disabilities

29 U.S.C. § 725(c)(8)

(8) the applicant will conduct annual self-evaluations, prepare an annual report, and maintain records adequate to measure performance with respect to the standards, containing information regarding, at a minimum—

(A) the extent to which the center is in compliance with the standards;

(B) the number and types of individuals with significant disabilities receiving services through the center;

(C) the types of services provided through the center and the number of individuals with significant disabilities receiving each type of service;

(D) the sources and amounts of funding for the operation of the center;

(E) the number of individuals with significant disabilities who are employed by, and the number who are in management and decision making positions in, the center; and

(F) a comparison, when appropriate, of the activities of the center in prior years with the activities of the center in the most recent year;

45 CFR § 75.303(a–c)

The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government,” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework,” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

(b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.

(c) Evaluate and monitor the non-Federal entity’s compliance with statutes, regulations, and the terms and conditions of Federal awards.

45 CFR § 75.342

(a) Monitoring by the non-Federal entity. . . . The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements Monitoring by the non-Federal entity must cover each program, function or activity.

(b) Non-construction performance reports. . . .

(1) The non-Federal entity must submit performance reports at the interval required by the HHS awarding agency . . . to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually

45 CFR § 75.361

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report. . . .