

## UTAH PYs 2024-2027 - VOCATIONAL REHABILITATION PROGRAM (COMBINED OR GENERAL)



This amendment to the Utah Workforce Innovations and Opportunities Act (WIOA) 2024-28 Combined State Plan for the Vocational Rehabilitation Program includes updates to:

- **Section F: Annual Estimates**
- **Section G: Order of Selection**

You can review the full Utah WIOA Combined State Plan here:

<https://jobs.utah.gov/wioa/wioastateplan.pdf>

Public comments on this amendment may be submitted by email to [usor@utah.gov](mailto:usor@utah.gov) by Friday, September 26, 2025

#### F. ANNUAL ESTIMATES

Sections 101(a)(15) and 101(a)(23) of the Rehabilitation Act require all VR agencies to annually conduct a full assessment of their resources and ability to serve all eligible individuals before the start of the Federal fiscal year. In accordance with 34 C.F.R. § 361.29(b), annual estimates must include the following projections:

#### 1. ESTIMATES FOR NEXT FEDERAL FISCAL YEAR—

##### A. VR PROGRAM; AND

#### FFY26

Priority Category	No. of Individuals Eligible for Services	No. of Eligible Individuals Expected to Receive Services under VR Program	Costs of Services using Title I Funds	No. of Eligible Individuals Not Receiving Services (if applicable)
1 (MSD)	7,054	7,054	\$14,052,414	N/A
2 (SD)	11,683	6,983	\$9,514,198	4,700
3 (D)	2,776	1,732	\$2,417,179	1,044

##### B. SUPPORTED EMPLOYMENT PROGRAM.

#### FFY26

Priority Category	No. of Individuals Eligible for Services	No. of Eligible Individuals Expected to Receive Services under VR Program	Costs of Services using Title I and Title VI Funds	No. of Eligible Individuals Not Receiving Services (if applicable)
1 (MSD)	465	465	\$926,335 (\$300,000 from Title I)	N/A

## G. ORDER OF SELECTION

1. PURSUANT TO SECTION 101(A)(5) OF THE REHABILITATION ACT, THIS DESCRIPTION MUST BE AMENDED WHEN THE VR AGENCY DETERMINES, BASED ON THE ANNUAL ESTIMATES DESCRIBED IN DESCRIPTION (F), THAT VR SERVICES CANNOT BE PROVIDED TO ALL ELIGIBLE INDIVIDUALS WITH DISABILITIES IN THE STATE WHO APPLY FOR AND ARE DETERMINED ELIGIBLE FOR SERVICES.

The Utah State Office of Rehabilitation is implementing an order of selection with one or more priority categories closed

### 2. FOR VR AGENCIES THAT HAVE DEFINED PRIORITY CATEGORIES DESCRIBE— A. THE JUSTIFICATION FOR THE ORDER

The Utah State Office of Rehabilitation (USOR), in consultation with the Utah State Rehabilitation Council (SRC) has determined that it does not have sufficient resources to serve all eligible individuals. Multiple factors have contributed to this resource shortage, necessitating the implementation of an Order of Selection.

Over the past four years, the Utah State Office of Rehabilitation (USOR) has seen significant growth in both demand for services and the resources required to meet that demand. Since FFY21, the number of annual applicants has risen sharply, from 5,663 to 8,809 in FFY24, representing an increase of more than 55%. The total number of clients served has also grown steadily, reaching nearly 18,500 in FFY24, while the number of individuals actively engaged in an Individualized Plan for Employment (IPE) rose by 14%, from 12,380 to 14,150. This surge in participation has been accompanied by a marked increase in program costs. Client service expenditures have grown by more than 66% over the same period, climbing from \$12.2 million in FFY21 to \$20.3 million in FFY24.

This growth is attributed to several factors, including federal requirements to serve youth and students, increased program awareness following post-pandemic outreach, economic conditions, and expanded support for individuals with the most significant disabilities, particularly those requiring long-term supported employment services.

Rising expenditures are driven by:

- Inflation and the higher cost of long-term services such as training, post-secondary education, supported employment job coaching, and assistive technology.
- Vendor rate increases for goods and services.
- A greater number of program participants requiring assessments.
- Staff salary increases to maintain competitive pay.

Staffing capacity is another factor contributing to the need for an Order of Selection. The rising demand for services has increased the average caseload size for VR counselors to 115 clients, with some caseloads exceeding 160 clients in areas where clients are assigned based on their place of residence. USOR does not have the financial resources to address the additional personnel demands, and these capacity limitations are hindering staff's ability to provide timely and high-quality

services.

With the continued growth in individuals seeking and receiving services, along with a significant rise in costs, USOR has maintained and expanded a variety of cost containment strategies, including:

- Maintaining a Financial Needs Assessment to ensure individuals with available resources contribute toward the cost of non-exempt services.
- Conducting regular reviews to identify and utilize comparable benefits and services to avoid duplication of funding.
- Collaborating with the Department of Workforce Services' Workforce Development programs to leverage training funds and job placement services.
- Applying internal controls, including supervisor review thresholds, to ensure goods and services are necessary, appropriate, and reasonably priced.
- Maintaining supervisory review of all client service authorizations to ensure compliance with programmatic and fiscal requirements.
- Collocating standalone VR offices into American Job Centers, when appropriate, to reduce facility costs.
- Increasing use of internal staff to provide direct job placement and pre-employment transition services, rather than purchasing these services.
- Eliminating non-essential positions, such as medical consultants.
- Slowing the rate vacant positions are filled to control personnel costs.
- Removing master's degree and certification requirements for vocational rehabilitation counselors to reduce tuition and certification reimbursements expenses previously required under the Comprehensive System of Personnel Development plan.
- Providing staff training on using existing information for assessments to prevent duplication and reduce unnecessary expenditures.
- Implementing real-time dashboards for review, training, and updates of authorizations to ensure obligations align with actual expenditures.
- Revising policies to promote cost-effective funding use and ensure quality outcomes, including in areas such as private training providers and community rehabilitation program services.
- Adjusting, consolidating, or reducing service contracts where applicable to increase savings
- Reducing non-essential travel (in-state and out-of-state) and expanding the use of virtual training options and platforms.

Combined with the increase in clients and rising expenditures mentioned above, the following shifts in funding compound the need to go on an OOS:

- \$3,479,185 of FFY25 VR federal funding relinquished due to non-federal share constraints
- Projected decrease in VR funding levels from FFY25 to FFY26 and flat funding thereafter
- Reduction in reimbursements from the Social Security Administration (SSA) due to process changes within SSA.
- Budget proposal from the Department of Education recommends returning to FFY24 funding levels and eliminating funding for supported employment, CAP programs, etc. Services will need to continue being provided using general VR funding.

The carryover funding that has been used to cover increasing expenditures is shrinking and will no longer be able to address the funding gap. Absent an OOS, we anticipate that available funding in FFY26 will not be sufficient to cover FFY26 obligations as illustrated below.

	<b>FFY26 (estimated)</b>	<b>FFY27 (estimated)</b>
Prior Year Funding	\$25,496,140	\$5,519,526
12-Month Funding	51,893,060	51,893,060
Available Funding	<b>77,389,200</b>	<b>57,412,586</b>
Less: Expenditures	(71,869,674)	(80,994,979)
<b>Surplus (Deficit)</b>	<b>\$5,519,526*</b>	<b>(\$23,582,393)</b>
*We anticipate that unliquidated obligations at September 30, 2026 will exceed the available remaining funds		

With carry forward funding no longer available to address the funding gap, it is crucial to bring annual expenditures into alignment with 12-month funding.

	<b>FFY23</b>	<b>FFY24</b>	<b>FFY25 (estimated)</b>	<b>FFY26 (estimated)</b>	<b>FFY27 (estimated)</b>
Federal Award*	\$39,831,760	\$39,831,760	\$41,239,169	\$39,831,760 <sup>†</sup>	\$39,831,760 <sup>†</sup>
Non-Federal Share	11,017,095	11,161,292 <sup>‡</sup>	11,161,300	11,161,300	11,161,300
Program Income	2,217,439	1,641,120	975,000 <sup>§</sup>	900,000 <sup>§</sup>	900,000 <sup>§</sup>
<b>12-Month Funding</b>	<b>53,066,294</b>	<b>52,634,172</b>	<b>53,375,469</b>	<b>51,893,060</b>	<b>51,893,060</b>
Less: Expenditures	(47,447,735)	(55,909,606)	(64,189,024)	(71,869,674)	(80,994,979)
<b>Funding Gap</b>	<b>\$5,618,559</b>	<b>(\$3,275,434)</b>	<b>(\$10,813,555)</b>	<b>(\$19,976,614)</b>	<b>(\$29,101,919)</b>
*Excludes carry-forward funding <sup>†</sup> Preliminary information received indicates that the Department of Education proposed that Vocational Rehabilitation funding return to FFY24 funding levels <sup>‡</sup> Amount that is anticipated to be reported on the final FFY24 report <sup>§</sup> As of the end of August 2025, actual program income received during FFY25 is down 40.6% compared to the same point in time in FFY24. Program income in subsequent years is expected to be lower than FFY25 actuals.					

Based on the justification above, USOR needs to implement an Order of Selection (OOS). The OOS ensures that current USOR clients with Individualized Plans for Employment (IPEs) can continue receiving services without interruption, while managing a wait list for new applicants who are determined eligible and assigned to a closed disability priority category. USOR plans to close

Priority Categories 2 and 3, and keep Priority Category 1, individuals with the most significant disabilities, open.

USOR engaged in multiple public consultation efforts leading up to the implementation of the OOS. Examples include:

- August 18, 2025 – Met with the State Rehabilitation Council Executive Committee to discuss the need for an OOS and obtained their support.
- August 21, 2025 – Presentation on the OOS to the State Workforce Development Board, and received a vote of support to continue.
- September 3, 2025 – Consultation with the State Rehabilitation Council on the need for an OOS, as well as related rules, policies, and procedures. The SRC voted to support USOR's plan to implement an Order of Selection.
- *September 11, 2025 - State Plan Draft Amendment posted on DWS-USOR website for Public Comment.*
- *September 17 and 18, 2025 - Virtual Public Town Halls Scheduled*

**B. THE ORDER (PRIORITY CATEGORIES) TO BE FOLLOWED IN SELECTING ELIGIBLE INDIVIDUALS TO BE PROVIDED VR SERVICES ENSURING THAT INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES ARE SELECTED FOR SERVICES BEFORE ALL OTHER INDIVIDUALS WITH DISABILITIES; AND**

The order (priority categories) to be followed in selecting eligible individuals to be provided USOR services ensures that individuals with the most significant disabilities are selected for services before all other individuals with disabilities. Eligible individuals are placed into one of the following priority categories:

Priority Category 1: An individual with the Most Significant Disability (MSD) as defined below.

Priority Category 2: An individual with a Significant Disability (SD) as defined below.

Priority Category 3: An individual with a Disability (D) as defined below.

***Description of priority categories:***

- **Priority Category 1:** An ***individual with the most significant disability*** means a severe physical or mental impairment causes serious limitations in two or more functional capacities. Functional capacities include mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills. In addition, the individual must require multiple VR services over an extended period of time in order to engage in employment.
- **Priority Category 2:** An ***individual with a significant disability*** means a severe physical or mental impairment causes serious limitations in at least one functional capacity. The individual requires multiple VR services over an extended period of time.
- **Priority Category 3:** An ***individual with a disability*** means an individual who has a physical or mental impairment that constitutes or results in a substantial impediment to employment and who can benefit in terms of an employment outcome from the provision of vocational rehabilitation services.

USOR serves eligible individuals with the most significant disabilities (Priority Category 1) first. Eligible individuals with significant disabilities (Priority Category 2) are served once Priority Category 1 is open and no individuals remain on the waiting list. Eligible individuals with disabilities (Priority Category 3) are served once Priority Category 2 is open and no individuals remain on the waiting list. In all cases, individuals are released from the statewide waiting list in order of priority category, from most significant to least significant, and within each category by application date, from oldest to newest.

**C. THE VR AGENCY'S GOALS FOR SERVING INDIVIDUALS IN EACH PRIORITY CATEGORY, INCLUDING HOW THE AGENCY WILL ASSIST ELIGIBLE INDIVIDUALS ASSIGNED TO CLOSED PRIORITY CATEGORIES WITH INFORMATION AND REFERRAL, THE METHOD IN WHICH THE VR AGENCY WILL MANAGE WAITING LISTS, AND THE PROJECTED TIMELINES FOR OPENING PRIORITY CATEGORIES. NOTE: PRIORITY CATEGORIES ARE CONSIDERED OPEN WHEN ALL INDIVIDUALS IN THE PRIORITY CATEGORY MAY BE SERVED.**

### **Projected Service Goals for FY26 and Continuity of Services**

- USOR will continue to provide services to individuals who, as of the effective date of the Order of Selection (OOS), are already receiving services under an approved Individualized Plan for Employment (IPE). Over the next year, USOR estimates it will serve 7,054 individuals in Priority Category 1, 6,983 in Category 2, and 1,776 in Category 3.
- USOR intends to continue to provide services to newly eligible individuals classified in Priority Category 1 (MSD), while individuals classified in Priority Category 2 (SD) and Category 3 (D) will go on a wait list.
- USOR will continue providing pre-employment transition services (Pre-ETS) to students with disabilities who first access services as potentially eligible, as well as to those who have individualized plans for employment established prior to implementation of the Order of Selection or who are in Category 1 (MSD)

If expenditures rise above the projected growth, USOR will need to consider closing the MSD category. If actual expenditures increase at a lower rate, individuals can begin to be released from the waitlist. The USOR budget status is reviewed monthly by USOR senior leadership and the DWS finance team.

<b>Priority Category</b>	<b>Estimated Number of Clients to be Served</b>	<b>Estimated Cost</b>	<b>Estimated Clients on a Wait List</b>
1 (MSD)	7,054	\$14,052,414	0
2 (SD)	6,983	\$9,514,198	4,700
3 (D)	1,732	\$2,417,179	1,044

Total	15,769	\$25,983,792	5,744
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### **Applications, Eligibility and Priority Classification**

When OOS is in effect, USOR will continue to accept applications and make eligibility determinations. At the time of eligibility clients will also be placed into a priority category. USOR will provide all eligible individuals placed on the OOS waiting list with Information and Referral (I&R) services. These services include information about, and referrals to, other federal or state programs, including components of the statewide workforce development system, that are best suited to address the specific employment needs of an individual with a disability. The I&R process will be carried out in compliance with 34 C.F.R. § 361.37 to ensure individuals are directed to appropriate resources that may assist them in preparing for, securing, retaining, or regaining employment.

### **Notification Requirements**

USOR will notify each individual determined eligible, in writing, of the following:

- The individual's assignment to a priority category classification;
- The individual's right to request reclassification if there is a change in circumstances or if a misclassification has occurred;
- The individual's right to appeal the category assignment; and
- The availability of assistance from the Client Assistance Program (CAP).

### **Contact and Monitoring**

Individuals placed on the OOS waiting list (Delayed Status) will be contacted at least once within the first 90 days of being placed in delayed status and every 120 days thereafter. Client records will document the nature and scope of any information and referral services provided.

### **Priority Order**

USOR will manage the statewide waiting list as follows:

- **Priority Category 1:** Individuals with the most significant disabilities will be served first.
- **Priority Category 2:** Individuals with significant disabilities will be served once Priority Category 1 is open and no individuals remain on the waiting list.
- **Priority Category 3:** Individuals with disabilities will be served once Priority Category 2 is open and no individuals remain on the waiting list.

Regardless of category closure, individuals will be released from the waiting list first by priority category (most significant to least significant), and then by application date (oldest to newest).

### **Placing Clients on the Waitlist**



- Clients will be placed on the waitlist within their priority category based on application date.
- Clients on the wait list will be managed and tracked through the AWARE case management system and dashboard reports.

### **Removing Clients from the Waitlist**

- USOR will evaluate financial resources and staffing capacity at least monthly to determine when categories can be reopened.
- One priority category will be reopened at a time. The entire waiting list for that category must be cleared before the next category is opened.
- Clients will be removed from the waiting list in order of application date.
- District offices will be notified when clients are moved from the wait list to eligible status.
- Counselors will notify clients by letter of their activation from the waiting list and request a meeting to start the process of developing an IPE within 90 days from wait list removal.

### **Projected Timeline**

At this time, USOR does not have a projected timeline for reopening Priority Categories 2 and 3. USOR will continue to monitor the fiscal outlook on a monthly basis and evaluate the capacity to serve clients, as well as program cost-management efforts. In making these evaluations, USOR will review:

- Projected and actual expenditures;
- Projected and actual numbers of clients in each priority category;
- The number of individuals on the waiting list for services;
- The number of potentially eligible students with disabilities receiving Pre-ETS;
- Pre-ETS expenditures; and
- Staff capacity and caseloads.

When resources allow, USOR will first reopen Priority Category 2 (Significant Disability). If funding continues to support expanded services, USOR will then reopen Priority Category 3 (Disability).

### **3. HAS THE VR AGENCY ELECTED TO SERVE ELIGIBLE INDIVIDUALS OUTSIDE OF THE ORDER OF SELECTION WHO REQUIRE SPECIFIC SERVICES OR EQUIPMENT TO MAINTAIN EMPLOYMENT?**

USOR has elected not to implement a policy regarding the provision of specific services or equipment for eligible individuals to maintain employment.