UNITED STATES DEPARTMENT OF EDUCATION OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES REHABILITATION SERVICES ADMINISTRATION WASHINGTON, DC 20202-2800

TECHNICAL ASSISTANCE CIRCULAR RSA-TAC-24-05

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ADDRESSEES: STATE VOCATIONAL REHABILITATION AGENCIES

STATE REHABILITATION COUNCILS

AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

PROJECTS

CLIENT ASSISTANCE PROGRAMS

STATE DIRECTORS OF SPECIAL EDUCATION

TECHNICAL ASSISTANCE CENTERS

SUBJECT: Using Third-Party Cooperative Arrangements with Local Educational

Agencies for Providing Pre-Employment Transition Services to Students with

Disabilities under the VR Program

PURPOSE:

Since the 1960s, State vocational rehabilitation (VR) agencies and other State and local public agencies serving individuals with disabilities have used "third party funding agreements," currently referred to as "third-party cooperative arrangements" (TPCAs) under the VR program, as a means of expanding the provision of VR services, establishing cooperation, improving understanding between agencies, and financially expanding the VR program by providing matching funds that otherwise might not be available. In addition, since the amendments to the Rehabilitation Act of 1973 (Rehabilitation Act) made by the Workforce Innovation and Opportunity Act, VR agencies have used such arrangements to expand and improve, in coordination with local educational agencies (LEA), the provision, or arrangement, of preemployment transition services to students with disabilities statewide.

TPCAs entered into with LEAs provide VR agencies the opportunity to expand and improve the provision of pre-employment transition services for students with disabilities and enhance the potential for using all of the State's VR program funds by generating additional non-Federal share from the public cooperating agencies. TPCAs for the provision of pre-employment transition services provide students with disabilities with the information and opportunities necessary to: (1) engage in early career exploration that empowers them to choose career pathways consistent with their interests; (2) consider additional academic training during high school, including career and technical education; pursue postsecondary education and vocational

¹ The term "third party funding agreements" was used in the Comptroller General of the United States' Report to the Congress, dated April 4, 1978, "Third Party Funding Agreements: No Longer Appropriate for Serving the Handicapped Through the Vocational Rehabilitation Program."

² VR agencies may enter into TPCAs with a variety of State or local public agencies (e.g., LEAs, county mental health departments, community colleges or universities) to provide or arrange for the provision of VR services, including pre-employment transition services (34 C.F.R. § 361.28(a)). While the general requirements for TPCAs included in this Technical Assistance Circular are relevant to all such arrangements with any State or local public agency, this TAC focuses on those TPCAs with LEAs that provide pre-employment transition services to students with disabilities. VR agencies interested in developing TPCAs for the provision of other purposes or with other State or local agencies could contact their Rehabilitation Services Administration (RSA) State liaison for further technical assistance.

training; and (3) ultimately achieve high-quality competitive integrated employment outcomes. Furthermore, these arrangements can benefit VR agencies, LEAs, and students with disabilities by:

- Assisting in the identification of students potentially eligible for the VR program in need of pre-employment transition services through closer coordination;
- Identifying through collaboration the new or expanded VR services that would best meet the pre-employment transition services needs of students with disabilities (i.e., both students with disabilities eligible and potentially eligible for the VR program) served by the VR agencies and LEAs;
- Using staff already familiar to the students to provide the services;
- Encouraging student participation by coordinating the best times and places to provide services; and
- Coordinating the pre-employment transition services provided to the student with school supports and other educational needs.

Because the statutory and regulatory requirements pertaining to the provision of pre-employment transition services and the regulatory requirements for engaging in TPCAs are complex, the Rehabilitation Services Administration (RSA) provides this technical assistance circular (TAC) to assist VR agencies and LEAs in developing and implementing these cooperative arrangements for the provision of the five pre-employment transition services to students with disabilities, required by Section 113 of the Rehabilitation Act and 34 C.F.R. § 361.48(a). This TAC brings together the technical assistance RSA has provided to individual VR agencies during monitoring of the VR program and in response to specific inquiries, as well as that offered by RSA during presentations at various conferences, for the benefit of all VR agencies and the LEAs with whom they collaborate.

For reference purposes throughout this TAC, the LEA with whom the VR agency has entered into a TPCA will be referred to as the "cooperating agency." Additionally, the term third-party cooperative arrangement will be referred to as either TPCA or "cooperative arrangement."

TECHNICAL ASSISTANCE:

The regulations outlining the requirements for TPCAs are in 34 C.F.R. § 361.28. A VR agency may enter into a TPCA when providing or contracting for the provision of VR services, including pre-employment transition services, with another State or local public agency⁴ that is

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³ Although the pre-employment transition services identified in Section 113(d)(1) and (4) of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(4)(i) and (iv) (i.e., attending Individualized Education Program (IEP) meetings and person-centered planning meetings with a student with a disability) could be provided by State or local public agencies through TPCAs in accordance with 34 C.F.R. § 361.28(a) (because they are VR services provided to VR program recipients), such services would not be appropriate to be provided by the LEA itself when it is providing the pre-employment transition services under the TPCA on behalf of the VR agency. To be clear, under a TPCA, a cooperating agency must provide VR services that are not ordinarily provided by the cooperating agency (34 C.F.R. § 361.28(a)(1)). IEP and person-centered planning meetings with students with disabilities are customarily provided by LEAs and, thus, not services that can be provided by a LEA under a TPCA. Because this TAC focuses solely on those TPCAs with LEAs that provide pre-employment transition services, this TAC describes only the five "required" pre-employment transition service activities as being allowable under the TPCA.

⁴ State agencies are those that are part of the organizational structure of a "State," as defined in Section 7(34) of the Rehabilitation Act and 34 C.F.R. § 361.5(c)(48); local public agencies are those that are part of "local government," as defined in 2 C.F.R. § 200.1.

providing part or all of the non-Federal share (34 C.F.R. § 361.28(a)). In general, when a VR agency enters into a TPCA, it must ensure—

- 1. The services provided by the cooperating agency are not the customary or typical services provided by that agency but are new services that have a VR focus or existing services that have been modified, adapted, expanded, or reconfigured to have a VR focus (34 C.F.R. § 361.28(a)(1));
- 2. The services provided by the cooperating agency are only available to applicants for, or recipients of, VR services from the VR agency (34 C.F.R. § 361.28(a)(2));
- 3. Program expenditures and staff providing services under the TPCA are under the administrative supervision of the VR agency (34 C.F.R. § 361.28(a)(3));
- 4. All requirements of the VR services portion of the Unified or Combined State Plan, including a VR agency's order of selection, apply to all services provided under the TPCA (34 C.F.R. § 361.28(a)(4));
- 5. A waiver of statewideness in accordance with 34 C.F.R. § 361.26 is obtained if the services provided under the TPCA do not comply with the statewideness requirement in 34 C.F.R. § 361.25;
- 6. The non-Federal share meets the requirements in 34 C.F.R. § 361.28(c), which specifies the types of non-Federal expenditures that VR agencies may use when implementing TPCAs; and
- 7. Written policies and procedures governing the administration and provision of services under a TPCA, as well as procedures for determining allowability of costs are implemented (34 C.F.R. § 361.50 and 2 C.F.R. § 200.302(b)(7)).

The requirements above, like most of the core requirements described in this TAC, are relevant to all TPCAs regardless of whether pre-employment transition services are among the VR services provided through the cooperative arrangement. However, because many State VR agencies have entered into TPCAs with LEAs to provide, or arrange for the provision of, preemployment transition services to students with disabilities to expand the provision of these services, thereby increasing the potential for satisfying the States' Federal requirement to reserve and expend at least 15 percent of their VR grant amounts⁵ for the provision of those services pursuant to Section 110(d)(1) of the Rehabilitation Act, RSA highlights the use of TPCAs for this purpose throughout this TAC. The following sections of this TAC explain how VR agencies may ensure they satisfy the requirements of 34 C.F.R. § 361.28 for TPCAs, as well as statutory and regulatory requirements specific to the provision of pre-employment transition services,6 when providing these services to students with disabilities and generating non-Federal share through TPCAs. For organizational purposes, this information is presented in two topical areas – Programmatic Considerations and Fiscal Considerations. The Programmatic and Fiscal Considerations are subdivided by TPCA requirement and include questions for VR agencies to consider and practical examples for use when assessing whether a TPCA satisfies the requirements prior to engaging in such an arrangement.

⁶ The pre-employment transition services requirements described in this TAC for TPCAs are only applicable if the TPCA is for the provision of these services. If the TPCA is for the provision of other VR services, certain requirements described herein (e.g., those governing potentially eligible students and administrative costs) do not apply to those TPCAs as they are requirements specific to the provision of pre-employment transition services.

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⁵ For purposes of determining compliance with the percentage of funds required to be reserved for pre-employment transition services, the State's allotment is the lesser of -1) the total Federal expenditures charged to the Federal fiscal year (FFY) VR award(s); or 2) the total amount of Federal funds matched by the State.

I. Programmatic Considerations:

A. New or Modified Services with a VR Focus

Under 34 C.F.R. § 361.28(a)(1), the services provided through a TPCA by the cooperating agency are not the customary or typical services provided by that cooperating agency, thereby ensuring that VR funds do not supplant what the State is already required to provide. In other words, the cooperating agency cannot use VR funds to pay for the cooperating agency's current program responsibilities. Instead, the cooperating agency must provide services under a TPCA that are new services with a VR focus or existing services that have been modified, adapted, expanded, or reconfigured to have a VR focus (34 C.F.R. § 361.28(a)(1)). For example, an LEA, as the cooperating agency under a TPCA, must provide pre-employment transition services, e.g., work-based learning experiences, that it is not offering already, or that represent modifications, adaptations, expansions, or reconfigurations of an existing service it already offers for students with disabilities.

Prior to entering into a TPCA with a State or local public agency, the VR agency should do its own assessment of the services currently provided by the anticipated cooperating agency and the services it will provide under the TPCA to determine whether they are new or modified, adapted, expanded, or reconfigured, as required by 34 C.F.R. § 361.28(a)(1). The VR agency should similarly assess existing TPCAs in the event such an assessment was not done prior to implementation. To perform such an assessment, a VR agency would start with an assessment of the scope of services (customary or typical) the cooperating agency provides prior to the implementation of a TPCA and what new or modified, adapted, expanded, or reconfigured services with a VR focus would benefit recipients served by the cooperating agency under a TPCA. Although there is no requirement that this assessment be done in writing, such documentation could benefit a State VR agency in the event questions arise about whether any of the services provided under a TPCA are new or modified, adapted, expanded, or reconfigured, thereby raising questions of allowability and allocability of costs under the Federal cost principles in 2 C.F.R. §§ 200.403 through 200.405.

Questions:

The following questions may be helpful in determining whether a service is "new" or "modified, adapted, expanded, or reconfigured" when considering entering into or reviewing an existing TPCA for the provision of required pre-employment transition services.

- 1. What distinguishes the proposed required pre-employment transition services activities under the TPCA from existing services provided by the LEA? Are the services new, modified, expanded, adapted, or reconfigured to have a VR focus?
- 2. Does the TPCA specify the required pre-employment transition services activities to be provided and ensure the LEA is responsible for providing the new, modified, expanded, adapted, or reconfigured services as required by 34 C.F.R. § 361.28(a)? A TPCA that clearly specifies the required pre-employment transition services activities to be provided and the responsibility of the LEA for providing them will help to ensure the TPCA is properly implemented.
- 3. Would the LEA staff perform the same job functions under the TPCA as they currently perform, or, for an existing TPCA, are the LEA staff performing the same job functions

⁷ If a State VR agency documents its assessment of a TPCA, the VR agency should retain those records in accordance with 2 C.F.R. § 200.334.

- under the TPCA as they did prior to the TPCA? If so, that could indicate that the services to be provided or that are currently provided under the TPCA do not meet the requirement in 34 C.F.R. 361.28(a)(1) that the services be new or that existing services have been or will be modified, adapted, expanded, or reconfigured to have a VR focus.
- 4. If the TPCA were discontinued, would the services provided through the TPCA still be available to individuals? If so, this could suggest that the services provided through the TPCA are not new, modified, expanded, adapted, or reconfigured to have a VR focus and could raise questions of allowability of costs.
- 5. Is there a substantive difference between existing services and "new" or "modified, adapted, expanded, or reconfigured" services, rather than just a name change? If only a name change, this arrangement would likely not meet the requirements for a TPCA.

As explained in greater detail in the next section of this TAC, VR agencies may use TPCAs to provide services only to applicants and recipients of VR services. Therefore, VR agencies may use TPCAs with LEAs for pre-employment transition services to make available only the five required activities described in Section 113(b) of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(2). Unlike those required pre-employment transition services activities, all of the authorized services and two of the coordination activities⁸ in Section 113(c) and (d) of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(3) and (4) are provided to or for the benefit of VR and other agencies, as well as their staff, not to the students with disabilities themselves. Instead, these activities are designed to improve or coordinate the transition of students with disabilities from school to postsecondary education and competitive integrated employment generally. In addition to those pre-employment transition services that can be provided directly to students with disabilities, a VR agency also may use a TPCA to provide those VR services listed in 34 C.F.R. § 361.48(b), such as transportation, needed by an eligible student with a disability to benefit from the required activities, provided in accordance with Section 113(b) of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(2), under an individualized plan for employment (IPE). Specifically, the required activities include—

- 1. Job exploration counseling;
- 2. Work-based learning experiences, which may include in-school or after school opportunities, or an experience outside the traditional school setting (including internships), that is provided in an integrated environment in the community to the maximum extent possible;
- 3. Counseling on opportunities for enrollment in comprehensive transition or postsecondary educational programs;
- 4. Workplace readiness training to develop social skills and independent living; and
- 5. Instruction in self-advocacy, which may include peer mentoring.

Examples:

Examples of TPCAs that provide new, modified, adapted, expanded, or reconfigured preemployment transition services include, but are not limited to—

⁸ See Section 113(d)(2) and (3) of the Rehabilitation Act and 34 C.F.R. § 361.48(a)(4)(ii) and (iii).

⁹ March 21, 2022 – <u>Final Notice of Interpretation</u> regarding the use of VR funds reserved for pre-employment transition services, restating, following public notice and comment, February 28, 2020 - <u>Final Notice of Interpretation</u> pertaining to the use of Federal VR funds reserved for pre-employment transition services.

- 1. The LEA does not currently provide work-based learning experiences for any students and, in cooperation with the VR agency through the TPCA, implements new work-based learning experiences for students with disabilities; and
- 2. The LEA provides general instruction in self-advocacy to students and modifies this instruction through the TPCA to include instruction for students with disabilities on how to advocate for accommodations and supports in postsecondary education under Section 504 of the Rehabilitation Act and Title II of the Americans with Disabilities Act (ADA), and reasonable accommodations in employment under Title I of the ADA.

Example:

Examples of TPCAs that highlight the requirement that TPCA services must be provided to applicants or recipients of the VR program in accordance with 34 C.F.R. § 361.28(a)(2).

- 1. A VR agency enters into a TPCA with an LEA to develop a program in the school district that provides work-based learning experiences to potentially eligible students who have not been determined eligible for VR services and do not have IPEs. In addition to the work experience, the cooperative arrangement includes a few other services into the TPCA, including work readiness, job exploration counseling, and travel for the students' work experience. In this example, the costs associated with directly providing the required pre-employment transition services activities (work experiences, work readiness training, and job exploration counseling) are considered part of the cooperative arrangement and may be paid using funds reserved for pre-employment transition services. Because the TPCA serves only students potentially eligible for the VR program, neither determined eligible nor under an approved IPE, the transportation cost for the students is not an allowable pre-employment transition service cost.
- 2. A VR agency entered a TPCA with an LEA to provide required pre-employment transition service activities to potentially eligible students with disabilities, as well as provide case management services on behalf of VR agency staff such as assisting with VR applications for those potentially eligible students with disabilities interested in receiving other VR services from the VR agency. Among its case management services responsibilities, the LEA staff complete VR applications for potentially eligible students with disabilities, provide assessments to expedite eligibility determination, and assist in developing draft IPEs for those students with disabilities determined eligible for VR services. In this example, the provision of the required pre-employment services activities to potentially eligible students with disabilities is an allowable TPCA activity under 34 C.F.R. § 361.28(a) because it is a VR service provided to a VR program applicant or recipient as required by 34 C.F.R. § 361.28(a)(2). However, the case management services are not allowable TPCA activities because they are not "VR services," as that term is defined at 34 C.F.R. \S 361.5(c)(57); rather, they are administrative services provided by LEA staff on behalf of VR agency staff. As such, the case management services may be paid with VR funds as administrative costs but may neither be charged as a cost under the TPCA nor charged to the Federal funds reserved for the provision of pre-employment transition services. Unlike VR services that are provided directly to VR program applicants and recipients (including students with disabilities), such as the required pre-employment transition services activities, case management activities (e.g., the opening of a referral for an applicant, gathering information to document an applicant's disability, developing an IPE, authorizing services, and developing a justification for case closure) are activities that primarily benefit the VR agency and its

staff since they ordinarily would do these administrative tasks; while the student with a disability ultimately benefits from these activities, they are not "VR services" provided to them as required by 34 C.F.R. § 361.28(a)(2).

RSA is aware that some VR agencies contract with entities to perform case management services on their behalf separately. While such contracts are allowable administrative costs contracts, they are not TPCAs under 34 C.F.R. § 361.28. Similarly, outreach activities engaged in by LEAs that do not constitute the provision of VR services, such as participation in information fairs, through which the LEA provides information about the VR program and the services offered under the TPCA would not be allowable services under a TPCA. Rather, the VR agency may contract with the LEA separately to provide this outreach service and pay the costs as "administrative costs," as that term is defined at 34 C.F.R. § 361.5(c)(2).

RSA recommends that VR agencies seek technical assistance before developing and implementing TPCAs with LEAs that include the provision of both pre-employment transition services and other VR services (e.g., vocational assessment and job development) beyond those that may be charged to the funds reserved for the provision of pre-employment transition services, ¹⁰ due to the complexities in administering such TPCAs. When a VR agency enters into a TPCA, it should be able to: (1) clearly delineate the pre-employment transition services and other VR services that it may count toward the reserve from those VR services that it cannot; and (2) through supporting documentation, identify and verify the costs of services, when provided, it may use toward the reserve and those that it cannot.

B. Recipients of Services

The services provided by the LEA (or any other State or local public cooperating agency) under a TPCA are only available to applicants for, or recipients of, services from the designated State unit (34 C.F.R. § 361.28(a)(2)). It is important that the TPCA contains language that clearly identifies **who** the program will serve. Rather than stating that the program only serves "VR individuals" generally, the TPCA should be more explicit to ensure proper implementation. For example, it would not be appropriate to identify a TPCA, for the provision of pre-employment transition services, as serving "VR participants" because this could include students, youth, and adults with disabilities whereas only students with disabilities may receive such services under the VR program.

If the cooperating agencies want to serve individuals who are neither applicants nor recipients of VR services, the cooperating agencies may do so, but such services are not part of the TPCA, meaning the time and costs associated with providing such services are not paid with Federal funds or counted as part of the non-Federal share under the cooperative arrangement (34 C.F.R. § 361.60). In other words, these individuals would be served outside the scope of the TPCA.

Because the VR agency must use its VR funds for providing VR services and administering the VR program (Section 111(a)(1) of the Rehabilitation Act and 34 C.F.R. § 361.3), for purposes of TPCAs entered into for the provision of pre-employment transition services, a VR agency must be able to verify that all recipients of those services are "students with disabilities" ¹¹ because only students with disabilities may receive such services. Therefore, a

¹⁰ See footnote 5.

¹¹ "Student with a disability" is defined in Section 7(37) of the Rehabilitation Act and 34 C.F.R. § 361.5(c)(51).

VR agency must verify that individuals receiving pre-employment transition services, including those receiving such services under a TPCA, are potentially eligible or eligible students with disabilities and maintain the necessary supporting documentation in a case file in accordance with the requirements of 34 C.F.R. § 361.47. When implementing a TPCA, the VR agency must receive from the LEA documentation that any individuals served under the TPCA meet the definition of "student with a disability," along with any other supporting documentation that enables the VR agency to report required data on the VR program Case Service Report (RSA-911) regarding these students, the services they receive, and the costs of these services (Section 101(a)(10) of the Rehabilitation Act). 12

The TPCA should specify when the cooperating agency will provide this documentation to the VR agency. For example, the TPCA may require that the LEA provide this documentation to the VR agency prior to delivering pre-employment transition services to any students with disabilities and doing so may be a best practice. However, there is no requirement that the VR agency receive documentation about a student with a disability potentially eligible for the VR program prior to their receipt of pre-employment transition services under a TPCA, particularly if doing so would delay unreasonably the provision of the services by the LEA. In this instance, the TPCA could specify that the LEA will provide the documentation, for example, monthly throughout the duration of the cooperative arrangement. At whichever point the LEA provides the documentation under the terms of the TPCA, it is incumbent upon the VR agency to promptly review the documentation and verify that the individuals receiving the pre-employment transition services are students with disabilities. Any services provided by the LEA that were, upon review, determined to be unallowable could not be charged to the TPCA and would be the responsibility of the LEA.

Questions:

The following questions may be helpful in determining whether the services are provided to applicants for, or recipients of, VR services:

- 1. If the TPCA is for pre-employment transition services, does the TPCA specify who determines (e.g., the LEA, service provider) which students receive services and how and when the VR agency is notified?
- 2. If the TPCA provides VR services in addition to pre-employment transition services, does the TPCA specify when eligibility for VR services is determined or when students with disabilities potentially eligible for the VR program are referred for VR eligibility? If the TPCA provides services to students with disabilities eligible for VR services, when is eligibility for these students determined by the VR agency? Including this information in the TPCA will help to ensure that the arrangement meets the requirements in 34 C.F.R. §§ 361.28(a)(2) and 361.42(a) governing eligibility since only those individuals determined eligible for the VR program may receive VR services (except for pre-employment transition services for students with disabilities).
- 3. How does the VR agency monitor the TPCA to ensure only applicants or recipients of VR services, including students with disabilities potentially eligible or eligible for the VR program, are served through the TPCA as required by 34 C.F.R. § 361.28(a)(2)?

¹² For further information on the data reporting requirements related to students with disabilities and pre-employment transition services, see RSA PD 19-03 https://rsa.ed.gov/sites/default/files/subregulatory/pd-19-03.pdf.

Examples:

- 1. The LEA provides only pre-employment transition services under a TPCA to students with disabilities. The TPCA contract requires the LEA to notify the VR agency on the 30th of each month of the names of all students with disabilities who received pre-employment transition services that month and the pre-employment transition services they received that month.
- 2. The LEA provides both pre-employment transition services and transition services under a TPCA. The VR agency must authorize the transition services prior to the LEA providing those services to the eligible students with disabilities. The LEA will notify the VR agency on the 30th of the month of each student with a disability who received pre-employment transition services that month and the pre-employment transition services they received.

C. Administrative Supervision

Under 34 C.F.R. § 361.28(a)(3), a VR agency must maintain administrative supervision over the program expenditures and cooperating agency staff providing VR services under the TPCA. In addition, as is true with all VR services regardless of how they are provided (including by TPCAs), the VR agency remains solely responsible for all decisions affecting the nature, scope, and provision of VR services and the allocation and expenditure of VR funds (34 C.F.R. §§ 361.13(c)(1)(i) and (iv) and 361.13(c)(2)). This means it is the VR agency's sole responsibility to identify the services provided under the TPCA, the population served, the number of individuals served, and the duration of each of those services.

In addition to including a budget, the TPCA should clearly specify the responsibility of each party related to supervision of staff, performance goals, and how the VR agency will monitor progress toward the goals. The TPCA should also contain provisions to ensure that the VR agency is involved in any changes in the arrangement to ensure it remains in compliance with the non-delegable functions requirement in 34 C.F.R. § 361.13(c).

In accordance with 2 C.F.R. § 200.329(a), a VR agency must conduct monitoring and oversight activities of all its grant-supported activities, which would include TPCAs, to ensure compliance with Federal requirements. In so doing, a VR agency would exercise its administrative supervision over the program expenditures and cooperating agency staff providing services under the TPCA, as required by 34 C.F.R. § 361.28(a)(3).

In TPCAs established under 34 C.F.R. § 361.28, the LEA is the entity providing or subcontracting for the provision of the VR services to VR eligible individuals and/or the provision of pre-employment transition services to students with disabilities, and the VR agency has the responsibility to administer and monitor the cooperating agencies to ensure that individuals receive VR services in accordance with the Rehabilitation Act and its implementing regulations, the VR agency's approved VR services portion of the Unified or Combined State plan, and the terms of the TPCA.

In some instances, services provided under TPCAs are not provided directly by the cooperating agency. Rather, the services are provided by another party, usually a Community Rehabilitation Program (CRP), through a subcontract with the cooperating agency. In these situations, all requirements related to TPCAs must continue to be met, and this method of

providing services should be clearly described in the TPCA. The entity administering the contract should be considered the entity that is providing the services under the cooperative arrangement.

If the VR agency provides the pre-employment transition services or the VR agency administers contracts directly with other entities such as a CRP to provide some or all of the pre-employment transition services, then the arrangement is not a TPCA. To be clear, to be a TPCA, the VR agency must enter into an agreement with another State or local public agency to provide the VR services (34 C.F.R. § 361.28(a)). When LEAs are subcontracting with CRPs for the provision of pre-employment transition services under the cooperative arrangement, the TPCA should clearly identify the relationship between the VR agency, LEA, and any subcontractors to ensure there is no direct contractual relationship between the VR agency and CRP; rather, the TPCA relationship is between the VR agency and the LEA only.

Questions:

The following questions may be helpful in determining whether the VR agency is maintaining "administrative supervision":

- 1. Is there a signed agreement that clearly demonstrates how the rate or costs paid under the TPCA are necessary and allowable costs to the VR program? Did the VR agency document how the rate was determined to be reasonable and in proportion to the benefit received by the VR program? Is the average cost per service consistent with other TPCA and VR service costs?
- 2. Who supervises the program staff and the funds under the TPCA? Is the process consistent with the administrative supervision requirement at 34 C.F.R. § 361.28(a)(3)?
- 3. What role do VR counselors play in identifying and/or authorizing services for students served under the TPCA?
- 4. What type of performance evaluation is in place and by which agency is it conducted? The VR agency must monitor TPCAs and ensure they are cost effective and benefit the students served.
- 5. Who/what agency maintains control of the expenditures of the program?
- 6. What agency issues paychecks for LEA staff administering the TPCA?
- 7. Does the TPCA specify how the VR agency performs the non-delegable responsibilities outlined in 34 C.F.R. § 361.13? Doing so will help to ensure the TPCA is implemented in a manner consistent with these requirements.
- 8. How does the VR agency monitor the TPCA and its activities to ensure oversight of the activities in accordance with 2 C.F.R. § 200.329, thereby demonstrating administrative supervision of the TPCA in accordance with 34 C.F.R. § 361.28(a)(3)?

Example:

Under a TPCA, LEA employees provide the pre-employment transition services, and the LEA does the hiring and firing, issues the paychecks, etc. However, the VR agency-

- Maintains control of expenditures;
- Is involved with the interview process;
- Develops performance standards, in cooperation with the LEA, for TPCA staff;
- Performs continuous reviews of the LEA's progress;
- Conducts annual reviews of performance expectations; and
- Maintains control of the non-delegable functions of the VR program.

This would generally meet the requirement of "administrative supervision."

D. State Plan Requirements

Under a TPCA, all State plan requirements, including a VR agency's order of selection, will apply to all services provided under the cooperative arrangement (34 C.F.R. § 361.28(a)(4)). If an agency is on an order of selection, the TPCA must also adhere to the order of selection for the individuals that it serves.

To be consistent with this Federal requirement, a TPCA for the provision of pre-employment transition services should specify how students with disabilities who are potentially eligible and eligible for VR services are assigned to priority categories for the provision of VR services under the VR agency's order of selection, and how services are affected for those students assigned to a closed priority category and waiting list.

Questions:

VR agencies may find the following questions helpful.

- 1. Is the VR agency on an order of selection? If so, the individuals served through the TPCA must be selected based on that order of selection.
- 2. Are there any requirements within the VR agency's approved VR services portion of the State Plan, such as informed choice, that are not adhered to by the TPCA? If so, the VR agency and LEA must modify the TPCA to include these State plan requirements.

E. Statewideness

Through this TAC, RSA wants to make clear that TPCAs are a framework through which cooperating agencies provide VR services and contribute to the State's non-Federal share under the VR program. Therefore, TPCAs are part of the VR program¹³ and, as such, all VR program requirements must be satisfied, including those for statewideness. Under 34 C.F.R.

¹³ TPCAs are distinguishable from joint programs. Pursuant to 34 C.F.R. § 361.27, joint programs are those through which the VR agency and another public agency share administrative functions and funding for the services provided. Under a TPCA, the VR agency is responsible for the administrative supervision of the expenditures incurred and the staff providing the services (34 C.F.R. § 361.28(a)(3)).

§ 361.28(b), if the TPCA does not comply with 34 C.F.R. § 361.25, the VR agency must seek a waiver of statewideness pursuant to 34 C.F.R. § 361.26.

To understand the statewideness requirement in the context of a TPCA, RSA first wants to clarify those requirements in general. Specifically, Section 101(a)(4) of the Rehabilitation Act and 34 C.F.R. § 361.25 require that the VR services portion of the Unified or Combined State Plan must assure that all VR services are available in all political subdivisions of the State unless a waiver of statewideness is requested and approved by RSA in accordance with 34 C.F.R. § 361.26. In other words, if a VR agency wants to increase VR services or expand the scope of VR services available in one or more political subdivisions of the State, then the agency must obtain a waiver of statewideness in accordance with Section 101(a)(4)(A) of the Rehabilitation Act and 34 C.F.R. § 361.26(a). A TPCA, however, is not necessarily a mechanism through which a VR agency increases VR services or expands the scope of services provided by the agency; rather, it is a framework through which a VR agency works with a cooperating agency in a local area, such as an LEA, to provide VR services and that local agency provides some or all of the non-Federal share for those services. While the services must be different from those ordinarily provided by the cooperating agency, they need not be different from those ordinarily provided by the VR agency. In other words, the TPCA is not required to increase services or expand the scope of VR services. If it does, it must satisfy the statewideness requirement of Section 101(a)(4) of the Rehabilitation Act and 34 C.F.R. § 361.25. This means the services under that particular TPCA must be available in all political subdivisions of the State unless a waiver is requested and approved by RSA.

If the TPCA is one through which a LEA will provide, for example, pre-employment transition services to students with disabilities in a particular school district, the VR agency need not obtain a waiver of statewideness if pre-employment transition services are available in all other school districts within the State via another mechanism. It is possible that the VR agency contracts with a CRP to provide the services in some districts, contracts with another public agency in other districts, and provides the services in-house in the remaining districts. So long as the pre-employment transition services are available statewide, there is no need for the State to obtain a waiver of statewideness simply because the TPCA only provides pre-employment transition services to one school district. On the other hand, if that same TPCA wanted to experiment and expand the scope of pre-employment transition services in such a way that the expanded scope was available only in that one school district and nowhere else in the State, then the VR agency would need to request a waiver of statewideness from RSA in accordance with Section 101(a)(4)(A) of the Rehabilitation Act and 34 C.F.R. § 361.26 (b).

To obtain a waiver from RSA of the responsibility for providing services statewide, VR agencies must submit the request in the VR services portion of the State Plan. The waiver of statewideness request must—

- 1. Identify the types of services to be provided;
- 2. Include a written assurance that the cooperating agency will make available the non-Federal share of funds required for the arrangement;
- 3. Include a written assurance that the VR agency approval will be obtained for each service before that service is put into effect under the TPCA; and
- 4. Include a written assurance that all other State Plan requirements will apply to all services approved under the waiver (34 C.F.R. § 361.26(b)).

Questions:

When entering into TPCAs, VR agencies should consider the following questions.

- 1. Do one or more TPCAs in the State provide pre-employment transition services that are available throughout the State to all students with disabilities? If so, statewideness is met.
- 2. Does the TPCA provide pre-employment transition services in only two counties of the State? If so, statewideness would be met if pre-employment transition services are available through other means in all other areas of the State. If not, statewideness is not met and a waiver is required.
- 3. Does the TPCA offer expanded pre-employment transition services, for example, geared to students with intellectual disabilities in one school district? This would require a waiver of statewideness because the expanded scope of pre-employment transition services is not available throughout the State.

Example:

The State contains 30 LEAs. The VR agency offers all 30 LEAs the opportunity to participate in a TPCA for pre-employment transition services, but only 20 of the 30 LEAs agree to engage in the TPCA. Because pre-employment transition services must be available to all students with disabilities in need of such services in the State, pursuant to Section 113(a) of the Rehabilitation Act and 34 C.F.R. § 361.48(a), the VR agency must ensure that these services are available in the remaining 10 school districts. The VR agency may make these services available by any means, such as contracting with a CRP, another public agency, or providing them in-house. If, for some reason, pre-employment transition services will not be available in any of the remaining 10 school districts, the VR agency must request a waiver of statewideness from RSA.

II. Fiscal Considerations¹⁴:

A. Administrative Costs

Section 110(d)(2) of the Rehabilitation Act prohibits administrative costs from being paid with funds reserved for the provision of pre-employment transition services. This means the VR agency may not use funds reserved for pre-employment transition services to pay for any of its administrative activities, as defined in Section 7(1) of the Rehabilitation Act and 34 C.F.R. §361.5(c)(2).

Because the definition of "administrative costs" in 34 C.F.R. § 361.5(c)(2) is specific to the designated State unit, fee-for-service contracts or TPCAs paid on a fee-for-service basis for the provision of or arranging for the provision of pre-employment transition services do not need to disaggregate the service cost to exclude administrative costs. Therefore, administrative costs incurred by cooperating agencies, including those incurred by LEAs, under a TPCA for the provision of pre-employment transition services may be charged to the funds reserved for the provision of pre-employment transition services. However, the VR agency must ensure that the fee-for-service cost is reasonable, necessary, and proportionate

¹⁴ For a general discussion of TPCAs as a source of match for the VR program, see RSA TAC 23-01.

to the benefit received by the VR program in accordance with 2 C.F.R. §§ 200.403 through 200.405.

The VR agency, on the other hand, may not charge its own administrative costs to the funds reserved for the provision of pre-employment transition services pursuant to Section 110(d)(2) of the Rehabilitation Act.

As a reminder, LEAs must report the cost of each required pre-employment transition services activity provided on the RSA-911 in accordance with Section 101(a)(10) of the Rehabilitation Act. Therefore, even if the fee is a bundled rate, the providers must still report to the VR agency the specific service(s) being provided to each individual under the TPCA along with the cost per service provided.

B. Non-Federal Share:

To meet the requirements for a TPCA and to receive match via a TPCA, the cooperating agency must be a State or local public agency that furnishes all or part of the non-Federal share ¹⁵ (34 C.F.R. § 361.28(a)). "Public," as applied to an agency, organization, or institution, means that the agency, organization, or institution is under the administrative supervision or control of a government other than the Federal Government (34 C.F.R. § 77.1). TPCAs cannot be entered into with private non-profit or for-profit entities.

By providing match, some LEAs may erroneously believe the Federal funds matched are under the control of the LEA or can only be used under the TPCA. The cooperating agency is not securing a "pool of Federal funds" for its "consumers." For example, if at the end of a TPCA contract period the expected number of students with disabilities was not served, the LEA would not receive a "credit" or "refund" for unused costs under the cooperative arrangement. If an LEA did not participate in a pre-employment transition service TPCA and referred all its students with disabilities potentially eligible for the program to VR, the VR agency would be responsible for ensuring the provision of pre-employment transition services in accordance with the VR agency's processes, procedures, and Federal requirements.

Under 34 C.F.R. § 361.28(c), the types of non-Federal expenditures that VR agencies may use to satisfy the non-Federal share requirements when implementing TPCAs are as follows:

- (1) Cash transfers to the VR agency;
- (2) Certified personnel expenditures for the time cooperating agency staff spent providing direct VR services pursuant to a TPCA. Certified personnel expenditures may include the allocable portion of staff salary and fringe benefits based upon the amount of time cooperating agency staff directly spent providing services under the arrangement; and
- (3) Other direct expenditures incurred by the cooperating agency for the sole purpose of providing services under this section pursuant to a TPCA that—
 - (i) Meets the requirements of this section;

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¹⁵ Although VR agencies may use TPCAs for the provision of pre-employment transition services as a source of non-Federal share for the VR program, they must use only Federal VR funds budgeted and expended under these TPCAs when calculating at least 15 percent of the agency's Federal allotment required to be reserved for the provision of pre-employment transition services (Sections 110(d)(1) and 113(a) of the Rehabilitation Act; 34 C.F.R. §§ 361.48(a) and 361.65(a)(3)).

- (ii) Are verifiable as being incurred under the TPCA; and
- (iii) Do not meet the definition of third-party in-kind contributions under 2 C.F.R. § 200.96 [2 C.F.R. § 200.1].

Under 34 C.F.R. § 361.60, the non-Federal share for matching requirements is 21.3 percent of the total expenditures made by the State, under the VR services portion of the State plan, for the VR program. As stated throughout this TAC, a TPCA is an arrangement through which the VR agency contracts with another State or local public agency for the provision of VR services and for which that cooperating agency provides all or part of the non-Federal share requirement for the VR program (34 C.F.R. § 361.28(a)). This means there is no requirement that the cooperating agency provide the entire 21.3 percent of the total costs of the expenditures that will be incurred under the TPCA, but it must provide at least part of that amount and could provide more if the parties agree. Depending on the amount of non-Federal share paid by the cooperating agency, the VR agency may pay more than 78.7 percent, but must pay less than 100 percent, of the allowable TPCA pre-employment transition services costs with Federal VR funds. In the event the cooperating agency pays less than the full 21.3 percent non-Federal share, the VR agency must provide matching funds from other allowable non-Federal sources. If the cooperating agency pays more than 21.3 percent of the TPCA budget as match, the VR agency may use the Federal funds, drawn down in excess of what is required under the TPCA, to pay for other allowable VR costs elsewhere in the VR program. The cooperating agency and VR agency must agree on the appropriate non-Federal share amount and that amount must be documented in the TPCA. However, the sum of the non-Federal and Federal contributions cannot exceed the total costs to be incurred under the TPCA because to do so would not be consistent with the requirements of the Federal cost principles at 2 C.F.R. §§ 200.403 through 200.405.

As a reminder, expenditures, even if certified, for costs incurred by the cooperating agency not directly for the provision of VR services, such as indirect costs, depreciation, existing utilities, space, and supplies, are not an allowable source of match because they are third party in-kind contributions as defined at 2 C.F.R. § 200.1. Third-party in-kind contributions are not an allowable source of match under the VR program pursuant to 34 C.F.R. § 361.60(b)(2); this is true for VR expenditures incurred under TPCAs as well.

Questions:

Regardless of whether VR agencies use cash transfers, certified expenditures, or other verifiable direct expenditures to meet the match requirement, it must be clear in the written agreement implementing the TPCA how the match will be obtained and that Federal requirements are met. VR agencies may find the following questions helpful when ensuring that these requirements are satisfied.

- 1. What is/are the source(s) of non-Federal share that the cooperating agency will provide under the TPCA in accordance with 34 C.F.R. § 361.28 (i.e., cash, certified personnel expenditures, other direct expenditures)?
- 2. If cash is provided as non-Federal share, is it deposited directly into the account of the VR agency and reserved for VR purposes? Has the VR agency explored whether an interagency transfer of funds agreement is a better fit to meet both agencies' needs, as opposed to a TPCA?
- 3. Does the TPCA identify the supporting documentation to be maintained by the cooperating agency and accessed by the VR agency for monitoring purposes?

- 4. Does the TPCA clearly specify the direct services for which personnel expenditures are to be certified? How do the personnel track this effort to ensure only allowable time is reported? TPCAs should clearly indicate that only the time spent directly providing the VR services identified in the TPCA can be certified.
- 5. Do certified personnel expenditures submitted by the cooperating agency include supporting documentation (e.g., detailed timesheets, logs or personnel activity reports accounting for 100 percent of an individual's time) to demonstrate proper allocation of the direct time worked on allowable pre-employment transition services provided under the TPCA?
- 6. Do direct expenditures submitted by the cooperating agency include supporting documentation (e.g., receipts) that ensures the expenditures were incurred when the TPCA was in effect, for the sole purpose of providing allowable services to applicants and recipients of VR services under the TPCA?
- 7. Is there a budget within the TPCA that specifically identifies the portion of allowable costs that meet the 34 C.F.R. § 361.28 provisions, including those incurred as non-Federal share for the direct provision of VR services and those incurred with Federal VR funds?

C. Sources of Match for TPCAs:

1. Cash Transfers

Cash transfers from the cooperating agency to the VR agency may be used to satisfy the match requirements under a TPCA so long as--

- Such funds are deposited into the account of the VR agency; are verifiable from the cooperating agency's records; and are not used as match for any other grant award; and
- b) The expenditures paid with such funds are necessary for accomplishing the objectives of the VR program; are not paid by the Federal government under another Federal award, unless specifically authorized by Federal statute; and conform to applicable requirements of 2 C.F.R. part 200, including the Federal cost principles.

Once deposited, the funds may be used for any allowable VR expenditure on behalf of the VR agency. The funds received are not restricted to expenditures under the TPCA because, once deposited into the account of the VR agency, the VR agency controls the funds in accordance with the non-delegable requirements under 34 C.F.R. § 361.13(c)(1)(iv). Consequently, VR agencies may use Federal VR funds to pay for only the Federal portion of the TPCA budget, and cooperating agencies should not expect a "refund" of cash transfers in the event fewer services than anticipated are provided under the cooperative arrangement. Once deposited into the account of the VR agency, the funds may only be used for allowable VR purposes. Returning such funds to the cooperating agency would not benefit the VR program or its participants; therefore, it would not be an allowable expenditure with Federal funds or non-Federal funds used for match purposes.

Because the cash received from the cooperating agency is part of the TPCA and in support of VR services provided under the VR services portion of the State Plan, such funds must be used to support the VR program. VR agencies are encouraged to make this clear in their TPCA language to avoid potential confusion regarding the cooperating

agency's access to cash transfers once they have been deposited into the account of the VR agency.

If a cash transfer is the only source of non-Federal share from the cooperating agency, the VR agency may want to reconsider whether a TPCA is the best mechanism to accomplish the provision of needed services. Instead of a TPCA, VR agencies may wish to consider contracting directly with the public agency using a contractor/vendor relationship. The non-Federal share could still be provided by the public agency as an interagency transfer and neither the VR agency nor the public agency would be subject to many of the TPCA requirements. For example, under a contract, the VR services provided by the LEA would not be limited to new or expanded services.

2. Certified Personnel Expenditures

Cooperating agencies may include the allocable portion of personnel salary and fringe benefits for the time staff of the cooperating agency provide *direct VR services* under the cooperative arrangement. When using certified personnel expenditures as a source of non-Federal share under TPCAs, VR agencies must use only the certified time of cooperating agency personnel directly providing, or arranging for, the provision of preemployment transition services to students with disabilities under the TPCA (34 C.F.R. § 361.28(c)(2)). Thus, VR agencies may not use the time of cooperating agency program directors, administrative staff, supervisors, or other personnel who are not delivering the pre-employment transition services to students with disabilities under the TPCA. Just because a personnel function is described in a TPCA does not mean the activities performed can be certified as match (see example 3 below).

Records for salaries and wages must support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award, a Federal award and a non-Federal award, an unallowable activity and a direct cost activity, etc. (2 C.F.R. § 200.430(i)(1)(vii)). The time personnel spend providing services that are not allowable VR services under the TPCA (e.g., general bus or recess duty and school district trainings), if any, are not allocable to the VR program and may not be certified as match or reimbursed with Federal VR funds. Therefore, it is important the records reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, including costs allocable to the TPCA and costs that are not allocable to the TPCA (2 C.F.R. § 200.430(i)(1)(iii)). Furthermore, while cooperating agencies may contract with other vendors to deliver the services specified in the TPCA, the VR agency may only certify the time of cooperating agency staff, not that of the service vendor, to meet the matching requirement under a TPCA. Supporting documentation must demonstrate the certified time was for time and effort in which the personnel worked with individuals specified in the TPCA (i.e., VR applicants and recipients receiving VR services outlined in the TPCA).

Personnel expenditures associated with time certified under a TPCA are not reported as non-Federal expenditures until *after* the time has been worked, verified, paid for, and reported to the VR agency. It is only after personnel time has gone through these processes that it can be considered "certified," for purposes of a TPCA. Additionally, *the VR agency may not reimburse the cooperating agency for the cost of certified personnel expenditures recorded as non-Federal share for the VR award. To do so would negate*

the cooperating agency's outlay for the service under the TPCA and, therefore, invalidate any match provided based on that certified personnel cost.

Examples:

a) Three teachers provide direct services detailed in a TPCA to students receiving preemployment transition services. However, as part of every teacher's responsibility at the school, teachers must cover one period of bus duty and one period of recess daily. Only the time the teachers spent providing direct pre-employment transition services to students receiving such services under the TPCA would be eligible to be certified as match. The time the teachers spent conducting other activities (such as bus or recess duty) would not be allocable to the TPCA and may not be certified expenditures under the TPCA or counted as match or reimbursed with Federal VR funds.

The VR agency must ensure the teachers maintain adequate supporting documentation of time spent providing direct services under the TPCA as the VR agency will need to periodically monitor that documentation, in accordance with 2 C.F.R. § 200.329, to ensure only allowable costs are certified as match. The VR agency will also need processes to ensure personnel fringe benefit costs are allocated proportionately according to the benefit received by the VR program to satisfy Federal requirements for allocability at 2 C.F.R. § 200.405. For example, any certified fringe benefit costs must reflect only the salary costs associated with the provision of VR services under the TPCA. To be certified, any fringe benefit costs would have to be reduced proportionately by the amount of time the teachers spent conducting other duties.

- b) A signed TPCA states the cooperating agency will contribute 500 hours of direct personnel time, providing pre-employment transition services, in support of the TPCA each year. The estimated amount of salary and fringe benefit costs for the 500 hours is \$50,000. The \$50,000 in the TPCA is just a projected estimate. The non-Federal portion is not counted as match until—
 - 1) The teachers have provided the pre-employment transition services to students and documented it appropriately;
 - 2) The time worked has been verified and paid by the cooperating agency;
 - 3) Payment for the allowable salary and fringe benefit costs is reported to the VR agency; and
 - 4) The VR agency confirms costs are valid TPCA personnel expenditures and records the amount as VR non-Federal share.
- c) Building upon the example above, the allowable services described in the TPCA include conducting group meetings with other district schools to teach them about the VR program and pre-employment transition services. The cooperating agency indicates a teacher spent 3 hours conducting such trainings in the last pay period and wants to certify those personnel costs as match under the TPCA. The VR agency correctly informs the cooperating agency that such costs are not eligible to be certified because the time was not spent directly providing a VR service to a student. To avoid certifying unallowable time as match, VR agencies should ensure the TPCA clearly specifies the services that, when performed, count toward certified personnel time.

3. Other Verifiable Direct Expenditures

Other direct expenditures incurred by the cooperating agency solely for the direct provision of services under the TPCA may be an allowable source of match. These expenditures are distinguished from third-party in-kind contributions because the expenditures were incurred specifically for the purpose of the TPCA in accordance with the terms and conditions of the TPCA and within the TPCA period, all of which the VR agency can verify through supporting documentation from the cooperating agency. These expenditures may not include those costs that the State or local public agency would otherwise normally incur, regardless of the cooperative arrangement.

Examples:

a) School District A enters into a TPCA with the VR Agency. School District A needs to purchase instructional materials to provide new or expanded pre-employment transition services specifically authorized under the TPCA. The needed materials are not already available to School District A.

If School District A purchases the instructional materials and provides documentation of the expenditure to the VR agency, the costs incurred by School District A for the materials may be allowable as match, as verifiable expenditures. Like certified personnel expenditures, the cost must have been incurred by the cooperating agency and it may not be reimbursed by the VR agency under the TPCA. The expenditures may be an allowable source of match if purchased within the TPCA period and used solely to provide new or expanded services with a VR focus that are not customarily provided by School District A.

VR agencies should make clear in the TPCA that when cooperative agencies purchase supplies and then, those supplies are verified as match for the VR program, the supplies must be used only for VR program purposes. They essentially become VR supplies that can be used for program purposes.

b) School District A asks if a monthly amount for having to maintain a telephone in the classroom where pre-employment transition services are provided can be verified as match. School District A maintains a phone in each classroom for safety purposes and the phone was available in the classroom prior to its use for pre-employment transition services. As such, the monthly cost for the phone would be considered an in-kind expense and could not be verified as match.

SUMMARY:

VR agencies may enter into TPCAs with LEAs to improve pre-employment transition services for students with disabilities leading to expanded opportunities for postsecondary education and vocational training, including career and technical education, and high-quality competitive integrated employment, as well as use the non-Federal share generated through such arrangements to enhance the expenditure of Federal VR program funds. RSA has provided this technical assistance to clarify the specific statutory and regulatory requirements pertaining to the provision of pre-employment transition services through TPCAs, including information on match requirements, the nature of the services that may be provided under TPCAs, the applicants and recipients of services under a TPCA, the VR agency's administrative supervision requirements,

and the State Plan requirements. Given the complex requirements described in this TAC, RSA encourages VR agencies to seek technical assistance from their <u>State Liaisons</u> when developing new, or reviewing existing, TPCAs used for providing pre-employment transition services.

EFFECTIVE DATE: Immediately upon issuance.

INQUIRIES:

Suzanne Mitchell, Chief Vocational Rehabilitation Program Unit Suzanne.Mitchell@ed.gov

CITATIONS:

- Rehabilitation Act of 1973, Sections 7(1), 101(a)(10), 110(d), 113, 504
- State Vocational Rehabilitation Services Program Regulations at part 361, <u>34 C.F.R.</u>
- §§ 361.3, 361.5(c)(2) and 51), 361.13(c)(1)(i) and (iv), 361.13(c)(2), 361.25, 361.26, 361.28, 361.42(a)(1), 361.45, 361.46, 361.47, 361.48(a), 361.48(b), 361.50, 361.60, and 361.65(a)(3)
- The Americans with Disabilities Act, Titles I and II
- Education Department General Administrative Regulations, <u>34 C.F.R. §§ 76.707</u> and 77.1
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Regulations at part 200, <u>2 C.F.R. §§ 200.1</u>, <u>200.302(b)(7)</u>, <u>200.306</u>, 200.329(a), 200.403 through 200.405, and 200.430(i)(1)(vii)

Danté Q. Allen Commissioner

cc: Counsel of State Administrators of Vocational Rehabilitation
National Council of State Agencies for the Blind
National Disability Rights Network
National Coalition of State Rehabilitation Councils
National Association of State Directors of Special Education