

# **Extended Employment Sheltered Workshop Program Program Report July 1, 2014 to June 30, 2015**

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July 2016

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# Introduction

This report contains summary information about the Extended Employment Sheltered Workshop (EESW) program as administered by the Missouri Department of Elementary and Secondary Education-Office of Special Education (DESE-SE) for the period of July 1, 2014 to June 30, 2015.

The Department works with eighty-nine (89) individual private not-for-profit corporations located throughout the State to manage and operate the center-based Extended Employment Sheltered Workshop (EESW) program. The data presented in this report is obtained by monthly data submitted by each provider as well as from audited data submitted annually as part of the process to issue a Certificate of Authority to Operate an Extended Employment Sheltered Workshop.

The Department provides funding support for qualified persons with disabilities who are employed by the center-based providers. The appropriated general revenue funds are distributed to the providers by the Department on a monthly basis. The statutory formula for support of a qualified person with disabilities is at a rate of \$95 for each standard workweek (M-F) for up to and including thirty hours worked and \$19 paid for each six-hour day on Saturday and Sunday.

In addition to providing funding support, assigned Department staff provides oversight of the program through annual onsite compliance audits related to state and federal statutes and regulations. Department staff provides technical support to program providers on operative issues through direct and indirect training activities and research.

# Authority to Act

## ***Program Purpose***

An Extended Employment Sheltered Workshop provides a controlled work environment and a program designed toward enabling the disabled person enrolled to progress toward normal living and to develop, as far as possible, his/her capacity, performance and relationship with other persons. An extended employment sheltered workshop, so far as possible, provides work experience sufficiently diverse to accommodate the needs of each disabled person enrolled. An extended employment sheltered workshop coordinates and integrates its services with all community agencies for the benefit of its employees, and whenever practicable makes use of the services available from these agencies.

## ***Powers and Duties***

The Missouri Department of Elementary and Secondary Education (DESE) is authorized by Chapter 178.900-.960 of the Revised Statutes of Missouri (RSMo) to administer the program through its Office of Special Education- Extended Employment Sheltered Workshop Section.

DESE issues a Certificate of Authority to not-for profit corporations who meet statutory and regulatory requirements and provisions to operate an extended employment sheltered workshop facility. The Department conducts certification of an individual's eligibility for the extended employment program, issues annual certification to organizations eligible to provide the described program and receive funds, and establishes the methods, criteria, and units of distribution of state funds to certified providers. Within available resources, the Department provides technical assistance to authorized providers.

## ***Administrative Rules***

The Department's promulgated administrative rules are published in 5 CSR 20-300.160 to .200.

## ***Legislative Appropriations***

The EESW program is funded by State appropriations from the General Fund. The following table provides information related to those appropriations for the last several years. The FY-15 data is provided in **bold** and the prior four years are provided for comparison purposes. The administrative costs include 3.25 FTE and related travel and office expenses. The Reserve Withhold represents an approximate 3% Governors Reserve withhold imposed to meet the state's balanced budget requirement. The data is as follows:

Fiscal Year	<b>FY-15</b>	FY-14	FY-13	FY-12	FY-11
Total Appropriation	<b>\$25,283,457</b>	\$24,783,457	\$24,783,457	\$24,783,815	\$24,785,205
Reserve Withhold	<b>\$370,011</b>	\$743,504	\$743,504	\$743,514	\$744,284
Administration	<b>\$222,003</b>	\$214,509	\$228,440	\$178,080	\$226,600

## Missourians Served

The EESW program provides center-based employment for Missourians with disabilities. Center-based employment means employment which provides paid work on the premises of an EESW provider or other services necessary for employment on or off the premises of an EESW provider to persons who, because of the nature and severity of their disability, need intensive ongoing employment support. Workers may engage in various employment opportunities including, but not limited to, facility-based, enclave, mobile crew, and/or workstation in industry settings. Based on a worker's request, providers' resources, staffing patterns and expertise, a worker may be referred to supported, competitive or other employment option provider organizations or agencies for services.

Nearly seven thousand Missourians with a severe disability were reported to have been employed in the EESW program by eighty-nine program provider organizations. A worker full time equivalent (FTE) is equal to 30 hours work per workweek and the average hourly wage is based on total payroll divided by the total hours worked. The FY-15 data is presented in **bold** and the prior four years are provided for comparative purposes. The data is as follows:

Fiscal Year	<b>FY-15</b>	FY-14	FY-13	FY-12	FY-11
Ave. # Workers	<b>6,680</b>	7,048	7,046	6,988	7,126
Total Hours Worked	<b>8,092,695</b>	8,115,223	8,190,098	8,555,150	8,362,440
Total Wages Paid*	<b>\$26,612,465</b>	\$26,125,730	\$25,452,812	\$25,393,404	\$23,433,209
Ave. Hourly Wage	<b>\$3.29</b>	\$3.15	\$3.10	\$2.97	\$2.80
State Aid Per Worker	<b>\$3,595</b>	\$3,410	\$3,412	\$3,547	\$3,478

\*Wages paid to workers with disabilities

The federal Individuals with Disabilities Education Act (IDEA) requires states to collect data related to educational and employment outcomes for students with disabilities reported under Indicator 14. The data for students with an IEP reported under Indicator 14 is provided in the table, below.

Of the 6,432 Missouri high school students with IEP's, 101 (1.6%) were reported to have been employed in the non-competitive EESW program through eighty-nine program provider organizations or other non-competitive employment sources while the vast majority pursued other post-secondary educational and employment options.

Follow-up reported for the 2014-2015 IEP Graduates and Dropouts		Graduates		Dropouts		Total	
		#	%	#	%	#	%
2 Year College	<i>completed at least one term</i>	1,530	23.8%	2	0.2%	1,532	20.9%
4 Year College		609	9.5%	1	0.1%	610	8.3%
Non-College		243	3.8%	4	0.5%	247	3.4%
Employed (Competitively)	<i>at least 20 hours per week for 90 days</i>	2,035	31.6%	97	10.9%	2,132	29.1%
Employed (Not Competitively) (EESW)		<b>101</b>	<b>1.6%</b>	<b>4</b>	<b>0.5%</b>	<b>105</b>	<b>1.4%</b>
Military		130	2.0%	4	0.5%	134	1.8%
Other		847	13.2%	164	18.5%	1,011	13.0%
Continuing Education	<i>did not complete on full term</i>	241	3.7%	3	0.3%	244	3.3%
Employed	<i>less than 20 hours per week or 90 days</i>	308	4.8%	39	4.4%	347	4.7%
Unknown		388	6.0%	569	64.1%	957	13.1%
Not Available		61		38		99	
<b>TOTAL</b>	<i>excludes Not Available</i>	<b>6,432</b>	<b>100.0%</b>	<b>887</b>	<b>100.0%</b>	<b>7,319</b>	<b>100.0%</b>

Data source: Individuals with Disabilities Education Act (IDEA) Indicator 14 reporting data for SY 2014-15 as of June, 2016.

# Operating Revenues

The cost of conducting and supporting the EESW program is not borne solely by the State. Each of the eighty-nine EESW program providers rely on a variety of sources, both private and public, to fund the total operation of the program. Each provider is required to annually submit, among other documents, a financial audit of the corporation. A summary of the program income and program expenses is provided through those audits as follows:

## ***Program Income***

The FY-15 total program income from all sources for all program providers is **\$128,263,476**.

The income sources, amounts and percentages are:

Source	Amount	% of Total
Contract Sales	<b>\$75,938,238</b>	<b>59.2</b>
State Funds (DESE)	<b>\$24,506,378</b>	<b>19.1</b>
County Funds	<b>\$23,471,816</b>	<b>18.2</b>
Grants/Donations	<b>\$ 4,347,044</b>	<b>3.5</b>

Every State dollar invested in the program produced a return of **3.10** dollars in Contract Sales.

## ***Program Expenses***

The FY-15 total program expense from all sources for all program providers is **\$122,920,327**.

The expense sources, amounts and percentages are:

Source	Amount	% of Total
Cost of Sales	<b>\$17,661,096</b>	<b>14.4</b>
Wages and Salaries	<b>\$64,177,779</b>	<b>52.2</b>
Operating Expenses	<b>\$41,081,454</b>	<b>33.4</b>