Annual Report to the President and the Congress on Federal Activities Related to the Administration of the Rehabilitation Act of 1973, as Amended. Fiscal Year 1981. Executive Summary.

Rehabilitation Services Administration (ED), Washington, DC.

E-80-26000

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The fiscal year 1981 annual report of the Rehabilitation Services Administration's activities under the Rehabilitation Act of 1973, as amended, is presented; program operations, program development activities, functions of the National Institute of Handicapped Research, and other provisions of the Act, are described. Program operations include: the basic vocational rehabilitation program; services for the deaf, the blind, and the visually handicapped; the Helen Keller Center for Deaf-Blind Youths and Adults; and rehabilitation facilities. Program expenditures versus accomplishments are also examined. Program development, which is designed to improve service delivery and the vocational rehabilitation and independence of handicapped persons, includes the following activities: special projects for the severely disabled, projects with industry, special recreation programs, and Centers for Independent Living. In addition to the activities of research and training centers and special research and demonstration projects, the following ancillary activities are outlined: The National Council on the Handicapped, Office of Information and Resources for the Handicapped, The President's Committee on Mental Retardation, and interagency liaison. Finally, miscellaneous provisions of the Act include: employment, the Equal Employment Opportunity Commission, the Architectural and Transportation Barriers Compliance Board, and nondiscrimination under federal grants and programs. (SEW)
ANNUAL REPORT
of the
Rehabilitation Services Administration
to the President and the Congress
on Federal Activities Related to
the Administration of the Rehabilitation Act of 1973,
as amended

FISCAL YEAR 1981

U.S. DEPARTMENT OF EDUCATION
Office of Special Education and Rehabilitative Services
Rehabilitation Services Administration

Publication No. E-80-26000
EXECUTIVE SUMMARY

ANNUAL REPORT OF THE REHABILITATION SERVICES ADMINISTRATION FOR FISCAL YEAR 1981

This report to the President and to the Congress submitted as required by Section 13 of the Rehabilitation Act of 1973, as amended, describes program activities under the Act from October 1, 1980, through September 30, 1981.

The latest amendment to the Act was passed in 1978 (Public Law 95-602). It established new provisions making this the most comprehensive rehabilitation statute designed to rehabilitate disabled citizens and prepare them for suitable levels of employment.

The State-Federal rehabilitation program had its historical beginning with the Smith-Fess Act of 1920. Since then a number of other laws have addressed other aspects of rehabilitation, such as the Randolph-Sheppard, Wagner-O'Day, and Social Security Acts.

During this sixty-one year period rehabilitation has experienced (1) frequent movement and reorganization of the primary Federal agency; (2) varied rates of growth in the numbers of programs administered; (3) increased complexity of program features; (4) revised Congressional definitions of "priorities" under the law; (5) new initiatives in equity of opportunity provisions, barrier removal, and other concerns of handicapped people; and, (6) increased growth in the number of disabled persons served and rehabilitated through the mid-seventies and slight declines thereafter.

Positive Economic Effects

It is estimated that life-time earnings for persons rehabilitated in Fiscal Year 1980 through the State-Federal program will be $10.4 for every dollar spent on services for all clients whose cases were closed in that year. This was the fifth consecutive year for which the projected benefit/cost ratio has been greater than $10:1. On the whole, State rehabilitation agencies have been fairly successful in maintaining the benefit/cost ratio within the narrow range cited above.

In the first year after closure, persons rehabilitated in Fiscal Year 1980 are expected to pay to Federal, State and local governments an estimated $211.5 million more in income, payroll and sales taxes than they would have paid had they not been rehabilitated. In addition, another $68.9 million will be saved as a result of decreased dependency on public support payments and institutional care. The grand total first year benefit to governments, therefore, will be $280.4
million. At this rate, the total governmental benefit will equal the total Federal, State and third-party cost of rehabilitation for Fiscal Year 1980 closures in four years.

PROGRAM OPERATIONS

**Basic Vocational Rehabilitation Program**

The Rehabilitation Act of 1973, as amended, authorizes the allocation of Federal funds on a formula basis with a 20 percent State fund matching requirement (80 percent Federal/20 percent State) for the administration of a program of wide-ranging services to assist disabled individuals to prepare for and engage in gainful occupations. The agency follows the intent of statute to provide services to individuals with the most severe handicaps. The Federal share of the basic State grant increased to $854,259,000 in FY 1981 from the $817,484,000 allocated for FY 1980.

**Caseload Activity in State VR Agencies**

A summary of Caseload activities in VR agencies for FY 1981 is characterized by the following:

1. A decline in the total number of persons applying for services from, and becoming clients of, State VR agencies;
2. A decrease in the number of persons rehabilitated; and,
3. An increase in the number and proportion of severely disabled persons among the total caseload, with some indication that the influx of those with severe disabilities is tapering off.

**Services to the Blind and Visually Handicapped**

The 1978 amendments to the Rehabilitation Act created a new section which provided for special projects to serve older blind persons. During FY 1981 there were seven projects in operation serving this population.

A rational evaluation of vocational rehabilitation programs providing services to blind and visually handicapped people recommends:

1. Serve blind and visually handicapped clients in specialized caseloads made up entirely of these disability groups;
2. Questions the assumption that combined agencies are more cost effective;
3. Provide more extensive in-service training to rehabilitation counselors and Regional office staff; and,

4. Strengthen communications among Federal, Regional and State components of the vocational rehabilitation system which serves the blind and visually impaired clients.

Strong efforts have been made to develop and expand job opportunities for blind and visually disabled persons in both traditional and innovative areas including: tax service specialists, computer programmers for the Army, and pre-vocational adjustment training in a postsecondary educational facility.

**Helen Keller Center for Deaf-Blind Youths and Adults**

The Helen Keller Center for Deaf-Blind Youths and Adults continues to make positive strides in rehabilitating persons with these disabilities. As a result of training at this Center, trainees were placed in professional employment, sheltered workshops 1/ and/or returned for additional schooling. In addition, the research program is concentrating on the development of testing aids and appliances to assist deaf-blind persons become more self-sufficient. The Center is also further developing the Wrist-Com, a miniaturized, waterproof and shock resistant wireless device warn on the wrist that receives vibratory signals from a special transmitter.

**Special Projects for Severely Disabled Individuals**

In FY 1981, eight new projects were initiated in the following areas of severe disability: rheumatoid arthritis, learning disability, cerebral palsy, multiple sclerosis, deaf-blind, mental retardation, and mental illness. In addition, three new spinal cord injury system projects were funded.

**Handicapped Migratory and Seasonal Farmworkers**

The Rehabilitation Services Administration coordinates services for handicapped migratory and seasonal farmworkers with the Department of Labor, the Public Health Service, and the Office of Education. During FY 1981 there were 13 active projects in 11 States in eight Regions. The majority of persons served were of Hispanic background with the exception of the Florida project which served mainly Black seasonal farmworkers. In FY 1981, nearly 300 migratory and seasonal farmworkers were rehabilitated. A computer data system was also initiated.

1/ Now referred to by the National Industries for the Severly Handicapped as "Work Centers."
which provides immediate data regarding eligibility and past services or wherever the migrant applies.

**Randolph-Sheppard Vending-Facility Program**

The purpose of the Randolph-Sheppard Act is to provide qualified blind persons the opportunity to operate vending facilities on Federal and other property.

More than 400 blind persons enter this program each year. Historically their earnings have increased yearly. FY 1980 data indicates that total gross income from this program was $243,822,781, with the average yearly earnings of vendors at $13,927 compared to $13,367 in FY 1979.

**SSDI and SSI Vocational Rehabilitation Programs**

Sections 222 and 1615 of the Social Security Act provide for the payment from special Federal funds of costs of vocational rehabilitation services to disability and supplemental security income beneficiaries.

The expenditures decreased for these programs as follows:

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The Omnibus Reconciliation Budget Act of 1981 (P.L. 97-35) contained provisions which affect the rehabilitation of SSDA and SSI beneficiaries. Effective October 1, 1981, the provisions eliminate reimbursement from Trust Funds to VR agencies for rehabilitation services except in cases where the services have resulted in the beneficiary performing substantial gainful activity (SGA) for a continuous period of nine months. A precise definition of SGA has not been determined by the SSA.

**Rehabilitation Facilities**

Rehabilitation facilities provide the means for evaluation, treatment and training of many handicapped individuals who otherwise would not be rehabilitated. In FY 1979, the most recent year for which data are available, State vocational rehabilitation agencies spent 33.9 percent of their funds for services to persons in these facilities. Since 1967, the utilization rates have made a dramatic increase from serving only 65,000 clients at that time, to serving 185,000 clients in 1979. This represents a remarkable 213 percent increase over a twelve year period.
National Industries for the Severely Handicapped (NISH) established in June 1974, reported that 173 Work Centers were certified and that the total value of commodities and services on the Federal procurement list that government must purchase from the severely handicapped under the Javits-Wagner-O'Day Act increased by $14,000,000 and now totals over $45,000,000 yearly.

PROGRAM DEVELOPMENT ACTIVITIES

The focus of these activities is on the strengthening and improvement of service delivery in order to foster greater chances of vocational rehabilitation and independence of the handicapped person. The total appropriation for Program Development Activities in FY 1981 was $66,465,000.

Special Projects for Severely Disabled Individuals

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Projects with Industry

The Projects with Industry program is a partnership between the rehabilitation and the business-industry communities to provide training leading to employment. In FY 1981, over 50 projects affiliated with more than 2,500 private corporations were funded for $5,250,000. During this same time period, 10,000 disabled persons, most of whom were severely disabled, were served by this program. Of the total served, 7,000 were placed into competitive employment. It is estimated that $50,000,000 in taxable wages were generated by this program in FY 1981.
Special Recreation Programs

Eight one-year projects were funded under section 311(a)(3) for a total amount of $1,000,000. Project activities funded under this program emphasize the site development and construction of recreational facilities accessible to handicapped persons.

Section 311(a)(3) of the Rehabilitation Act of 1973, as amended, provides a program of special projects and demonstrations for making recreation activities accessible to handicapped individuals. Eight one-year projects were funded in September, 1981 for a total amount of $1,000,000. The facilities assisted with grant support will provide a variety of activities to benefit about 29,000 persons.

Section 316 provides a program of projects for initiating special recreation programs for handicapped individuals. Twenty-five one-year projects were funded in September, 1981 for a total amount of $2,000,000. This program establishes recreational activities for handicapped persons in a community with special emphasis on expanding service for handicapped clients of State vocational rehabilitation agencies. The recreational activities carried out within these projects are diverse in scope and intended to contribute to the handicapped person's vocational potential. The activities cover indoor and outdoor sports, crafts, arts, hobby activities and therapeutic and physical development activities. Approximately 18,000 persons are expected to benefit from the projects funded in 1981.

Client Assistance Projects

Client Assistance Projects have the common goal of improving the VR program by providing ombudsmen to work directly with clients. There were 36 projects in operation during FY 1981 at a funding level of $2,800,000.

Handicapped American Indian VR

The Navajo Vocational Rehabilitation Program in Window Rock, Arizona was awarded $650,000 in 1981 to carry out a bilingual rehabilitation service program aimed at returning the most severely handicapped Navajos to the world of work and independence. Approximately 600 severely handicapped Navajos are expected to receive service during the first year of operation.

Rehabilitation Training

Rehabilitation Training grants are authorized to ensure that skilled workers are available to provide services to severely disabled individuals. Training was funded at $21,596,000 for FY 1981. The scope
of training was both long and short term and ranged from Rehabilitation Counseling to Speech Pathology and Audiology. In addition, continuing education was provided to upgrade the skills of rehabilitation staff in public and voluntary agencies.

Special training projects of an experimental or innovative nature designed to train new types of manpower or demonstrate new techniques were also provided. In addition, there was a special program to train interpreters for the deaf. Emphasis continued to be placed on preparation of personnel for the provision of rehabilitation services to severely disabled persons, and was broadened to include independent living concepts and skills.

**Independent Living**

Independent Living (IL) is a program to provide services to severely handicapped individuals with the non-vocational goal of being more fully functioning members of society. The appropriation for FY 1981 was $18,000,000, increased from $15,000,000 in FY 1980. Of the three parts of this Title (VII) only part B has been funded during this Fiscal Year. Part B provides for a project grant program under which the Commissioner makes grants to the State VR agency for the establishment of and operation of "independent living centers" which provide a wide range of services to severely handicapped persons.

Twenty-one new Center for Independent Living projects were awarded funds in 1981. Five projects were continued. Since the program began in 1979, except for South Dakota, there is at least one Center program in each of the 49 States, Puerto Rico, and the Virgin Islands. Forty-two percent of the 885 persons employed by these Centers have some type of disability. Forty-four of the State rehabilitation agencies which have received grants have elected to contract with one or more local, community-based nonprofit agencies to administer Center programs. Because of these contracts, there are now 132 Federally assisted Centers in the nation plus an additional 15 satellite or mini-Centers affiliated with a number of the more developed Centers. A method for gathering uniform information about the severely disabled persons receiving services from the Centers is being developed.

An evaluation study of the Centers program concluded that the program had been implemented as intended both at the national and Center levels. There is also evidence that disabled consumers are actively involved in management and policy development, and that disabled persons are employed by the Centers, some of which had predominantly disabled staff. The study found that the Centers visited were providing direct services, informational and referral services.
Regional Office staff of the Rehabilitation Services Administration initiated periodic site-visits to Center programs not only to monitor actual operations and progress, but to provide technical assistance to these newly emerging service programs. RSA Regional and Central Office staff have participated in the conduct of regional or biregional conferences of Center staff to identify and resolve operational and service issues requiring attention. A national conference was held in 1981 and attended by 158 persons involved in the operation of community Centers for Independent Living. Conference workshops included such topics as case management, financing Center programs, attendant care, setting client and program goals, and other subjects.

**Comprehensive Rehabilitation Centers**

Ten awards were made to State vocational rehabilitation agencies in nine regions of the country and averaged $200,000 each. These State agencies have contracted with private nonprofit agencies to perform the basic functions of the centers. The main purpose of a center is to provide focal points in communications for the development and delivery of services to handicapped persons.

**NATIONAL INSTITUTE OF HANDICAPPED RESEARCH**

The Rehabilitation Act Amendments of 1978 removed the Rehabilitation Research program from RSA and placed it into a new organization, the National Institute of Handicapped Research (NIHR). The total appropriation for NIHR activities in FY 1981 was $29,750,000.

**Research Program**

This Research Program is primarily directed toward discovering new knowledge and overcoming significant information gaps to the rehabilitation of severely disabled people. NIHR supports a broad spectrum of research projects including rehabilitation planning; reduction of attitudinal, legal and recreational barriers; post-employment services for severely mentally disabled clients; improving systems that allow partially-sighted persons to read magnified print; research into the rehabilitation of end-stage renal disease patients; studying the effects of exercise on patients who have had a myocardial infarction, and spinal cord injury research.

**Rehabilitation Research and Training Centers**

There were twenty-four Rehabilitation Research and Training Centers functioning during FY 1981 at a funded level of $15,704,000. Annually the Centers conduct over 300 research activities and 659 training programs for over 41,818 trainees from 26 rehabilitation and health related disciplines. The mission of these Centers is to improve re-
habilitation methodology and service delivery systems through research and training. Special features of the Centers include: their affiliation with leading universities and service programs; they are geographically dispersed in nine of the ten HHS Regions of the country; and, each Center has identified core areas of critical rehabilitation research which constitutes the focus of its research efforts. For example, core areas include cardiac rehabilitation, problems of spinal cord injury and its aftermath, muscle physiology in terms of maximizing the functions of impaired muscles, improvement of services to the deaf, etc.

The Center also accounted for 36.7 percent of the education and training resource materials used by rehabilitation educators annually. Over 25,500 publications and documents were distributed in FY 1981. The INFORMER, a quarterly periodical on Center activities was distributed to recipients in over 40 countries.

Rehabilitation Engineering Centers

There were fifteen Rehabilitation Engineering Centers functioning in FY 1981 at a funded level of $7,675,000. The purpose of the Centers is the development of innovative methods of applying advances in medical, technological, psychological and social knowledge in the rehabilitation of disabled persons. The programs are designed to produce new scientific knowledge, equipment and devices suitable for solving problems encountered in the rehabilitation of handicapped people. Each of the Centers has a working relationship with institutions of higher education in the fields of medicine, engineering and related sciences. Strong intercenter coordination helps to avoid duplication of effort. Some of the latest rehabilitation engineering results include: a universal device for auditory tape indexing for the blind; a Talking Signs system for the blind; development of a controls evaluator and controls simulator for different situations which require control of rehabilitation engineering systems, such as a joystick for wheelchair control; a "spine table" to estimate the coordinates of points about the central mounting fixture; a wearable spectral tactile speech aid for the hearing impaired; and, development of a multichannel vibrotactile aid for evaluation in the deaf and deaf-blind.

ANCILLARY ACTIVITIES

Constituent Linkage

The Rehabilitation Act of 1973, as amended, the Mental Retardation Facilities and Community Health Centers Construction Act, as amended, and the Education for All Handicapped Children Act gave impetus to a changing role for the Federal Government in the area of linkage by providing funds for individual and group programs within the States.
and by mandating the involvement of disabled consumers in the policy
development and consultation aspects of the development of the Annual
Plan for Rehabilitation Services prepared by each State.

Interagency Liaison

Section 101(a)(11) of the Act requires that VR agencies enter into
cooperative arrangements with, and utilize the services and facilities of,
other programs providing services related to rehabilitation, "... specifically including arrangements for the coordination of services to
disabled individuals eligible for service under this Act; the Education of
the Handicapped Act, and the Vocational Education Act...." Cooperative
linkages and relationships between rehabilitation agencies and
other public and voluntary agencies are critical to efficiency,
economy and integrated quality services for handicapped people.

Cooperative and collaborative agreements now exist with the Office of
Education, Administration on Aging, Social Security Administration,
Veterans Administration, Department of Labor, the National Institute
of Mental Health, Special Education and others. A revised agreement
was reached with the American Heart Association which includes the
provision of services to persons who have sustained strokes; also, a
national workshop on improving linkages between mental health and
vocational rehabilitation agencies and the signing of a cooperative
agreement with the United Cerebral Palsy Foundation.

Services to Deaf Persons

In FY 1981, an estimated 21,000 persons with communications disabil-
ities were rehabilitated. Deaf people accounted for 7,600, while
11,000 were hard of hearing and 2,000 had speech or language
impairments. In FY 1981, almost all State VR agencies had a special
coordinator to develop and supervise the State program for deaf and
hearing impaired people. In addition, two special projects for deaf
individuals served approximately 200. Over 1,000 severely handicapped
deaf individuals have been rehabilitated since the inception of
Special Projects in 1974.

Revised RSA-300 Disability Codes for Hearing Impaired became operative
at the State vocational rehabilitation agencies. The revised codes
which distinguish clearly between deafness and hard of hearing, aid
rehabilitation counselors in planning appropriate services. Nine
interpreter training programs were funded, including the training and
growing availability of interpreters specializing in services to
deaf-blind people and those with minimum language skills.
The International Year of Disabled Persons (IYDP)

The 31st regular session of the United Nations General Assembly adopted a resolution proclaiming calendar year 1981 as the International Year of Disabled Persons. Over 300 project and activities were implemented through existing budgets with no new appropriation.

National Council on the Handicapped

Established by the Rehabilitation Act of 1973, as amended by P.L. 95-602, the Council was created in response to a demand for a coordinated approach to federal programs, policies and activities concerning disabled persons. The Council held an open public forum on the topic: The Place of Disabled Persons in Our Economy. The forum included papers on job placement, job training, job site accessibility, employer incentives, apprenticeship opportunities, insurance, self-employment options, special problems of disabled minorities and disabled persons in institutions, career choices of disabled children and other economic factors.

Each of the six NCH meetings held during the year served essentially as a platform through members reviewing the status of programs and activities assisted or conducted by their agencies. Matters related to the Rehabilitation Services Administration and the National Institute of Handicapped Research have been on the agenda of every Council meeting.

Office of Information and Resources for the Handicapped (OIRH)


The OIRH also administers a training grant program that is designed to increase the number of skilled interpreters for deaf individuals. This activity was authorized in 1978 in the Rehabilitation Amendments and was begun in FY 1980. Ten grant awards have been made to training programs throughout the country; these grants total approximately $900,000 and range from $85,000 to $98,000.

TITLE V - MISCELLANEOUS PROVISIONS OF THE REHABILITATION ACT

Employment

Section 501 of the Rehabilitation Act of 1973, as amended, requires that all agencies, departments, and instrumentalities of the executive branch of the Federal Government submit annual affirmative action
program plans for the hiring, placement and advancement of handicapped individuals to the Office of Personnel Management (OPM), formerly the U.S. Civil Service Commission.

Two statistical studies were published: (1) "Statistical Profile of Handicapped Federal Civilian Employees" and, (2) the newly established Governmentwide Disabled Women's Task Force. This latter publication analyzes the employment characteristics of severely disabled women as compared to severely disabled men, non-handicapped women, and the general handicapped work force as of December, 1980.

The "Handbook of Reasonable Accommodation" series was prepared and is tentatively scheduled for printing in FY 1982. This Handbook outlines procedures for conducting job analysis and/or worksite modifications for disabled employees.

A one-day showcase, titled "The Supervisor and the Disabled Person" was conducted in 1981. This was a joint OPM/Advisory Training Directors undertaking for the International Year of Disabled Persons which was attended by 150 Federal supervisors.


Equal Employment Opportunity Commission (EEOC)

The Equal Employment Opportunity Commission (EEOC) has responsibility for enforcing nondiscrimination and affirmative action provisions of laws and regulations concerning Federal employment of handicapped individuals. The transition period that began in FY 1980 was extended through FY 1981.

Affirmative Action Program Plans - In response to specific instructions for submission of FY 1981 six-month program plans, eighty-two agencies submitted complete plans; three submitted incomplete plans; and, sixteen submitted no plans. Affirmative Action Accomplishment Reports - This report covers agency accomplishments during the period October 1, 1979, through September 30, 1981.

EEOC evaluated agency accomplishments during FY 1980 and FY 1981 using criteria established to assess changes in the percent representation of persons with specified severe disabilities. In FY 1980 and FY 1981 affirmative action program plans, agencies had established goals for achievement of specific increases in representation of persons with targeted disabilities. During the period October 1, 1979, through
March 31, 1981, the accomplishments of 71 agencies were satisfactory and nine were unsatisfactory. Two agencies submitted incomplete reports, and sixteen submitted no reports.

The number of handicapped individuals—that is, the combined total for persons with targeted disabilities and persons with other handicaps—and the number of disabled veterans employed decreased during the reporting period.

**Architectural Barriers**

Section 502 of the Rehabilitation Act of 1973, as amended, established the Architectural and Transportation Barriers Compliance Board (A&TBCB). The Board's program during most of FY 1981 revolved around the Board's overwhelming concern with developing cost-effective minimum guidelines and requirements to be the basis of access standards. Several Board meetings were devoted to this rule and several notices were published.

The Board contracted with the National Conference of States on Building Codes and Standards in September, 1980 to provide uniform interpretation and technical assistance on its guidelines and requirements for accessible design.

The 24-month, 50-state project, started in March, 1981, began a critical dialogue with the states, and continued into August, 1981, reaching Federal, State, and local code officials in 22 states. Two states, Delaware and Nevada, have since adopted the Board's guidelines with minor modifications and several states, such as Tennessee and Kentucky, have or are considering incorporating portions of the guidelines into their State codes.

**Employment Under Federal Contracts**

Section 503 of the Rehabilitation Act of 1973, as amended, requires that any contract in excess of $2,500 entered into by a Federal department or agency for the procurement of personal property, and nonpersonal services for the United States shall contain a provision requiring affirmative action by the contractor to employ and advance in employment qualified handicapped individuals. Improvement in enforcement of equal employment opportunity and affirmative action has occurred during the first two years of the new consolidated office of Federal Contract Compliance Programs.

During the fiscal year ending September 30, 1981, a total of just under 2,500 complaints of discrimination were received from handicapped individuals. These related on an almost equal basis to initial hire and termination. In this same period, some 2,386 cases were investigated, consolidated, and closed. During the year, the resolution
of complaints with backpay as a remedy affected a total of 281 individuals and $1,095,574. The total far surpasses any single year since the inception of Section 503 program.

Nondiscrimination Under Federal Grants

Section 504 of the Rehabilitation Act of 1973, as amended, prohibits discrimination against qualified handicapped persons in all programs and activities conducted by recipients of Federal financial assistance. The Office for Civil Rights (OCR) has responsibility for enforcing Section 504 in regard to programs and activities receiving funds from the Department of Education (ED). It also coordinates a Department-wide technical assistance program designed to encourage voluntary compliance with the Regulations. OCR also works with various program agencies within HHS to integrate Section 504 non-discrimination requirements into program audits and program administration.

Based on a preliminary analysis of regional reports, OCR received 706 individual complaints alleging discrimination under Section 504 during FY 1981. This compares with 937 complaints received in FY 1980.

During FY 1981, OCR completed action on 679 discrimination complaints that raised Section 504 issues. The most important issues raised in the complaints covered the general categories of employment (recruitment, selection, and testing; demotions and dismissals) and services (exclusion of beneficiaries from programs or facilities, physical accessibility, and comparability of programs and services).

During FY 1981, OCR initiated 65 compliance reviews of hospitals and state health or human services agencies that involved Section 504 issues. An additional 146 reviews were carried over from FY 1979 and FY 1980. During FY 1981, OCR completed 24 compliance reviews covering Section 504 issues.

The issues most commonly addressed in the FY 1981 compliance reviews were: (1) admission policies and practices; (2) accessibility/availability of services; (3) differential treatment within programs; (4) program planning and administration; (5) employment; and, (6) procedural violations.

Nondiscrimination Under Federal Grants and Programs
(Department of Justice)

Executive Order 12250 continued in effect the guidelines for enforcement of section 504 issued by the Department of Health, Education, and Welfare in 1978 and transferred them to the Department of Justice.
In FY 1981, Coordination Regulations Section (CRS) reviewed six agency regulations and approved them for publication in the Federal Register, and reviewed and commented on ten other regulations concerning section 504 which are still under revision.

CRS also assisted the Office of Revenue Sharing, and the Department of Health and Human Services (HHS), in the development of a training course entitled "Discrimination on the Basis of Handicap." In addition, CRS has collected and is reviewing training materials on section 504 that has been developed or contracted for by HHS and the Department of Education (ED) under Executive Order 11914.

Nondiscrimination Under Federal Grants and Programs (Department of Education)

During FY 1981 OCR received 1435 complaints alleging discrimination on the basis of handicap. Of these complaints, 67 percent involved elementary and secondary institutions, 25 percent postsecondary/vocational rehabilitation institutions and 8 percent other education-related institutions. Furthermore, there were 1571 Section 504 complaint closures and over 60 Section 504 compliance reviews.

More than 5,000 persons received training through OCR contractor workshops. In addition, an estimated 12,500 persons were provided training and technical assistance information indirectly, through follow-up efforts of approximately 50 percent of those initially trained. Technical assistance informational materials disseminated by contractors reached about 225,000 recipients, beneficiary organizations and others. Regional Technical Assistance (RTAS) collectively responded to 14,799 requests for technical assistance from identified target populations utilizing a variety of delivery methods.

There were nine new Section 504 projects totaling $3,227,795. OCR published two Digests of Significant Case-Related Memoranda summarizing significant policy decisions. As part of Vice President Bush's Task Force on Regulation Review, OCR reviewed Section 504 regulations. Methods of Administration relative to Section 504 were also received and approved from all 50 States and insular possessions with the exception of two.

Interagency Coordinating Council

The 1978 Amendments to the Rehabilitation Act added a new section, 507, to Title V. The purpose of Section 507 is to maximize effort, promote efficiency and eliminate conflict, competition, and duplication among the various departments and agencies of the Federal Government responsible for implementing Title V.

Some of the Council's activities during the last fiscal year were:

(1) agreed to procedures by which the Equal Employment Opportunity Commission review employment provisions of proposed agency rules prior to review by the Department of Justice of final agency submissions;
(2) recommended to the Census Bureau and the Secretary of Commerce that a Post Census Disability Survey be conducted; (3) agreed to recommend that the Fair Labor Standards Act be amended to permit the integration of sheltered workshop and work activity center clients; and, (4) encouraged the revision of minimum guidelines by the Architectural and Transportation Barriers Compliance Board to be more consistent with the ANSI standard.
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INTRODUCTION

The public program of Vocational Rehabilitation is our major governmental effort, on the Federal and State levels, to provide constructive approaches to the complex problems of disability. It signifies the nation's recognition of its responsibility to provide disabled citizens with opportunities to be full participants in the world of work and the community in general.

The legal base for this national rehabilitation effort is the Rehabilitation Act of 1973 (P.L. 93-112), as amended. In 1978, the latest amendment to this Act was passed and is known as the Rehabilitation, Comprehensive Services, and Developmental Disabilities Amendments of 1978 (P.L. 95-604). Leaders in the field of rehabilitation have referred to this Public Law as the most important legislation in the decade of the 1970's to assist handicapped persons. Within this legislation are new opportunities, challenges and benefits designed to enhance the development and potentialities of disabled individuals and especially those having severe disabilities. The scope of the problem and the needs are vast, with an estimated 35 million people (15 percent of the total population) having varying levels of chronic disability. More than ten million of these persons can be characterized as severely disabled, with two million people being homebound or institutionalized. The combination of an expanding role and limitations in available resources requires more efficient use of these resources by everyone involved in the rehabilitation process at the Federal, State and local levels.

The State-Federal rehabilitation partnership has a long history extending back to the Smith-Fess Act of 1920. The basic rehabilitation legislation within Federal law has grown from that one-page Act to the current 71 pages of P.L. 95-602, the rehabilitation aspects of Randolph Sheppard, Wagner O'Day, and Social Security laws, and to mandated inter-relationships with numerous other Federal programs under a variety of laws. Over time the rehabilitation program has experienced the following: (1) frequent movement and reorganization of the primary Federal agency in recent years; (2) steady growth in the numbers of programs administered and the complexity of program features; (3) increased Congressional definition of "priorities" under the law; (4) longstanding as well as new "advocacy" efforts in civil rights, barrier removal, affirmative action and other societal concerns of handicapped people. Broader social and economic trends such as inflation, increasing technology in the work place, greater educational opportunities for disabled children, major medical and health advances, and new concepts in service delivery have also changed and expanded rehabilitation efforts in many directions. For the disabled citizen who wants to become an independent contributing member of the community, assistance is available through the State-Federal rehabilitation partnership.
Organisational and Administrative Structure

Since the reorganization in mid-1981 of the Rehabilitation Services Administration, a single agency focus has evolved from a number of Federal programs serving people with disabilities. Among the main benefits of the new organization are clearer lines of authority, increased coordination of programs serving similar groups, increased accountability for program operations, clearer reporting relationships, improved response to communications from the public, more effective management support, a clearer concept of the mission and more effective relationships with disabled persons and consumer organizations.

During Fiscal Year 1981 the Rehabilitation Services Administration was composed of the following units:

THE OFFICE OF THE COMMISSIONER

PLANNING AND POLICY STAFF
- Policy Staff
- Planning Staff
- Evaluation Staff

MANAGEMENT SERVICES STAFF
- Budget and Financial Operations Staff
- Administrative Management Staff

THE OFFICE OF PROGRAM OPERATIONS
- Division of Program Administration
  Data Management Staff
  Basic State Grants Branch
  Social Security Rehabilitation Branch
  Deafness and Communicative Disorders Branch
- Division of the Blind and Visually Impaired
  Vending Facilities Branch
  Rehabilitation Branch

THE OFFICE OF DEVELOPMENTAL PROGRAMS
- Division of Resource Development
- Division of Special Projects
  Service Projects Branch
  Independent Living Branch

REGIONAL OFFICES I - X
PROGRAM OPERATIONS
The Rehabilitation Act of 1973, as amended, authorizes grants to the States to establish and conduct comprehensive vocational rehabilitation programs to meet the "needs of handicapped individuals so that such individuals may prepare for and engage in gainful employment to the extent of their capabilities." The Act places responsibility on the Commissioner of Rehabilitation Services Administration for both the management of the Federal aspects of the State-Federal vocational rehabilitation system and monitoring of the manner in which State agencies carry out their responsibilities under the law. Regional Offices provide technical assistance and leadership in assisting States to strengthen their Vocational Rehabilitation programs.

Annual State Plan

The Rehabilitation Act of 1973, as amended, requires each State agency designated to administer the vocational rehabilitation program to submit a State plan every three years. The State plan for vocational rehabilitation services must be approved before a State can receive Federal funds.

The Three Year State Plan is the State unit's presentation of its basic assurances and commitment to the requirements of the Rehabilitation Act and to program planning and other key activities. The State plan is also the major point of reference for the Rehabilitation Services Administration as it monitors State unit performance with respect to setting and achieving priority goals, program operations and the delivery of vocational rehabilitation services, especially to individuals who are severely handicapped.

IWRP Developments

The Rehabilitation Act of 1973, as amended, also requires that an Individualized Written Rehabilitation Program (IWRP) be developed for all handicapped individuals served. The IWRP contains information about the process involved in making decisions about the rehabilitation goal and intermediate objectives that are planned to help reach that goal. It also identifies the vocational rehabilitation services that will be provided to aid the client in achieving the goal and provides the basis for measuring the client's progress toward the goal in terms of specific objectives.

Organizational Location of State VR Agencies

There are 82 State agencies administering vocational rehabilitation programs in the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands and the Commonwealth of Northern Mariana Islands.

In many States, there are two agencies - one for people who are blind, the other for people with any other disability. In most States, a single
rehabilitation agency provides services to persons with any disability, including blindness.

ECONOMIC GAINS THROUGH VOCATIONAL REHABILITATION

Benefits for Individuals

It is estimated that lifetime earnings for persons rehabilitated in Fiscal Year 1980 through the State-Federal program will improve by $10.4 for every dollar spent on services for all clients whose cases were closed in that year. This was the fifth consecutive year for which the projected benefit/cost ratio has been greater than $10:1 but less than $11:1. On the whole, State rehabilitation agencies have been fairly successful in maintaining the benefit/cost ratios within the narrow range cited above despite a) rising costs, b) decreasing numbers of persons being rehabilitated and c) increasing proportions of severely disabled persons for whom remunerative outcomes are less likely. The Fiscal Year 1980 projection of $10.4:1, however, was $0.5:1 less than the projection for the previous year. The main reason for this decline was a loss in the number of rehabilitations between the two years of 11,200. In light of an additional loss of 21,200 rehabilitations in Fiscal Year 1981, another decline in the benefit/cost ratio is expected, quite possibly something below $10:1, when the latest earnings and cost data become available. (See section below on benefit/cost ratios for a fuller explanation.)

Benefits for Government

In the first year after case closure, persons rehabilitated in Fiscal Year 1980 are expected to pay to Federal, State and local governments an estimated $211.5 million more in income, payroll and sales taxes than they would have paid had they not been rehabilitated. In addition, another $68.9 million will be saved as a result of decreased dependency on public support payments and institutional care. The grand total first year benefit to governments, therefore, will be $280.4 million. At this rate, the total governmental benefit will equal the total Federal, State and third-party cost of rehabilitation for Fiscal Year 1980 closures in four years. The projected governmental benefits in subsequent years, however, would be expected to decline because of known and expected losses in rehabilitations.

Benefit/Cost Ratios, Fiscal Years 1971 to 1980

The Rehabilitative Services Administration makes annual estimates of the cost-beneficial status of the State-Federal Program. Currently, it utilizes a very simple, straightforward methodology which focuses on only one among many benefits of vocational rehabilitation to produce its benefit/cost ratios. This benefit is the projected increase in lifetime earnings of persons rehabilitated.

1/ Other economic benefits such as returns to government are also calculated and are shown in the paragraph immediately above.
rehabilitated persons attributed to their receipt of vocational rehabilitation services under the State-Federal Program, per dollar of expenditure on all persons for whom services are terminated. Even this less than comprehensive effort dramatically reveals the impressive gains that disabled persons derive from this program, as the benefit/cost ratios have ranged from 10:1 to nearly 14:1 in the ten years shown in Table 1 under one series of assumptions.

One finding derived from Table 1 is that the projected benefit/cost ratios generally rise and fall with increases or decreases in the number of persons who are rehabilitated. It is highly probable, therefore, that when projections based on earnings and cost data for Fiscal Year 1981 can be made, that the benefit/cost ratio will decline again, perhaps below 10:1, because the number of rehabilitations fell sharply by nearly eight percent to about 256,000 for that year. Other economic benefits based on group earnings for a diminishing number of persons may also be expected to decline, such as payroll, sales and income tax payments to governments made by disabled individuals. Reductions in public support among the disabled resulting from rehabilitation may, concurrently, become less pronounced.

Another way to view Table 1 and, in particular, the benefit/cost ratios in column (4) is to note that the ratios have ranged narrowly from 10.1 to 1 to 10.9 to 1 in the last five years despite the persistent decline in rehabilitations in each year but one. This means that State rehabilitation agencies have thus far been fairly successful in combating the effects of decreased numbers of clients and relentlessly increasing costs by obtaining jobs for rehabilitated clients at wage levels that have risen nearly as much as have costs through the years. For example, the increase in the projected improvement in lifetime earnings between Fiscal Year 1976 and Fiscal Year 1981 was 30 percent compared to an increase of 36 percent in projected total costs on all closures, and a loss of nearly nine percent in persons rehabilitated between the same two years.

It must be noted that no earnings are calculated or assumed in the in-house RSA methodology for the one individual in seven who is traditionally rehabilitated as a homemaker. The rehabilitation costs on these individuals, however, are incorporated into all cost projections. The highly probable future declines in the cost-beneficial status of the State-Federal Program can be offset, at least in part, by encouraging State agencies to find wagepaying employment for higher proportions of their clients. This should have the salutary effect of not only maximizing the benefit/cost ratio but also intensifying the employment and wage-finding efforts of State agencies on behalf of their clients.
Table 1 - Summary of Benefit/Cost Ratios:
State-Federal Program of Vocational Rehabilitation,
Fiscal Years 1971 - 1980

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>IMPROVED LIFETIME EARNINGS ($ BILLIONS)</th>
<th>TOTAL COSTS ON ALL CLOSURES ($ BILLIONS)</th>
<th>BENEFIT/COST RATIOS (2)/(3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>277,136</td>
<td>$11.535</td>
<td>$1.106</td>
</tr>
<tr>
<td>1979</td>
<td>288,325</td>
<td>11.567</td>
<td>1.066</td>
</tr>
<tr>
<td>1978</td>
<td>294,396</td>
<td>10.890</td>
<td>1.005</td>
</tr>
<tr>
<td>1977</td>
<td>291,202</td>
<td>9.650</td>
<td>.954</td>
</tr>
<tr>
<td>1976</td>
<td>303,328</td>
<td>8.869</td>
<td>.815</td>
</tr>
<tr>
<td>1975</td>
<td>324,039</td>
<td>9.094</td>
<td>.802</td>
</tr>
<tr>
<td>1974</td>
<td>361,138</td>
<td>9.867</td>
<td>.748</td>
</tr>
<tr>
<td>1973</td>
<td>360,726</td>
<td>8.852</td>
<td>.652</td>
</tr>
<tr>
<td>1972</td>
<td>326,138</td>
<td>7.201</td>
<td>.538</td>
</tr>
<tr>
<td>1971</td>
<td>291,272</td>
<td>5.872</td>
<td>.480</td>
</tr>
</tbody>
</table>
Reductions in Purchasing Power of Vocational Rehabilitation Services

In 1981, the Consumer Price Index (CPI), one of the most widely used measures of changes in the purchasing power of the consumer dollar, advanced to 272.4 since the base statistical year of 1967 (Table 2). Five years earlier, the Index stood at 170.5. This means that goods and services that cost $170.5 in 1976 cost 272.40 in 1981. In the same time span, the purchasing power of the total Federal and State VR dollar (including Trust Funds and SSI monies) declined by 30.3 percent from $627.7 million to $437.6 million (in terms of the 1967 dollar), despite an increase in actual expenditures from $1.1 billion to $1.2 billion. The decline in purchasing power has occurred in each year subsequent to Fiscal Year 1975 and was particularly striking in the last three years when double-digit inflation has affected the economy. Contributing to the most recent loss in purchasing power has been a decrease in actual expenditures in the last two years. In the years before Fiscal Year 1975, the purchasing power of the VR dollar typically increased, even after allowance for inflation. (See Tables 2 and 3 for more detail.)

Importantly, about the same time that real (deflated) VR expenditures began to decline, the number of cases served and rehabilitated also started to fall (Table 2). For example, cases served fell by 0.5 percent in Fiscal Year 1976, 2.7 percent in Fiscal Year 1977, 3.0 percent in Fiscal Year 1978, 3.5 percent in Fiscal Year 1979, 2.9 percent in Fiscal Year 1980 and 5.2 percent in Fiscal Year 1981 (Table 3). One factor in this caseload decline is the mandated program emphasis on serving increasing numbers of severely disabled persons for whom services are more costly than for the non-severely disabled. The inflationary factor, however, would appear to be the greater contributor to the overall caseload contraction.

It seems clear, therefore, that some combination of additional funding, program efficiencies and greater use of similar benefits is needed to halt the six-year decline in cases served.
Table 2. — Vocational rehabilitation program expenditures: Actual and deflated by the Consumer Price Index (CPI); cases served and rehabilitated, Fiscal Years 1967-1981

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Expenditures 1/ ($ million)</th>
<th>Consumer Price Index 2/</th>
<th>Deflated Expenditures ($ million)</th>
<th>Cases Served (000)</th>
<th>Persons Rehabilitated (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>1,181.9</td>
<td>272.4</td>
<td>437.6</td>
<td>1,038.2</td>
<td>255.9</td>
</tr>
<tr>
<td>1980</td>
<td>1,202.3</td>
<td>246.8</td>
<td>487.2</td>
<td>1,095.1</td>
<td>277.1</td>
</tr>
<tr>
<td>1979</td>
<td>1,238.2</td>
<td>217.4</td>
<td>569.5</td>
<td>1,176.6</td>
<td>288.3</td>
</tr>
<tr>
<td>1978</td>
<td>1,152.5</td>
<td>195.4</td>
<td>596.6</td>
<td>1,168.0</td>
<td>294.4</td>
</tr>
<tr>
<td>1977</td>
<td>1,111.0</td>
<td>181.5</td>
<td>612.1</td>
<td>1,204.5</td>
<td>291.2</td>
</tr>
<tr>
<td>1976</td>
<td>1,062.0</td>
<td>170.5</td>
<td>627.7</td>
<td>1,239.4</td>
<td>303.3</td>
</tr>
<tr>
<td>1975</td>
<td>1,021.3</td>
<td>161.2</td>
<td>633.5</td>
<td>1,244.3</td>
<td>324.0</td>
</tr>
<tr>
<td>1974</td>
<td>877.5</td>
<td>147.7</td>
<td>594.1</td>
<td>1,201.7</td>
<td>361.1</td>
</tr>
<tr>
<td>1973</td>
<td>772.6</td>
<td>133.1</td>
<td>580.5</td>
<td>1,176.4</td>
<td>360.7</td>
</tr>
<tr>
<td>1972</td>
<td>727.2</td>
<td>125.3</td>
<td>580.4</td>
<td>1,111.0</td>
<td>326.1</td>
</tr>
<tr>
<td>1971</td>
<td>655.7</td>
<td>121.3</td>
<td>540.6</td>
<td>1,001.7</td>
<td>291.3</td>
</tr>
<tr>
<td>1970</td>
<td>578.7</td>
<td>116.3</td>
<td>497.6</td>
<td>875.9</td>
<td>257.0</td>
</tr>
<tr>
<td>1969</td>
<td>473.4</td>
<td>109.8</td>
<td>431.2</td>
<td>781.6</td>
<td>241.4</td>
</tr>
<tr>
<td>1968</td>
<td>393.1</td>
<td>104.2</td>
<td>377.2</td>
<td>680.4</td>
<td>207.9</td>
</tr>
<tr>
<td>1967</td>
<td>313.7</td>
<td>100.0</td>
<td>313.7</td>
<td>569.9</td>
<td>173.6</td>
</tr>
</tbody>
</table>

1/ Includes Federal and State expenditures for Basic Support and Innovation and expansion grants and Federal expenditures under Social Security Trust Fund and Supplemental Security Income funds.

2/ All urban consumers index.

3/ Expenditures estimated from amounts appropriated.
Table 3.— Annual percent change: VR Program expenditures, actual and deflated by CPI; cases served and rehabilitated, Fiscal Years 1968-1981

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Percent Change on Prior Year</th>
<th>Expenditures</th>
<th>Consumer Price Index</th>
<th>Deflated Expenditures</th>
<th>Cases Served</th>
<th>Person Rehabilitated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>-0.9%</td>
<td>+10.4%</td>
<td>-10.2%</td>
<td>-5.2%</td>
<td>-7.7%</td>
<td></td>
</tr>
<tr>
<td>1980</td>
<td>-2.9%</td>
<td>+13.5%</td>
<td>-14.5%</td>
<td>-2.9%</td>
<td>-3.9%</td>
<td></td>
</tr>
<tr>
<td>1979</td>
<td>+7.4%</td>
<td>+11.3%</td>
<td>-4.5%</td>
<td>-3.5%</td>
<td>-2.1%</td>
<td></td>
</tr>
<tr>
<td>1978</td>
<td>+3.7%</td>
<td>+7.7%</td>
<td>-2.5%</td>
<td>-3.0%</td>
<td>+1.1%</td>
<td></td>
</tr>
<tr>
<td>1977</td>
<td>+4.6%</td>
<td>+6.5%</td>
<td>-2.5%</td>
<td>-2.7%</td>
<td>-4.0%</td>
<td></td>
</tr>
<tr>
<td>1976</td>
<td>+4.0%</td>
<td>+5.8%</td>
<td>0.0%</td>
<td>-0.5%</td>
<td>-6.4%</td>
<td></td>
</tr>
<tr>
<td>1975</td>
<td>+16.4%</td>
<td>+9.1%</td>
<td>+6.6%</td>
<td>+3.6%</td>
<td>-10.3%</td>
<td></td>
</tr>
<tr>
<td>1974</td>
<td>+13.6%</td>
<td>+11.0%</td>
<td>+2.3%</td>
<td>+2.1%</td>
<td>+0.1%</td>
<td></td>
</tr>
<tr>
<td>1973</td>
<td>+6.2%</td>
<td>+6.2%</td>
<td>3%</td>
<td>+5.9%</td>
<td>+10.6%</td>
<td></td>
</tr>
<tr>
<td>1972</td>
<td>+10.9%</td>
<td>+3.3%</td>
<td>+7.4%</td>
<td>+10.9%</td>
<td>+12.0%</td>
<td></td>
</tr>
<tr>
<td>1971</td>
<td>+13.3%</td>
<td>+4.3%</td>
<td>+8.6%</td>
<td>+14.4%</td>
<td>+9.1%</td>
<td></td>
</tr>
<tr>
<td>1970</td>
<td>+22.2%</td>
<td>+5.9%</td>
<td>+15.4%</td>
<td>+12.1%</td>
<td>+10.6%</td>
<td></td>
</tr>
<tr>
<td>1969</td>
<td>+20.4%</td>
<td>+5.4%</td>
<td>+14.3%</td>
<td>+14.9%</td>
<td>+16.1%</td>
<td></td>
</tr>
<tr>
<td>1968</td>
<td>+25.3%</td>
<td>+4.2%</td>
<td>+20.2%</td>
<td>+19.4%</td>
<td>+19.8%</td>
<td></td>
</tr>
</tbody>
</table>

1/ Includes Federal and State expenditures for Basic Support and Innovation and expansion grants and Federal expenditures under Social Security Trust Fund and Supplemental Security Income funds.

2/ All urban consumers index.

3/ Increase less than 0.05 percent.
SECTION 110

BASIC VOCATIONAL REHABILITATION PROGRAM

Federal Funds $1,047,844,000

The Total funding available for Program Operations activities in FY 1981 was $1,047,844,000 and was distributed as follows:

<table>
<thead>
<tr>
<th></th>
<th>1980</th>
<th>1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic State Grants</td>
<td>$817,484,000</td>
<td>$854,259,000</td>
</tr>
<tr>
<td>Innovation and Expansion</td>
<td>11,775,000</td>
<td>--</td>
</tr>
<tr>
<td>Services Projects</td>
<td>28,348,000</td>
<td>29,860,000</td>
</tr>
<tr>
<td>Training of Rehabilitation Personnel</td>
<td>28,500,000</td>
<td>21,675,000</td>
</tr>
<tr>
<td>Independent Living (Part B)</td>
<td>15,000,000</td>
<td>18,000,000</td>
</tr>
<tr>
<td>Social Security Disability</td>
<td>113,268,000</td>
<td>87,050,000</td>
</tr>
<tr>
<td>Insurance Program (Trust Fund)</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Supplementary Security Income Program</td>
<td>55,000,000</td>
<td>37,000,000</td>
</tr>
<tr>
<td></td>
<td>$1,069,375,000</td>
<td>$1,047,844,000</td>
</tr>
</tbody>
</table>

This amount was approximately $21 million less than the previous fiscal year, or a decrease of 2 percent, not taking the inflation factor into account.

In the Basic State grant area, an increase of $36.8 million for grants to States was more than offset by a reduction of $44.2 million of appropriations from Social Security monies.

Discretionary grant programs were reduced by $14.1 million, which included the elimination of the Innovation and Expansion grant program and a substantial reduction in the training program for rehabilitation personnel.

In order to offset reductions in funds added efforts were initiated to improve financial and programmatic management and employment and placement activities.

The Rehabilitation Act of 1973, as amended, authorizes the allocation of Federal funds on a formula basis with a 20 percent State fund matching requirement (80 percent Federal – 20 percent State) for the administration of a program of wide ranging services to assist handicapped individuals to prepare for and engage in gainful occupations. The emphasis is on providing services to individuals with the most severe handicaps. There are 82 State VR agencies, of which 25 serve only the blind.

Structure of Services

Rehabilitation services are provided on an individual basis, tailored to the distinct and specific needs of each disabled person based on evaluation of rehabilitation potential. State agency professional staff
provide referral, counseling and guidance and placement services. They also coordinate and authorize the acquisition of needed services from other public programs or purchase the required services on a fee-for-service basis from the private sector. The range of such services includes, but is not limited to: physical and mental restorative services such as medical and corrective surgical treatment, hospitalization, prosthetic, orthotic and other assistive devices, physical and occupational therapy and psychological services; training, including personal and work adjustment; maintenance; transportation; reader services and orientation and mobility services for the blind; interpreter services for the deaf; tools, equipment and initial stock; telecommunications, sensory and other technological aids; and post-employment services.

Eligibility for services is based on the existence of a disability constituting a substantial handicap to employment and a reasonable expectation that the provision of vocational rehabilitation services will result in employment. Further studies may be necessary to assist counselors and clients in jointly developing an individualized rehabilitation program. The rehabilitation counselor is the key staff member in making the eligibility determination, developing with the handicapped person an individualized written rehabilitation program, managing the arrangements for services, counseling and guiding the individual, assisting the client through successful placement on the job and providing necessary post-employment services to assist in maintaining employment.

The Rehabilitation Act of 1973, as amended, also requires that an Individualized Written Rehabilitation Program (IWRP) be developed for all handicapped individuals served. The IWRP contains relevant information about the client, the process involved in making decisions about the rehabilitation goal and intermediate objectives that are planned to help reach that goal. It also identifies the vocational rehabilitation services that will be provided to aid the client in achieving the goal and provides the basis for measuring the client's progress toward the goal in terms of specific objectives.

**PROGRAM AUDITS**

During Fiscal Year 1981, the Office of the Inspector General conducted 22 audits of the rehabilitation program. Audits were conducted in Alabama, Florida, Louisiana, Missouri, New Jersey, Ohio, Oregon, Puerto Rico, South Carolina, Texas, Utah and Washington.

Fifteen of the 22 audits concerned financial operations, and an additional four audits involved both financial and programmatic aspects. Generally, the findings involved poor internal controls, overpayments, unauthorized charges, ineligible costs, incorrect allocation of indirect costs, unallowable costs and invalid obligations.
Individual VR State agencies continued to experience problems with the provision of rehabilitation services. Six of the 22 audits involved programmatic findings. These results generally concerned questionable eligibility of clients, similar benefits not always considered, cases closed in status 26 without substantial services, and incorrect classification of cases as severely disabled. Although some of these findings represent serious problems, the programmatic area is sometimes subject to challenge. Most findings have been concurred with by the State agencies and appropriate adjustments have been made to the Federal account, generally within six months. Eight of the 22 audits involved special projects or the vending stand program, leaving only 14 concerning mainly the basic program under Title I.

It should also be noted that RSA has sustained 66.7 percent of the auditor's findings among those audits closed in FY 1981. RSA sustained $1,765,256 of the monetary exceptions, out of a total of $2,647,663 of findings for those audits which were closed.

CASELOAD ACTIVITIES IN STATE VOCATIONAL REHABILITATION AGENCIES

While there was some ambiguity in caseload trends in Fiscal Year 1980, the patterns observed in Fiscal Year 1981 were most clear. New cases, caseload levels and the number of persons served and rehabilitated all shrank to volumes last seen in the period from Fiscal Year 1969 to Fiscal Year 1971.

Even caseloads of severely disabled persons, the most important target group singled out in the Rehabilitation Act of 1973, were not spared. Their numbers, too, declined in Fiscal Year 1981 in terms of new cases, caseload levels and cases served and rehabilitated. The rate of decline for the severely disabled, however, was not as steep as for other clients, and their proportions among all clients continued to rise.

There were only two major caseload items for which increases in Fiscal Year 1981 were noted. They were persons not accepted for vocational rehabilitation services and persons not rehabilitated after having been declared eligible for services. These negative-outcome trends, combined with continuing reductions in the number of persons accepted for services and the number rehabilitated, served to produce the second lowest rate of acceptance into the rehabilitation program ever recorded, and the lowest rate of rehabilitation among active cases closed in thirty-five years. Stated briefly, individuals referred for services are now less likely to be accepted for them, and, if accepted, are less likely to be rehabilitated.

New Cases

New cases, however defined, dropped sharply in Fiscal Year 1981 from the preceding year. Fiscal Year 1980 intakes, interestingly, were

NOTE: All figures in this section are rounded to the nearest hundred cases.
greater than in Fiscal Year 1979. With Fiscal Year 1981, however, the earlier declining trends did not merely resume, but were so extensive that, except for the small group of extended evaluation cases, they represented the lowest intake in twelve years.

More specifically, new referrals to State agencies in Fiscal Year 1981 numbered 811,400, a loss of 100,000 from the prior year (down 10.1 percent) and the smallest such cohort since Fiscal Year 1969. At their height in Fiscal Year 1975, new referrals stood at 1,214,800.

Persons newly applying for rehabilitation services in Fiscal Year 1981 totalled 638,500, a loss of 84,000 from the year before (down 11.7 percent), also the smallest such number since Fiscal Year 1969. The all-time high in new applicants was recorded in Fiscal Year 1975 with 885,700 cases.

Applicants accepted for vocational rehabilitation services in Fiscal Year 1981 numbered 373,300, a decrease of 39,000 from the prior year (down 9.5 percent), also the smallest such intake since Fiscal Year 1969. State agencies accepted 534,500 persons for services in Fiscal Year 1975, the historical high for this caseload measure.

Even the typically small number of persons selected for extended evaluation to determine eligibility for basic services fell by 6,000 to 35,200, a decline of 15.0 percent. This minor caseload measure had seemed to be relatively impervious to change in recent years until the Fiscal Year 1981 experience which represented the lowest such intake in seven years.

**Caseload Levels**

With new cases entering State agency caseloads in heavily reduced volumes, it is not surprising that the numbers of persons in various stages of the rehabilitation process on the last day of the fiscal year have also decreased.

For example, the number of persons whose application for services had not yet been processed as of September 30, 1981, stood at 257,600, a loss of 40,000 from the same date a year earlier, or 13.3 percent. This was the smallest end-of-year balance for applicants since Fiscal Year 1969. In comparison, there were 357,700 persons in the applicant status on June 30, 1975 (the end of Fiscal Year 1975), the highest such figure recorded.

In addition, some 624,700 persons were in the active statuses on September 30, 1981, a loss of 40,000 from the same date one year earlier, or 6.9 percent. This was the smallest active caseload balance since the end of Fiscal Year 1971. On June 30, 1975, some 778,400 persons were actively being provided rehabilitation services, the all-time high level.

Even cases in receipt of extended evaluation services on September 30, 1981, declined to 27,200, a loss of 5,000 from the year before, or 15.6 percent, the lowest such level in seven years.
Cases Served

The number of persons spending some time in the active statuses during Fiscal Year 1981, whether or not their cases were closed out, was 1,038,200, a loss of 57,000, or 5.2 percent from the previous year. This was the lowest total since Fiscal Year 1971, and it marked the sixth consecutive year of a decline from the all-time high figure of 1,244,300 persons served in Fiscal Year 1975.

If the number of persons accepted for services in Fiscal Year 1982 does not equal the 373,300 accepted in Fiscal Year 1981 (losses in this measure have occurred in five of the last six years), then the number of persons served in Fiscal Year 1982 will fall below one million for the first time in twelve years.

Outcomes of the Rehabilitation Process

While the number of persons accepted for services dropped by 9.5 percent to 373,300 in Fiscal Year 1981, as observed earlier, the number of persons turned down for services was 492,500, an increase of 0.4 percent from Fiscal Year 1980. This meant that the acceptance rate (i.e., the percent of cases processed for eligibility that were accepted for services) fell to 43.1 percent in Fiscal Year 1981 compared to 45.7 percent the year before. At 43.1 percent, Fiscal Year 1981's acceptance rate was the second lowest in the 39 years for which this statistic has been available with the previous low of 42.2 percent recorded five years earlier. For approximately twenty years from the mid-1950's to the mid-1970's the acceptance rate hovered around the fifty percent mark, but Fiscal Year 1981 was the ninth year in a row below that level.

The number of persons successfully rehabilitated in Fiscal Year 1981 was 255,900, a loss of more than 21,000 from the preceding year, or 7.7 percent. This was simultaneously the fewest number of rehabilitations since Fiscal Year 1969 and second greatest one-year decline in the history of the program which began in Fiscal Year 1921. During this sixty-year time span declines in persons rehabilitated for three or more consecutive years have occurred only four times, and two of those streaks were experienced within the last seven years. Although losses were registered in five consecutive years from Fiscal Year 1926 through Fiscal Year 1930, there never before has been a seven-year period when the number of persons rehabilitated has declined in as many as six of those seven years.

The number of persons whose cases were close not rehabilitated in Fiscal Year 1981 was 157,800 representing an increase of 3.3 percent from the year before, one of only two key caseload statistics showing a rise. This increase, combined with the decrease in rehabilitations, led to a lowered rehabilitation rate of 61.9 percent in Fiscal Year 1981. That is, 61.9 percent of the active cases closed that year were of rehabilitated persons (and 38.1 percent of persons not rehabilitated). The rehabilitation rate in the four prior years ranged narrowly from 64.0 percent to 64.9 percent.
Thus, the Fiscal Year 1981 experience represented a distinct break with the recent past for this measure. The last time that the rehabilitation rate fell below 62 percent was in Fiscal Year 1946.

**Caseloads of Severely Disabled Persons**

The declines noted above also affected that portion of the caseload made up of severely disabled persons; however, these declines were much less pronounced. For example, 138,400 severely disabled persons were rehabilitated in Fiscal Year 1981, a loss of more than 4,000 persons from the preceding year, or 2.9 percent (compared to a 1.7 percent decrease overall). This was the second year in a row of a decrease in this key target group and the fewest rehabilitations since Fiscal Year 1977. The severely disabled accounted for 54.1 percent of all persons rehabilitated in Fiscal Year 1981, the highest proportion observed in the eight years for which this statistic has been available.

The number of severely disabled clients provided rehabilitation services in Fiscal Year 1981 was 600,700, a loss of more than five thousand from the year before, or 0.9 percent. This was the second consecutive yearly decrease. The severely disabled comprised 57.9 percent of all persons served in Fiscal Year 1981, the highest such percentage in the six years during which this series has been available.

The number of severely disabled persons newly accepted for services in Fiscal Year 1981 was 224,300, a decrease of only 400 from the prior year, or 0.2 percent. New severe cases have been fairly consistent in the six years of available data, ranging narrowly from 224,000 to 226,300 for five of those years. (The intake in Fiscal Year 1977 was 214,800). Of all persons newly accepted for services in Fiscal Year 1981, 60.1 percent were severely disabled. This was the highest percentage yet recorded.

As with the total caseload, an increase in severely disabled individuals not rehabilitated in Fiscal Year 1981 was noted. This number was 95,900, a gain of 4,000 over the year before, or 4.5 percent and the highest figure yet recorded. The increase in non-rehabilitations and the decrease in rehabilitations produced a lowered rehabilitation rate among the severely disabled of 19.2 percent. This was the first time the rate has ever dipped below 60 percent.

On September 30, 1981, there were 366,900 severely disabled persons in receipt of rehabilitation services. This was some 5,000 persons less than on the same date in the previous year, a decline of 1.4 percent. It marked the second consecutive decline in this end-of-year caseload measure. Of all cases in the active statuses on September 30, 1981 58.9 percent were of severely disabled persons, the highest such percentage enumerated in the six years of available data.
Concluding Observations

Caseloads of severely disabled persons have, until recently, been largely shielded from the effects of reductions in the purchasing power of the rehabilitation dollar and various economy measures, because increasing State agency efforts were focussed on this vulnerable group. However, their numbers, too, have declined in the last two years, albeit at modest rates. We believe agencies to target ever higher proportions of their vulnerable resources toward the severely disabled in Fiscal Year 1982, this would likely moderate the expected decline in such cases.

SERVICES TO BLIND AND VISUALLY HANDICAPPED

In accordance with the provisions of the Rehabilitation Act of 1973, as amended, continued emphasis is being placed on the rehabilitation of more severely handicapped individuals. The Rehabilitation Services Administration and the State agencies continue to concentrate on developing new and expanded job opportunities for blind and visually impaired individuals. A greater emphasis is being placed on the utilization of today's technology which will allow the blind and visually handicapped individual to enter new areas of competitive employment. Utilization of recently developed electronic devices is afforded particular importance.

The Rehabilitation Services Administration also works extensively with other government offices in terms of conceptualizing and developing audible or braille printout systems which will provide new employment areas for blind persons.

Section 311
SERVICES TO THE OLDER BLIND POPULATION

The 1978 Amendments to the Rehabilitation Act created Section 311(a)(1), replacing Section 304(b)(1) which provided, in part, for special projects to serve the older blind population. Major changes initiated by the Amendments prohibit the consideration of age and vocational potential of individuals for receiving services under the projects. Under this program, emphasis will be shifted from the older blind population to the multi-handicapped blind population, which may include segments of the older blind population in addressing the multi-handicapped blind.

During FY 1981 seven projects were in operation, six were continuation projects carried over from their first or second year of operation and with one project funded for the first year. Of the six continuation projects three are in their third year of operation and will have their Federal funding terminated at the close of FY 1981.
NATIONAL EVALUATION OF VOCATIONAL REHABILITATION PROGRAMS PROVIDING SERVICES TO BLIND AND VISUALLY HANDICAPPED PEOPLE

JWK International Corporation was contracted to develop and conduct an evaluation of State vocational rehabilitation agencies that provide services to blind and visually impaired persons. Data were collected from all the State agencies relative to services available, agency management, program direction, and systems for delivery of services. Comprehensive services were conducted through on-site visits to nine agencies.

Findings and recommendations resulting from the study were submitted during Fiscal Year 1981. Among the most important and significant findings and recommendations drawn from the study are:

Findings

- Blind clients are served better in specialized caseloads.
- Length of time in the rehabilitation process and cost of services are related.
- Visually handicapped clients are as satisfied with rehabilitation services as other handicapped clients.
- The type of administrative structure of State rehabilitation agencies has only a slight relationship to program outcomes.
- There is no evidence to indicate that any one type of agency is more cost effective than another.

Recommendations

- Blind and visually handicapped rehabilitation clients should be served in specialized caseloads made up of these disability groups.
- The assumption that combined agencies are more cost effective is open to serious question.
- More extensive in-service training should be made available to rehabilitation counselors and to Regional Office staff.
- Communication among the Federal, Regional and State components of the vocational rehabilitation system serving blind and visually impaired clients needs to be strengthened.
Technology Utilization Program in RSA for Handicapped Individuals

In June 1978, a new RSA-wide program was established to demonstrate the application of available technology as a means of assisting handicapped employees to increase their functional capabilities and to generally enhance their employment potential. The program began with the RSA Bureau for Blind and Visually Handicapped and the Deafness and Communicative Disorders Office. The equipment which was purchased is being used by RSA handicapped persons on a daily basis. It is located in the Bureau of Blind and Visually Handicapped and at other locations in the Mary E. Switzer Building and collectively may be called a Media Center.

Rehabilitation practitioners, supervisors from State and Federal agencies and even persons from foreign countries have visited to learn how new and available technology can be utilized to assist handicapped individuals to function more independently and effectively in their jobs.

Disabled persons in RSA have been surveyed to determine their particular needs as well as their desire to participate in this voluntary and experimental program. Modifications to the working environment, along with the installation of special furniture designed to meet the needs of the particular disability of the RSA staff members were accomplished. The innovative program was inspired by Central Office staff and has been implemented successfully. Strong evaluation and continuing research components will be maintained during the current fiscal year.

The program serves to emphasize RSA's commitment to reasonable accommodation as well as the willingness to provide the equipment which will improve the independence, effectiveness and quality of life of its handicapped employees.
The Development and Expansion of Employment Opportunities for Blind and Visually Impaired Individuals

During the past year, strong efforts have continued by staff of the Division for Blind and Visually Impaired to develop and expand job opportunities for this population in traditional areas and in new innovative occupations. However, the most important factor in the overall placement process remains the need for the client to develop specific salable job skills to his or her optimum level. The Tax Service Representative Training Program designed to prepare persons to work with the Internal Revenue Service was initiated by a Rehabilitation Services Administration grant to Arkansas Enterprises for the Blind. During the past 12 to 13 years about 230 blind and visually impaired individuals have been employed as TSRs in the various IRS offices throughout the country. Arkansas Enterprises for the Blind has remained the training facility. A four-week evaluation is required before the person can enroll in the training course. After successful completion of the program the individual usually enters employment at the GS-4 level which has a beginning salary of $10,963. The career ladder goes to GS-7 which presently starts at $15,193. The more advanced position, which some persons have moved on to, is the Tax Service Specialist which is at the GS-9 level. The beginning salary here is $18,585. This position requires expertise in a particular aspect of tax law such as corporate law. For further advancement the person would have to move into some other mid-management position-- GS-9/10.

Currently in the United States there are approximately 2,000 individuals who are within the accepted definition of legal blindness and work as computer programmers. About 1,000 of these persons have no vision to assist in the performance of job duties, while the remaining 1,000 do have at least some sight to help with the carrying out of work activities.

Early in 1981 an agreement was finalized between the Division for Blind and Visually Impaired of the Rehabilitation Services Administration and the Central Office of the Department of the Army that its appropriate staff members would review and then circulate to its many installations throughout the country the applications of qualified blind individuals seeking employment as computer programmers. The candidates are required to have successfully completed a recognized computer course and they should be clients of vocational rehabilitation agencies. Because the actual hiring authority is vested in the staff of an installation, Central Office persons are unable to assure the degree of special consideration which will be given to the applicant. However, they will clearly strongly promote the hiring of qualified blind individuals in this work capacity and whenever possible they will give any other type of support. Because there are many Army activities throughout the country which employ computer programmers, it appears that the agreement, in time, will result in the securing of a considerable number of satisfactory positions.
In 1971 the Wisconsin Board of Vocational, Technical and Adult Education established a program for visually impaired persons. It appears to be the first prevocational adjustment program for members of this handicapped population conducted in a post-secondary educational facility on a fully integrated basis. To date the Wisconsin program has not received any referrals from out of state and therefore cannot in any way be considered as a training project of national scope. It is included in this paper, however, because its unique features and sound accomplishments make it a good model for appropriate persons in other states who might-wish to establish like programs.

The Wisconsin program for visually impaired persons has grown rapidly over the past 10 years. Its prevocational adjustment training aspect has four major areas of concentration: home and personal management, communication skills, orientation and mobility, and career exploration and planning. The usual age range of trainees is from 16 to 65.

The project does have a strong vocational component. Visually impaired persons are channeled into a wide variety of existing courses in the postsecondary educational system—ones which are appropriate to individual interests and abilities. Vocational training is readily available in major occupational areas where there is a demand for qualified people: for example, computer programming, word processing, clerk-typist, machine tooling, hotel and restaurant cookery, etc.

The training which is provided to visually impaired individuals through the Wisconsin Board of Vocational, Technical and Adult Education program has considerably increased the number of job placements of the State rehabilitation agency.

These are some of the projects which clearly demonstrate the overall sustained genuine effort which is made to develop and expand suitable employment opportunities for blind and visually impaired individuals.

Section 313
HELEN KELLER NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

The Helen Keller National Center for Deaf-Blind Youths and Adults operates under the authorization in Section 313 of the Rehabilitation Act of 1973, as amended. Congress provided for the establishment of the Center to: (1) Demonstrate methods of providing specialized services needed to rehabilitate individuals who are both deaf and blind; (2) Train professional and other personnel to work with deaf-blind people; (3) Conduct relevant research, and; (4) Carry out programs to expand and improve services, including public education programs on the needs of deaf-blind persons.

During the last fiscal year, 40 trainees entered the Helen Keller National Center for Deaf-Blind Youths and Adults; 46 were terminated, 87 served at Headquarters and approximately 950 were served by regional representatives and the main facility at Sands Point.
New York. As a result of the training received at the National Center, trainees were placed in professional employment, sheltered workshops, returned to school and a few are currently awaiting employment.

The Center's research program continues to concentrate on the development and testing of aids and appliances which will enable deaf-blind persons to lead improved social and economic lives. The program is also intensely involved in initiating new research and demonstration efforts necessary to extend and expand services to people who are deaf-blind.

The research program at the National Center is also engaged in the development of the Wrist-Com, a miniaturized waterproof and shock resistant wireless device, small enough to be worn on the wrist, that received vibratory signals from a special transmitter. The Wrist-Com is presently used at the Center to page deaf-blind individuals and to warn them of fire or other emergencies. A residential model, not as fully miniaturized, is being designed for use of deaf-blind individuals at home to alert them to the ringing of a doorbell, the ringing of the telephone and the presence of smoke or other potential hazards.

THE RANDOLPH-SHEPPARD VENDING FACILITY PROGRAM

The purpose of the Randolph-Sheppard Act as amended by Title II of P.L. 93-516 is to provide a priority to qualified blind persons, licensed by the State agency which administers vocational rehabilitation to blind individuals, to operate vending facilities on Federal and other property. The Randolph-Sheppard program offers one of the major opportunities for managerial positions for people who are blind. More than 400 blind people enter this program each year, and their average annual earnings are constantly rising.

From 1936, when the Randolph-Sheppard Act became law, to 1954, when the Act was first amended, the numbers of vending facilities increased from fewer than 100 to 1599. The 1954 amendments, among other things, changed the term "Federal Building" to "Federal Properties", thereby expanding vending facilities opportunities, and permitted the setting aside of funds from the operation of facilities for the purchase, maintenance, and replacement of equipment, management services, and a fair minimum return to operators.

In 1974 the Randolph-Sheppard Act was again amended to: give priority (rather than preference) to blind vendors on Federal property; require that after January 1, 1975 all buildings, owned, leased, occupied or renovated include satisfactory sites for a blind vending facility; and require the assignment to the vendor of 100 percent of vending machine income from machines in direct competition to the vendor. The Amendment also provides for uniform and effective training to blind individuals and upward mobility training and follow-along services.
FY 1981 data show that while 28.1 percent of the total number of vending facilities are located on Federal property, the remaining locations are on State, municipal and private property.

Because of the problems of inflation and the necessary tightening of budgets the States continue to place a major emphasis on refurbishment to existing facilities. This allows better equipped and more attractive facilities which, through improved operating techniques, expands number of articles for sale resulting in higher earnings for the vendors.

The growth of the Randolph-Sheppard program over the past two years is reflected in Table 4:

Table 4 Randolph-Sheppard Vending Facility Program

<table>
<thead>
<tr>
<th></th>
<th>FY 1979</th>
<th>FY 1980</th>
<th>Percent Increase (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Gross Income</td>
<td>223,348,583</td>
<td>243,822,781</td>
<td>9.2</td>
</tr>
<tr>
<td>Total Number of Vendors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Location</td>
<td>1,076</td>
<td>1,082</td>
<td>.6</td>
</tr>
<tr>
<td>Non-Federal Location</td>
<td>2,859</td>
<td>2,860</td>
<td>-</td>
</tr>
<tr>
<td>Total Earnings of Vendors</td>
<td>45,368,635</td>
<td>48,108,679</td>
<td>6.0</td>
</tr>
<tr>
<td>Average Earnings of Vendors</td>
<td>13,367</td>
<td>13,927</td>
<td>4.2</td>
</tr>
<tr>
<td>Total of Vending Facilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Locations</td>
<td>3,472</td>
<td>3,453</td>
<td>(.5)</td>
</tr>
<tr>
<td>Non-Federal Locations</td>
<td>2,528</td>
<td>2,480</td>
<td>(1.9)</td>
</tr>
</tbody>
</table>

SSDI AND SSI VOCATIONAL REHABILITATION PROGRAMS

Federal Funds - SSDI/VR - $87,050,000
SSI/VR - $37,000,000

Section 222 of the Social Security Act provided for the payment from the trust funds of costs of vocational rehabilitation services furnished to disability beneficiaries. Similarly, Section 1615 of the Act makes provision for vocational rehabilitation services to blind and disabled persons who receive Supplemental Security Income payments. Within the limits authorized, special funds are available to the States to provide for beneficiaries under State vocational rehabilitation programs. The purpose of the provision was to make vocational rehabilitation services more readily available to disabled
individuals to the end that savings will result to the Special Funds as a result of rehabilitating the maximum number of such individuals in productive activity.

The State/Federal vocational rehabilitation program was selected to administer the Special SSDI/SSI-VR Programs because of its long history of helping disabled people achieve employment goals and demonstrating the unique ability to meet the needs of the severely handicapped. During their deliberations on the 1965 Amendments, the Congress decided that the services under the Federal/State VR provisions were not reaching enough beneficiaries; only 3,000 were rehabilitated annually. Because many States fell short of matching VR funds, limitations on facilities and services constituted substantial obstacles to the rehabilitation of a greater number of social security beneficiaries. Under these conditions, the States were not able to provide services for all handicapped people who could benefit from them. Consequently, 100 percent Federal funds were provided to promote the rehabilitation of a greater number of beneficiaries.

Service Framework

Beneficiaries of both the SSDI and SSI program must have been selected for services in accordance with special selection criteria (SSC) established by the Secretary of Health and Human Services. The Secretary established four SSC which limited services to those: (1) with impairments which are not so rapidly progressive to restrict earnings to a level not substantial enough to terminate benefits; (2) where medical improvement would not lead to benefit termination without rehabilitation services; (3) where the vocational goal would be substantial enough to terminate benefits; and, (4) where the savings to the special funds would offset the cost of rehabilitation services.

To receive special funds for vocational rehabilitation, each State agency was required to submit an amendment to its State plan of vocational rehabilitation services to beneficiaries under the Rehabilitation Act of 1973, as amended, and meets the conditions prescribed in the Social Security Act, as amended.

Essentially, all applicants for SSDI and SSI benefits were considered for vocational rehabilitation services. Applicants who did not meet the special selection criteria mentioned earlier, but meet the eligibility requirements for VR services established in the Rehabilitation Act could receive such services from regular VR program funds (Section 110). In combination with the emphasis placed on servicing selected beneficiaries or recipients with special funds (100%), this system had the effect of giving attention to all social security or supplemental security applicants for disability benefits.

Program Management

In order to assure the accomplishment of the SSDI/SSI VR program objectives, the Rehabilitation Services Administration worked in close cooperation with the Social Security Administration to administer all aspects of these programs. Actions recently completed or in progress
had the objective of increasing the number of terminations from the SSDI and SSI rolls and limiting services with the special funds to those cases truly eligible. The RSA/SSA joint activities included determining the need for and recommending legislative changes, developing regulations, operating policies and procedures, developing fiscal and reporting procedures, providing program evaluation, review and monitoring, providing direction, leadership and guidance to the RSA and SSA Regional Offices and to State agencies on the operation of the programs and provides liaison with and consultative activities to the States' Council Committee on Social Security Relationships and other organizations which impacted on these programs.

Program Administrative Reviews

Program Administrative Reviews (PAR's) of the SSDI/SSI-VR Programs were started for all agencies in FY 1980, and completed by FY'81. The purpose of the PARs was to identify problems and issues and to make recommendations for corrective actions to the State Agencies. Computerized analysis of the data from the PARs was a valuable management tool for the State Director of Vocational Rehabilitation. Eighty-two reviews were conducted (53 in general agencies and 29 in agencies for the blind). Five thousand eighty one (5,081) cases were reviewed.

Legislation

The Omnibus Rehabilitation Budget Act of 1981 (P.L. 97-35) contained provisions which impact on the rehabilitation of SSDI and SSI beneficiaries. Effective October 1, 1981, the provisions eliminate reimbursement from Trust Funds to VR agencies for rehabilitation services except in cases where the services have resulted in the beneficiary performing substantial gainful activity for a continuous period of nine months.

DEAFNESS AND COMMUNICATIVE DISORDERS

Overview

Individuals with communicative disorders accounted for an estimated 20,300 of the 255,881 rehabilitations in Fiscal Year 1981. Hard of hearing rehabilitants numbered 10,800, deaf 7,700, and speech and language impaired 1,800. In 1981, revised RSA-300 Disability Codes for Hearing Impairments became operative at the State vocational rehabilitation agencies. The revised codes, which distinguish clearly between the deaf and the hard of hearing, aid rehabilitation counselors in planning appropriate services for individual deaf and hard of hearing clients. Program development for the two distinct populations which is dependent on accurate, up-to-date data on numbers of needy individuals in each group and geographical density is expected to benefit materially from the codes.

Training of interpreters is continuing as authorized in the Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments of 1978. Nine interpreter training programs funded by RSA are helping to ease a national shortage of skilled interpreters needed in
ever increasing numbers by State rehabilitation agencies and rehabilitation facilities serving deaf people. The growing availability of interpreters specializing in services to deaf-blind people and to deaf persons with minimal language skills is making it possible for vocational rehabilitation to reach and serve more of these severely handicapped individuals.

Deaf and severely hearing impaired rehabilitation clients may now, like normally hearing clients, maintain telephone contact with their rehabilitation counselors. This has become possible as more and more of the State agencies have installed telecommunications devices for the deaf at their district offices. RSA central and regional offices are also equipped with the devices. A network of RSA Regional Office specialists in communicative disorders, State agency coordinators of rehabilitation services to hearing impaired clients and RSA Central Office staff circulates current information pertinent to rehabilitation personnel and others involved in the rehabilitation of hearing impaired people. Periodic regional meetings of State coordinators to the deaf and the regional specialist in communicative disorders provide needed opportunity for information sharing and for addressing needs and problems of deaf and hearing impaired people in the region.

Special Projects for Severely Handicapped Deaf Individuals

Approximately 200 severely handicapped deaf individuals were served at two special projects in 1981. Funded under the Section 311, Special Projects and Demonstrations authorization in the Rehabilitation Act of 1973 as amended, the projects are meeting the services needs of individuals who are unable to benefit from established programs for hearing impaired people. A total of thirteen special projects for severely handicapped deaf individuals have been funded since the inception of the Special Projects program in 1974 with over one thousand severely handicapped deaf individuals rehabilitated. The Southwest Center for Hearing Impaired in San Antonio, Texas is continuing and expanding its services program established under a Section 311 grant. A regional program, the center accepts clients from other States which may not have the necessary facilities to serve severely handicapped deaf people. A former Section 311 project at the Seattle Hearing and Speech Center is continuing its work with severely handicapped deaf persons under a Project With Industry grant. In 1981, an ongoing special project for rural deaf people in Arizona was the site of a national conference for State coordinators working with deaf people. Guidelines on rehabilitation services provision to rural deaf people developed at the conference will help the States in their work with isolated rural deaf individuals.

Council of State Administrators of Vocational Rehabilitation

The CSAVR Committee on Deafness has the important function of reviewing and advising on vocational rehabilitation services to deaf people. Working closely with RSA Central Office personnel, the committee monitors policies and procedures affecting services to deaf rehabilitation clients. The committee assumed a principal role in the
development and evaluation of the Model State Plan for Vocational Rehabilitation of Deaf Clients in 1974-78. Committee involvement in the revision of the RSA-300 Disability Codes for Hearing Impairments was extensive, better assuring the full and proper use of the codes by the State agencies. The recent development of a policy statement concerning the provision of interpreter service to deaf rehabilitation clients further exemplifies the important functions of the committee. The role of vocational rehabilitation in the higher education of deaf people is a continuing committee agenda item.

Interagency Activity in Deafness and Hearing Impairment Research

RSA is one of approximately twenty Federal agencies cooperating with the National Institute of Handicapped Research in implementing Section 203(b) of the Rehabilitation Act of 1973 as amended. The Act states:

"The Committee shall identify, assess, and seek to coordinate all Federal programs, activities, and projects, and plans for such programs, activities, and projects with respect to the conduct of research related to rehabilitation of handicapped individuals."

Deafness and hearing impairment research involves significant components ranging from studies of the nature of hearing and diseases and disorders affecting the auditory system to studies of the aids, devices, and rehabilitation measures which assist deaf and hearing impaired individuals to function effectively in activities of daily living.

It is expected that interagency activity in deafness and hearing impairment research will lead to more cooperative efforts and to important gains in research knowledge and useful outcome.

Training Interpreters for the Deaf

A special new program for the training of interpreters for the deaf began in 1980 and is currently being operated by the Office of Information and Resources for the Handicapped (OIRH). (See the sections on Rehabilitation Training and OIRH.)
PROGRAM DEVELOPMENT ACTIVITIES
The Office of Program Development within RSA encompasses programs of training, special projects for severely disabled persons, independent living and program and project evaluation. The focus is on strengthening and improving the service delivery system under the Rehabilitation Act of 1973, as amended. The Office combines what has previously been diverse elements into an integrated system for impacting on rehabilitation and habilitation programs.

**Funding of Program Development Activities**

The total appropriation for Program Development Activities in FY 1981 was $66,465,000. The decrease in appropriations from $79,885,000 in FY 1980 to $66,465,000 in FY 1981 required cutting back most areas of program development with the exception of Special Projects, Special Recreation, American Indians, and Independent Living.

**Table 1 Comparison of Funding Levels for Program Development Activities**

<table>
<thead>
<tr>
<th></th>
<th>1980</th>
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<tr>
<td>Special Projects for Severely Disabled</td>
<td>$9,580,000</td>
<td>$9,765,000</td>
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<tr>
<td>Migratory Farm Workers</td>
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<td>$1,325,000</td>
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<td>Projects with Industry</td>
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<td>Special Recreation</td>
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<td>Client Assistant Projects</td>
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<td>Innovation - Expansion</td>
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<td>American Indian</td>
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<td>Comprehensive Rehab. Centers</td>
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<td></td>
<td><strong>$79,885,000</strong></td>
<td><strong>$66,465,000</strong></td>
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Section 311
SPECIAL PROJECTS FOR SEVERELY DISABLED INDIVIDUALS

Federal Funds - $9,765,000

Legislative Authority

Section 311(a)(1) of the Rehabilitation Act of 1973, as amended, authorizes grants to support projects devoted to the expansion and improvement of rehabilitation services for severely disabled individuals, including those handicapped by blindness, deafness and spinal cord injuries. During the first three years that this grant program was in operation, from FY 1974 through FY 1976, all projects served these three disability groups. In subsequent years, the scope of the program has been expanded to include additional categories of severely disabled individuals.

Progress to Date

In FY 1981, eight new projects were initiated in the following categories of severe disability, the number of projects being indicated parenthetically: cerebral palsy - multiple sclerosis (1), deaf/blind (1), learning disability (1), mental illness (2), mental retardation (2), and rheumatoid arthritis (1). In addition, three new spinal cord injury system projects were funded under the Special Projects for Severely Disabled Individuals authority.

At the close of FY 1981, Special Projects for Severely Disabled Individuals were active in the following disability areas, the number of projects being indicated parenthetically: blindness (3), cerebral palsy (1), cerebral palsy-multiple sclerosis (1), deafness (2), deaf/blind (1), epilepsy (1), general (13), learning disability (1), mental illness (7), mental retardation (4), multiple sclerosis (2), rheumatoid arthritis (2), and spinal cord injury (17).

Section 312
HANDICAPPED MIGRATORY AGRICULTURAL AND SEASONAL FARMWORKERS

Federal Funds - $1,325,000

Legislative Authority

Authorized by Section 312 of the Rehabilitation Act of 1973, as amended, the discretionary grant program has the basic purpose of expanding vocational rehabilitation services for handicapped migratory agricultural and seasonal farmworkers and members of their families who are with them (whether or not disabled) when such services contribute to the rehabilitation of the agricultural worker. Project activities are coordinated with other Federal resources for the target population, including those administered by the Department of Labor, Public Health Service and certain other programs of the Department of Education. The only applicants eligible for grants of this kind are State rehabilitation agencies.
Goals, Objectives, Purposes

The goal of these special projects or demonstrations is to provide vocational rehabilitation services to migratory workers which will enable them to acquire new work skills and thereby become qualified to obtain employment in other areas, or "settle out": (obtain permanent employment) and leave the migrant stream; or to provide treatment necessary for the client to continue as a migratory or seasonal farmworker.

Program objectives include the following: cooperation with local programs of the Department of Labor, Public Health Service, certain other programs of the Department of Education and other appropriate public or nonprofit agencies and organizations having special skills and experience with migratory workers; development of or expansion of effective vocational rehabilitation services for handicapped migratory agricultural and seasonal farmworkers; and encouraging State vocational rehabilitation agencies to absorb expanded services to migratory workers into ongoing programs of basic support services when projects are terminated.

Location of Projects

At the close of FY 1981 there were 13 active projects in this program located in the following States: California, Colorado, Florida, Idaho, Illinois, New York, Texas, (2 projects) Utah, Virginia, Washington, and Wisconsin. The majority of persons served in these projects were of Hispanic background, with the exception of Florida which served a majority of Black seasonal farmworkers. In FY 1981, nearly three hundred migratory and seasonal farmworkers were rehabilitated.

Progress to Date

These projects represent the "cutting edge" in expanding VR services to migratory and seasonal farmworkers. Due to the unique characteristics of this target population (high mobility, remote rural employment, illiteracy) the provision of VR services to them has at times been very difficult. In order to assist in the expansion of services to this group, a conference was held in Salt Lake City, Utah in 1981. The meeting was attended by Project Directors and their staffs, Federal and State officials, migratory workers and representatives of these organizations. A forum was provided where information could be exchanged, problems and how to cope with them could be discussed and new techniques could be considered. Such discussions enabled the projects to learn about and assess new methods which would facilitate serving their clients. In May of 1981 a computer data system was inaugurated which provides immediate data regarding eligibility and past services wherever the migrant applies in the stream.
Overall Assessment of the Activity

Projects have been meeting the needs of migratory workers by making available expanded rehabilitation services to this target population. The national conferences conducted over the years have provided helpful information and future plans include excerpting highlights of the proceedings into a publication containing information on migratory and seasonal farmworkers that will be a valuable resource to State rehabilitation agencies.

Section 621
PROJECTS WITH INDUSTRY

Federal Funds - $5,250,000

Legislative Authority

This successful, private sector effort on behalf of handicapped people is authorized under Section 621 of the Rehabilitation Act, as amended. Projects with Industry (PWI) is predicated upon the premise that business and industry accept a senior responsibility for leadership and management of the project. Because of this, the program is infused with a true market place philosophy in which business principles and practices govern the methodology of operations. Consequently, productivity, cost-effectiveness, marketing, management by objectives and other appropriate techniques are used to maximize results in the business arena.

PWI is a major private business initiative involving corporations, labor organizations, trade associations, foundations and voluntary agencies which operate through a partnership arrangement with the rehabilitation community to create as well as expand job opportunities for handicapped people in the open competitive labor market. As part of this program, training is provided for jobs in a realistic work setting, generally within a commercial or industrial establishment, coupled with supportive services to enhance pre- and post-employment success of handicapped people in the marketplace.

The Advisory Council, which is required for each project, provides the mechanism for members of the private sector to participate in policy-making decisions. This active involvement affords business and industry the opportunity to provide significant input into the design and character of training programs needed to fill essential jobs in the marketplace. Training, therefore, is geared to existing job needs. Consequently, more than 75% of trainees succeed in being placed in permanent jobs in business.

Progress to Date

In FY 1981, 10,000 disabled individuals, most of whom were severely disabled received services under this program. Three-fourths of these individuals, or about 7,500 were placed in jobs in the competitive
labor market earning approximately $50 million over a 12 month employment cycle. Over 50 projects affiliated with more than 2,500 private corporations were funded.

The quality of jobs obtained through this partnership is generally of a high level, ranging from service type positions to those that are highly technical and managerial. IBM and Control Data are training severely disabled people for jobs in data processing and computer technology. Arkansas Enterprises for the Blind is training blind people for jobs as information specialists in large corporations as well as the U.S. Civil Service Commission. The Electronic Industry Foundation is arranging for the training and placement of handicapped individuals in the electronics industry. The Human Resources Institute of APL/CIO and the International Association of Machinist and Aerospace Workers of APL/CIO are training numbers of handicapped people for jobs in union-related firms. The National Restaurant Association prepares handicapped people for all types of jobs in restaurants throughout the nation.

Section 311
SPECIAL RECREATION PROGRAMS

Federal Funds - $1,000,000

Legislative Authority

Section 311(a)(3) of the Rehabilitation Act of 1973, as amended, provides a program of Special Projects and Demonstrations for Making Recreation Activities Accessible to Handicapped Individuals. Eight one-year projects were funded in September 1981 in the total amount of $1,000,000. No funds are available for this program in FY 1982.

Progress to Date

Projects activities funded under this program emphasize the site development and construction of recreational facilities accessible to handicapped persons. The facilities assisted with grant support will provide a variety of activities to benefit about 29,250 persons. These activities include: (1) indoor and outdoor winter and summer recreation programs, (2) activities representing swimming, boating, fishing, tennis, basketball, recreation parks, exercise tracks, skiing, and a conditioning program for the severely disabled. Applications represented wide geographic distribution from across the United States.

The following eight programs were funded: Winter Park Sports and Learning Center, Winter Park, Colorado; Vinland National Center, Loretto, Minnesota; Wilkes-Barre Township, Wilkes-Barre, Pennsylvania; Casa Colina Hospital for Rehabilitation Medicine, Pomona, California; United Cerebral Palsy of New York City, New York, New York; Virginia Department of Rehabilitation Services, Woodrow Wilson Rehabilitation
Section 316

SPECIAL RECREATION PROGRAMS

Federal Funds - $2,000,000

Legislative Authority

Section 316 of the Rehabilitation Act of 1973, as amended, provides a program of projects for Initiating Special Recreation Programs for Handicapped Individuals. Twenty-five one year projects were funded in September 1981 in the total amount of $2,000,000. In FY 1982, approximately $1,884,000 is available for new projects.

Description of Location of Projects

The primary purpose of projects funded under this program is to establish programs of recreational activities for handicapped persons in a community with special emphasis on expanding service for handicapped clients of State Vocational Rehabilitation agencies. The recreational activities carried out within these projects are diverse in scope and are intended to contribute to the handicapped person's vocational rehabilitation and his efforts to achieve a suitable vocational goal. Funded projects cover leisure indoor and outdoor sports, crafts, arts, hobby activities and therapeutic and physical development activities. Project activities reflect programs integrating handicapped and non-handicapped persons within the same recreational program as well as special programs designed solely for handicapped persons. Approximately 18,330 persons are expected to benefit from the projects funded in 1981.

(1) Palm Beach City, Lake Worth, Florida; (2) Vinland National Center, Loretto, Minnesota; (3) Crippled Childrens Center, Inc, Peoria, Illinois; (4) San Diego University, San Diego, California; (5) Recreation Center for the Handicapped, San Francisco, California; (6) Toledo Society for the Handicapped, Toledo, Ohio; (7) University of New Hampshire, Durham, New Hampshire; (8) Jewish Employment and Vocational Services, St. Louis, Missouri; (9) University of Man, Inc., Manhattan, Kansas; (10) Association for the Advancement of the Mentally Handicapped, Somerville, New Jersey; (11) Harmarville Rehabilitation Center, Pittsburgh, Pennsylvania; (12) Eastern Carolina Vocational Center, Greenville, North Carolina; (13) Southern Illinois University, Carbondale, Illinois; (14) Rehabilitation Hospital of the Pacific, Honolulu, Hawaii; (15) The Navajo Tribe, Window Rock, Arizona; (16) Granite State Independent Living Foundation, Goffstown, New Hampshire; (17) Hillcrest Medical Center, Tulsa, Oklahoma; (18) City of Indianapolis, Indiana; (19) Easter Seal Rehabilitation Center, Joliet, Illinois; (20) University of Iowa, Iowa City, Iowa; (21) Lehigh Valley Association for Retarded Citizens, Bethlehem, Pennsylvania.
Pennsylvania; (22) University of North Carolina at Charlotte, Charlotte, North Carolina; (23) City of Buffalo, Buffalo, New York; (24) Montgomery County Association for Retarded Citizens, Amsterdam, New York; and (25) Rutland Mental Health Services, Rutland, Vermont.

Section 112
CLIENT ASSISTANCE PROJECTS
Federal Funds - $2,800,000

Legislative Authority

Client Assistance projects are authorized in Section 112 of the Rehabilitation Act of 1973, as amended. Thirty-six projects which were dispersed throughout the country were funded in FY 1981.

Goals, Objectives, Purposes

These projects have the common goal of improving the Federal/State Vocational Rehabilitation Program by providing ombudsmen as advocates to work directly with handicapped clients, or applicants, of the State agencies.

Projects may assist clients to pursue a grievance to the level of the State VR Administrator. Advocacy rather than adversary relations are encouraged to bring about constructive changes in the service delivery system. Problems such as delays in service, interruption of services, unsatisfying job placement and interpersonal disagreements have been identified and improved.

These grants may only go to State vocational rehabilitation agencies, including those especially designated for serving the visually impaired. The primary purpose is to identify individual complaints or problems and seek a resolution. This process often leads to adjustment of a general administrative policy which can benefit others.

Planning Activities Designed to Accomplish Objectives

Projects have been funded in geographically dispersed regions throughout the United States and innovative methods for serving clients have been encouraged. The availability of an ombudsman is announced in the project area and interagency cooperation is promoted. Federal Regional Office staff monitor progress and provide technical assistance where needed. Communication between projects is encouraged and some initial management training is provided to staff.
Description of the Activity, Including Statistical and Financial Information

Problems or complaints coming from clients in the project area are referred to an ombudsman for investigation. Individualized solutions are pursued and program information is disseminated and interpreted, where necessary. At times, the clarification of information or procedures is sufficient to solve a complaint. At other times, formal grievances are prepared with the advocate's help which may even include legal counseling and representation.

Outreach to underserved populations is attempted to ascertain if rehabilitation services are desired or if previous service outcomes were satisfactory. Professional negotiating between the ombudsman and agency officials often resolves issues and produces desirable policy changes. Project funds are used essentially to support counseling services and outreach. All rehabilitation services which may be indicated are secured through the regular VR agency channels. Approximately 7,200 persons received services from the projects during the past year.

Progress to Date

No applications for the support of new projects could be accepted in 1981 and 6 projects were completed, leaving 36 active projects throughout the country. Several projects have increased their coverage and outreach to become statewide in scope and some States have continued project activities without special Federal funding. It is anticipated that virtually all States will eventually institutionalize some type of ombudsman program into their basic service delivery system.

Overall Assessment of the Activity

Each project provides for an internal evaluation, usually taking the form of satisfaction surveys of clients and counselors. Annual reports from projects indicate this approach to individual problem solving is expeditious and has a positive effect on future client welfare.

REHABILITATION FACILITIES

Rehabilitation facilities are an indispensable resource in modern rehabilitation. Facilities provide the means for evaluating, treating, and training the severely disabled who otherwise could not be effectively rehabilitated.

There are many types of rehabilitation facilities, including comprehensive rehabilitation centers, speech and hearing centers, optical aids clinics, rehabilitation centers for the blind, evaluation and treatment centers for the epileptic, half-way houses for the mentally ill and mentally retarded, and sheltered workshops. Among other things, workshops provide employment as an interim step in the rehabilitation process for those disabled people who cannot be readily
absorbed in the competitive labor market or during such time as employment opportunities for them in the competitive labor market do not exist.

Some facilities are large, others are small. Some are operated by State and local governments, but most are operated by voluntary agencies. All disability groups, or only selected groups, may be served in a single facility. Regardless of the size of the facility, it plays an important role in rehabilitation. Without adequate facilities, the community is severely limited in its ability to meet the needs of its disabled citizens.

In FY 1979, the most recent year for which data are available, State vocational rehabilitation agencies spent $169,000,000 or 33.9% of their funds for services to individuals in rehabilitation facilities for diagnostic, evaluation, adjustment, treatment, training and other related rehabilitation services. The utilization of rehabilitation facilities is continually increasing. In 1978, the figures were $167,579,000 or 33.5%, in 1977, $156,651,000 or 32.4%; in 1976, $144,000,000 or 31%; and in 1975, $137,000,000 or 29.4% of expenditures for services to individuals.

In 1979, 185,000 clients received services in rehabilitation facilities or 20% of all clients served.

A comparison of utilization rates since 1967 illustrates sharp increases in the involvement of facilities in the State-Federal program of vocational rehabilitation. In 1967, only 65,000 clients of State agencies received facility services. This was 11% of all State clients receiving services in that year. Case service funds expended in rehabilitation facilities totalled $42 million. Over this 11 year period there has been a 299% increase in expenditures and a 213% increase in the numbers of clients served in facilities.

Construction

Section 301(b) of the Rehabilitation Act provides for grants to States to assist in meeting the cost of construction of public or nonprofit rehabilitation facilities. In 1981, no funds were appropriated under this Section of the Act.

National Industries for the Severely Handicapped

National Industries for the Severely Handicapped (NISH), established in June 1974, with the assistance of a facility improvement grant from RSA, is the counterpart organization to National Industries for the Blind. Its purpose is to expand employment opportunities for non-blind severely handicapped individuals by increasing the capabilities of sheltered workshops to become eligible for priority consideration in receiving government contracts for products and services under provisions of the Javits-Wagner-O'Day Act.

NISH has two principal functions: (a) providing technical assistance directly to sheltered workshops to evaluate capability, determining
feasibility of production of selected commodities or services, estimating requirements in terms of equipment, space, materials, manpower, and financing, and assisting in establishing production systems and (b) initiating research and development of commodities and services which are feasible for production in sheltered workshops employing the non-blind severely handicapped.

On November 30, 1981 NISH reported that 173 sheltered workshops were certified to participate in this program. During the past year the total value of commodities and services on the Federal procurement list that the government must purchase from the severely handicapped persons under the Javits-Wagner-O'Day increased by $14,000,000 and now totals over $45,000,000 a year. Three hundred more jobs were created bringing the total job stations to about 3,000.

Technical Assistance

Technical assistance, as authorized in Section 12 of the Act, is furnished directly, or by contract with State vocational rehabilitation agencies, or with experts or consultants to: (a) public and nonprofit rehabilitation facilities in matters of professional or business practice within the facility; and (b) public and nonprofit agencies, institutions, organizations, or facilities for the purpose of planning or effecting the removal of architectural and transportation barriers. Federal funds pay the entire cost.

In the past several years, $250,000 each year has been available for technical assistance resulting in about 300 consultations per year. Expert consultants provided assistance in such areas as cost accounting, contract procurement, safety, plant layout, work evaluation, time-study, fund raising and many other types of engineering and program services. The purpose of these consultations, was, in many instances, to upgrade the capacity of workshops to enable them to produce commodities and services for the Federal government under the Javits-Wagner-O'Day Act.

Evaluation of Facilities through Data Reporting to RSA

During 1980, a project entitled "Development of a Model Federal/State Facilities Reporting System for Medical and Vocational Facilities" was funded partially through a Facility Improvement grant. The project is concerned with the problem of adequate information to manage the expenditure of funds to facilities that receive payments for services from State VR agencies. During 1981 field testing took place in 120 rehabilitation facilities in six states. The major products and materials that will be made available for national dissemination and implementation include:

-- A management information system which enables rehabilitation organizations to assess on a program basis who they are serving, benefits obtained, and program efficiency;
-- An inventory which profiles and describes significant dimensions of rehabilitation facilities;

-- Accounting materials which will provide facilities with methods to better manage financial resources. These will incorporate the desirable features of the tested and operational cost allocation system developed by Region IV in order to provide comprehensiveness for the Facilities Management/Information System; and

-- Alternative approaches which describe ways in which contracts or working agreements can be established with rehabilitation facilities.

A final report was submitted in FY 1981.

HANDICAPPED AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

Federal Funds – $650,000

Legislative Authority

The 1978 Amendments to the Rehabilitation Act of 1973 authorized a new discretionary grant program designed to assist Indian tribes to develop the capacity to provide vocational rehabilitation services to disabled American Indians residing on Federal and State reservations. Project support also assists in the development of tribal vocational rehabilitation service systems which meet the rehabilitation needs of disabled American Indians in a culturally relevant manner.

Funds were appropriated by the Congress under this program for the first time in 1981 and were earmarked by the Congress solely for the implementation of a vocational rehabilitation service program administered by the Navajo Tribe in Window Rock, Arizona.

Progress to Date

The Navajo Vocational Rehabilitation program was awarded $650,000 in 1981 to carry out a bilingual rehabilitation service program aimed at returning the most severely handicapped Navajos to the world of work and independence. Approximately 600 severely handicapped Navajos are expected to be provided service during the first year of operation of the special project which builds on extensive earlier experience that the Navajo Nation has gained in vocational rehabilitation service delivery under previous special Federal grants. The project involves both the direct delivery of services by trained Navajo staff personnel and the utilization of services available within cooperating Navajo based rehabilitation facilities and diagnostic/evaluation services.
Legislative Authority

Under Section 304(a) of the Act, grants may be made to, and contracts may be made with, States and public or non-profit agencies and organizations, including institutions of higher education, to pay part of the costs of projects for training, traineeships and related activities.

Rehabilitation training grants are authorized by the Rehabilitation Act of 1973, as amended, to ensure that skilled workers are available to provide the broad scope of vocational rehabilitation services needed by severely handicapped individuals served by vocational rehabilitation agencies and rehabilitation facilities.

Areas of Training

Grants awarded under the rehabilitation training program include:

1. Long-term training in the broad range of established rehabilitation professional fields identified in the Rehabilitation Act, including rehabilitation medicine, rehabilitation nursing, rehabilitation counseling rehabilitation social work, rehabilitation psychiatry, rehabilitation psychology, physical therapy, occupational therapy, speech pathology and audiology, rehabilitation facility administration, prosthetics and orthotics, therapeutic recreation, vocational evaluation and work adjustment, rehabilitation job placement and job development, specialized training in providing services to the blind, the deaf and the mentally ill and training in other fields contributing to the rehabilitation of severely handicapped individuals;

2. Special training projects of an experimental or innovative nature which are designed either to train new types of rehabilitation manpower or to demonstrate innovative training techniques;

3. Short-term training workshops, seminars, institutes or other short courses in areas of special priority to the State/Federal vocational rehabilitation services program;

4. Continuing education programs to upgrade the skills of rehabilitation workers employed in both public and voluntary rehabilitation agencies; and,

5. In-service training for State vocational rehabilitation agency personnel.
Table 2 Rehabilitation Training Grant Support for FY 1979, 1980 and 1981¹/

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<td>GRAND TOTAL</td>
<td>$30,169</td>
<td>$25,500</td>
<td>$21,596</td>
<td>$19,200</td>
</tr>
</tbody>
</table>

¹/ Academic year funding split between two fiscal years in: FY 1979, 1980 and 1981. (No split funding in FY 1982)

2/ Section 12
Section 304(d) of the Rehabilitation Act, in addition, authorizes a special program for the training of interpreters for the deaf.

Training Grant Support in FY 1981

An estimated breakdown of rehabilitation training grant support for FY 1979, 1980 and 1981 is provided in Table 2. Also shown in this table are projected estimates for FY 1982.

Emphasis of Long-Term Programs

In FY 1981, emphasis continued to be placed on ensuring that all projects reflected a substantial focus on preparation of personnel for the provision of rehabilitation services to severely handicapped persons and a special relevance to the mission of the State/Federal rehabilitation service program.

Training projects in the field of rehabilitation counseling, for example, not only continued to emphasize service to the most severely disabled individuals but also focused on improving the preparation of counselors for assuming professional responsibility for the job placement of clients as well as developing skills in the areas of job analysis and job development. In addition, training content in the field of rehabilitation counseling, as well as in the other rehabilitation professions, was widened to include independent living rehabilitation concepts and skills.

Job demands for skilled rehabilitation specialists continued to expand in 1981. Training grant funding continued to concentrate in those areas of imbalance between manpower supply and demand.

Case management practices within State rehabilitation agencies were improved in 1981 because of the availability of extensive training in the Case Review Schedule developed by San Diego State University.

Finally, in response to the attention given the area of recreation services under the Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments of 1978, support of training in the field of therapeutic recreation was continued in 1981.

Special Innovative Training

A number of special innovative training projects were also supported in 1981 and these projects will be pointing the way to new approaches for training rehabilitation workers. Among these Special Projects were the following:

- A project at the University of Maryland to train deaf persons as professional social workers who will be available for employment in rehabilitation programs serving deaf persons.

- A project at the University of Virginia for the training of rehabilitation engineering personnel.
- A project at Boston University for the training of rehabilitation counselors in industry based settings.

- A project at 916 Voc-Tech Institute in Minnesota for the development of special training materials for prosthetists and orthotists.

- A project at Memorial Hospital in Providence, Rhode Island for exposing family practitioners to the principles of rehabilitation medicine.

- A project at the University of Guam for the training of rehabilitation counselors uniquely qualified to meet rehabilitation service needs in Guam and the Pacific Islands.

- A project at the Navajo Community College to train Navajo persons to assume professional counselor responsibilities in serving handicapped American Indians; and

- A group of interrelated training projects at Franklin Institute and the University of Washington for training dentists and dental support personnel skilled in providing dental services to severely handicapped persons.

State Vocational Rehabilitation Unit In-Service Training

Training supported under the State vocational rehabilitation unit in-service training grant program focuses primarily on program areas essential to each agency's immediate operation including training to correct deficiencies identified in audits and other studies of the State program. Seventy four grants were awarded to State agencies in 1981 and training emphases were to be focused on (1) coordinated activities between State vocational rehabilitation units and State education agencies; (2) improved management in program planning, monitoring and evaluation; (3) improved use of diagnostic information in services eligibility determination; (4) placement of the severely handicapped; (5) improved use of similar benefits; and (6) improved State use of rehabilitation facilities.

Rehabilitation Continuing Education Programs

The Rehabilitation Continuing Education Programs train newly employed personnel in basic knowledge and skills and assist experienced personnel to upgrade skills and develop mastery of new developments in the field of rehabilitation. The Rehabilitation Continuing Education Programs also provide training for staff of private rehabilitation agencies and facilities. The training provided under this program focuses on meeting needs common to a multi-State geographic area. Fifteen grants were awarded in FY 1981 and training areas identified for emphases were: (1) coordination of vocational rehabilitation, vocational education and special education; (2) bi-cultural
rehabilitation service delivery; (3) independent living rehabilitation delivery; and (4) rehabilitation of learning disabled individuals.

The following Rehabilitation Continuing Education programs provided training in 1981:

<table>
<thead>
<tr>
<th>University of Arkansas</th>
<th>University of Northern Colorado</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arkansas Rehabilitation</td>
<td>School of Special Education</td>
</tr>
<tr>
<td>R&amp;T Center</td>
<td>and Rehabilitation</td>
</tr>
<tr>
<td>Fayetteville, Arkansas</td>
<td>Greeley, Colorado</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Assumption College</th>
<th>University of Oklahoma 1/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institute for Social and</td>
<td>Continuing Education and</td>
</tr>
<tr>
<td>Rehabilitation Services</td>
<td>Public Service</td>
</tr>
<tr>
<td>Worcester, Massachusetts</td>
<td>Norman, Oklahoma</td>
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<table>
<thead>
<tr>
<th>Georgia State University</th>
<th>San Diego State University</th>
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<tbody>
<tr>
<td>Institute of Governmental</td>
<td>Rehabilitation Center</td>
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<tr>
<td>Administration</td>
<td>San Diego, California</td>
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<thead>
<tr>
<th>University of Hawaii</th>
<th>Seattle University</th>
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<tbody>
<tr>
<td>Department of Educational Psychology Counseling &amp; Guidance</td>
<td>Department of Rehabilitation</td>
</tr>
<tr>
<td>Honolulu, Hawaii</td>
<td>Seattle, Washington</td>
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<table>
<thead>
<tr>
<th>University of Missouri</th>
<th>University of Tennessee</th>
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<tbody>
<tr>
<td>College of Education</td>
<td>Department of Special Education and Rehabilitation</td>
</tr>
<tr>
<td>Columbia, Missouri</td>
<td>Knoxville, Tennessee</td>
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<thead>
<tr>
<th>Multi-Resource Centers, Ind.</th>
<th>University of Texas Health 1/</th>
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<tbody>
<tr>
<td>Minneapolis, Minnesota</td>
<td>Sciences Center</td>
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<tr>
<td></td>
<td>School of Allied Health Sciences</td>
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<tr>
<td></td>
<td>Dallas, Texas</td>
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<tr>
<th>State University of New York</th>
<th>Virginia Commonwealth University</th>
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<tr>
<td>at Buffalo</td>
<td>Richmond, Virginia</td>
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<tr>
<td>Buffalo, New York</td>
<td>Virginia Department of Vocational Rehabilitation</td>
</tr>
<tr>
<td></td>
<td>Richmond, Virginia</td>
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</tbody>
</table>


Rehabilitation Short-Term Training

In FY 1981, no funds were available for the award of projects under the Rehabilitation Short-Term Training Program.
Training Interpreters for the Deaf

A special new program for the training of interpreters for the deaf was initiated in 1980 and this program is administered by the Office of Information and Resources for the Handicapped. Although authorized under the Rehabilitation Act of 1973, this program is not intended to focus only on the vocational rehabilitation needs of deaf persons but is instead intended to train interpreters who can assist deaf persons in health, education, employment and other social service settings. Ten projects were provided continued funding in 1981 providing a combination of on-campus academic programs and in-service outreach training activities. The following educational institutions are conducting training under this program:

University of Arizona
Institute
Tucson, Arizona

Delgado College
New Orleans, Louisiana

Community College of Denver
Westminster, Colorado

Johnson County Community College
Overland Park, Kansas

Ohlone College
Fremont, California

St. Paul Technical Vocational
St. Paul, Minnesota

Seattle Central Community College
Seattle, Washington

University of South Florida
Tampa, Florida

University of Tennessee
Knoxville, Tennessee

University of Wisconsin-Milwaukee
Milwaukee, Wisconsin

PROGRAM AND PROJECT EVALUATION

Federal Funds - $2,000,000

The legal basis for program evaluation can be found in two sections of the Rehabilitation Act of 1973 and subsequent amendments. The particular citations for evaluation in the amended Act are: Section 14 and Section 101 (a)(15). The first reference is an authorization for the Federal government to measure and evaluate the impact of all programs under the Act including "their general effectiveness in achieving stated goals, and their effectiveness in relation to their cost...." The latter section references program evaluation for State vocational rehabilitation agencies by requiring State plans to include "continuing State-wide studies of the needs of handicapped people and how these needs may be most effectively met...."

Evaluation projects in RSA have been undertaken to assess rehabilitation programs and project authorities and to provide for development of evaluation capacity. Areas for evaluation in relation to achievement of goals are program coverage, efficiency, effectiveness and compliance to law.
Previous evaluation projects in the area of RSA's discretionary programs include: Long and Short-term Training, Facility Improvement Grants, Client Assistance Projects, Projects with Industry, Deaf and Hard of Hearing Programs, Blindness Program, Rehabilitation Engineering Centers and Research and Training. Individuals was begun to address a wave of new rehabilitation deaf-blind clients from the rubella epidemic of 1962.


**Evaluation Standards**

In response to requirements for Evaluation Standards in the 1973 Rehabilitation Act, comprehensive Standards addressing essential elements of the formula grant program and of project authorities (e.g., Migrant Projects) were developed and pretested.

In the area of facilities where a large share of rehabilitation resources for the severely disabled have in the past been spent, and information system was developed and pretested which would have provided evaluative information for management control. It was eliminated due to Federal information burden reduction activities.

**Management Information System**

In FY '79 RSA began work on a computerized management information system which would permit comprehensive, real-time evaluation of all essential program/project areas. The system, which is still under development, does not incorporate the information required to use the comprehensive new program and project evaluation standards, and does not incorporate the facility reporting system. Because of Federal information burden requirements the system is based upon aggregated State data rather than the previously available client data that would have permitted cross-variable analysis in such areas as disabling conditions and the use of evaluation standards. Work is continuing based upon the resolutions mentioned.

**Capacity Building**

In the area of evaluation capacity building, RSA has had six very successful projects completed in the State of Delaware, Pennsylvania, Oregon, Michigan Virginia and Mississippi (Blind Agency). In each of these States there has been completed or significant development has occurred in sophisticated computerized policy/management/evaluation information systems. These systems have provided models for management utilizing evaluative capability. The experiences in these six States have been recorded. Technical assistance materials based upon this effort and upon RSA's other evaluation experience with evaluation standards, facility information, financial management, etc., have been
developed. These are being used in a contractual effort to provide technical assistance to the remainder of the 83 General and Blind VR Agencies. A three-year Technical Assistance Project to develop such management/evaluative capacity was begun in FY '81. Because of Congressional cut-off of RSA evaluation funds in FY '82 this effort will not be able to continue more than the first year.

FY '81 projects other than those already mentioned are evaluations of: Effectiveness of Agreements between State V.R. Agencies and State Associations of Student Aid Offices; "Delivery of Services to Disabled People in Minority Groups by Vocation Rehabilitation;" and "Evaluation/Development of Model Case Management in State VR Agencies." The latter project will determine the effectiveness and usefulness in State V.R; Agency programs of instruments developed through years of research which measure functional and life status changes in clients and which can be the bases, prospectively, for measurable and evaluable written rehabilitation plans. This three-year project will also close after one year having obtained "before" but not "after" measurements due to Congressional cut-off of evaluation funding.

Title VII, Part B
CENTERS FOR INDEPENDENT LIVING

Federal Funds – $18,000,000

Independent living rehabilitation services assist severely disabled persons to live where they choose and exercise control of their lives, to the maximum extent possible. Centers for Independent Living are established and operated in local communities. They bring together in a coordinated and efficient manner a broad combination of services which enable severely disabled individuals to (1) live more effectively in family and community, or (2) where appropriate, secure and maintain employment. The authorizing legislation requires that disabled people participate in directing and managing these Centers, that disabled people be employed by the Center programs, and that Centers serve a broad range of disabilities. Each position in a Center is considered a potential training situation for a severely disabled person. Selected examples of the types of services provided by a Center are: intake counseling to determine an individual's need for and ability to benefit from specific independent living services; personal attendant care services; and referral to other community agencies. A major objective of all Center programs is to coordinate with other community-based State, local, and Federal programs offering services or benefits to the same person so that duplication of services is avoided.
Authorizing Legislation and Funding

The Centers for Independent Living program is authorized under Part B, Title VII of the Rehabilitation Act of 1973, as amended. Title VII is divided into four parts; however, only Part B has been funded for implementation. The amounts appropriated in Fiscal Years 1979-1981 have been: $2,000,000; $15,000,000; and $18,000,000. Discretionary project grants averaging $200,000 were awarded on a competitive basis to State rehabilitation agencies, local public agencies, and private nonprofit organizations.

Program Activities During 1981

Twenty-one new Center for Independent Living projects were awarded projects funds in 1981. Five projects were continued. For the first time since the program began in 1979, there is at least one Center program in each of the 50 States, Puerto Rico and the Virgin Islands, assisted under this program. It is reported that 42 percent of the 885 persons employed by these Centers have some type of disability. Forty-four of the State rehabilitation agencies which have received grants have elected to contract with one or more local, community based nonprofit agencies to administer Center programs. Because of this, there are now 132 Federally-assisted Centers in the nation plus an additional 15 satellite or mini-Centers affiliated with a number of the more developed Centers. A method for gathering uniform information about the severely disabled persons receiving services from the Centers is being developed.

An evaluation study of the Centers program was completed in 1981. It concluded that the program had been implemented as intended both at the national and Center levels. There is evidence that disabled consumers are actively involved in management and policy development, and that disabled persons are employed by the Centers, some of which had predominantly disabled staff. The study disclosed that significant data are available from the Centers and could be gathered on a uniform basis. The study found that the Centers visited were providing direct services, informational and referral services, and influencing the expanded participation of severely disabled persons in family and community life.

Regional Office staff of the Rehabilitation Services Administration initiated periodic site-visits to all Center programs not only to monitor actual operations and progress, but more importantly to provide much needed technical assistance to these newly emerging rehabilitation programs. RSA Regional, and Central Office staff have participated in the conduct of regional or bi-regional conferences of Center attention. A nation conference was held in 1981 and attended by 158 persons involved in the operation of community Centers for Independent Living. Conference workshops included such topics as case management, financing Center programs, attendant care, setting client and program goals, and a number of other subjects.
Examples of the Impact of Independent Living Services

The authorizing legislation for this program does not restrict service delivery to any age group or type of disability. Accordingly, independent living rehabilitation services may be provided to severely disabled persons of all ages to prevent premature institutionalization as well as to provide an alternative for certain persons already receiving residential care. These services may be provided so that the severely disabled individual may live more independently in his/her own home and participate more fully in community affairs. For some severely disabled persons, independent living services will enable them to seek or maintain employment.

A Center program in St. Louis provided independent living services to a 40-year-old woman who was hospitalized at the time. The purpose of these services was to prepare her for living independently in the community. The lady is a quadriplegic and had been hospitalized for ten years. Last August, after receiving service at the Center, she was able to leave the hospital and take up residency in the community. She presently requires attendant care and is eligible for federally-assisted rental housing. The estimated hospital cost at time of discharge was $42,642. Her estimated community living costs are $13,231—a savings of approximately $29,000.

In North Carolina, a Center program provided services to a 54-year-old man who is deaf and diagnosed as having a learning disability. For a period of time he had been placed in a State hospital and then transferred to another community residential facility. With the assistance of the Center and the State rehabilitation program, this man now has his own apartment in a residential independent living and retirement center where he works part-time doing custodial work. He also has been placed in sheltered employment.

A 61-year-old woman who is a double leg amputee and has poor vision and diabetes, was referred to a Center program in Philadelphia. While she had been fitted with artificial legs, she had never been assisted to learn how to use them properly. The Center assisted her to obtain glasses so that now she can see "more than shadows". The Center also assisted her to receive training in the use of her artificial limbs so that she now has limited mobility using a cane and can shop at a neighborhood store for herself. The Center provided services to improve her homemaking skills which are hampered by her low vision, and had installed grab bars in her bathroom. This woman can now take care of herself when her family is away from home. She can cook, house clean, watch the grandchildren when necessary. She has become a more active member in her church, and takes care of herself independently.
The 1978 Amendments to the Rehabilitation Act of 1973 established a new Section 305 "Comprehensive Rehabilitation Centers providing for the creation of focal points in communities for the development and delivery of services for handicapped persons." The concept of a comprehensive rehabilitation center in Section 305 is a flexible one and can be a combination or variety of facilities which the community determines will best achieve the results of enabling handicapped persons to receive needed services from all resources available.

Grants are awarded to State vocational rehabilitation agencies. A State agency that has been awarded a grant under this program may award a subgrant to a unit of general purpose local government or any other public or nonprofit private agency or organization or to a group of agencies or organizations in the community or enter into contracts with agencies or organizations to carry out the purpose of Section 305 of the Act.

During 1981, ten awards were made to State vocational rehabilitation agencies in nine regions of the country and averaged $200,000 each. There is considerable variation in the models and the degree to which the State agencies have contracted with private nonprofit agencies to perform the basic functions of the centers. Principal services provided are (1) technical assistance on all aspects of the Rehabilitation Act with emphasis on Section 504, (2) the maintenance of rosters of special support personnel such as interpreters for the deaf, readers for the blind, attendants, legal aid, advocacy personnel, and the coordination of referrals of these personnel, (3) information and referral services, (4) counseling, (5) recreation, (6) health, education, social and placement services.

As coordinating agency within the community, the Center's role is to work for the creation of maximum services without unnecessary overlap and duplication.
Title II of the Rehabilitation, Comprehensive Services and Developmental Disabilities Legislation (P.L. 95-602) establishes the National Institute of Handicapped Research. As a national effort the Institute encompasses all efforts sponsored by the Institute as well as rehabilitation research related activities sponsored by other Federal agencies. As the lead agency the Institute acts as the facilitator of this concerted and cooperative effort against the handicaps created by disability. Specific responsibilities are:

- Provide a comprehensive and coordinated approach to the administration and conduct of research, demonstration projects and related activities for the rehabilitation of handicapped individuals, including programs designed to train persons who conduct research and provide rehabilitation services.

- Facilitate the distribution of information concerning development in rehabilitation procedures, methods, and devices to rehabilitation professionals and to handicapped individuals and to assist such individuals to live more independently.

- Improve the distribution of technological devices and equipment for handicapped individuals.

- Increase the scientific and technological information presently available in the field of rehabilitation.

One of the most important aspects of research conducted by the the National Institute of Handicapped Research program is that the research focuses on the integration of the disabled persons into independent and semi-independent community life with productive employment as the ultimate goal.

Resources and Funding

Programs which make up the resource development components of the Institute structure and which contribute to the NIHR goals are:

- Rehabilitation Research and Training Centers
- Rehabilitation Engineering Centers
- Research and Demonstration Program
- International Research Program
- Interagency Committee
- Research Fellowships

The Center's programs serve as a national resource for the conduct of a full spectrum of rehabilitation activities necessary to achieve the objectives of the NIHR program. As a national resource the Centers
provide a critical core of highly trained rehabilitation and research personnel, physical facilities and equipment, and an administrative structure--three elements which are necessary to generate new knowledge of rehabilitation and accelerate the transfer of knowledge to rehabilitation professionals and the general public.

Furthermore, the Centers play an important role by providing the expertise and specialized facilities necessary for coordinating many efforts supported by the various resources including other Federal, State and local governments, university resources and private organizations.

Activities in the Centers are funded by Federal Grants available through NIHR. The basic grants facilitate consolidation and focus of rehabilitation related activities into a single administrative and programmatic structure. It contributes to the stability of the Center and to fiscal accountability and responsibility.

**NIHR Long Range Plan**

The Long Range Plan submitted to the Congress by the Institute on January 16, 1981 sets forth four goals with accompanying objectives and research strategies. There four general goals are:

2. Improving Employment Prospects and Alleviating Problems of Daily Living
3. Improving Quality of Services and System of Financial Support
4. Populations of New Concern

The Long Range Plan commits the Institute to fund research toward each of the four goals, plus relevant support activities. The specific research areas mentioned in the Plan were intended to cover up to a five-year period. Significant work toward each of the four goals will be funded, even with limited resources. However, NIHR will need to review its commitments in order to determine ways to achieve maximum impact through strategic deployment of limited resources. Accordingly, the Institute will initiate a new round of participatory planning in preparation of the development of a revised and more specific plan.

In the development of the Long Range Plan, NIHR solicited input from four thousand agencies and organizations involved in research, service or advocacy for the handicapped and related key populations. These included a wide range of federal departments and individual agencies. Among these were: Office of Special Education, Rehabilitation Services Administration, National Institute of Mental Health, National
Institutes of Health and its individual Institutes, National Aeronautics and Space Administration, National Institute of Education, National Science Foundation, Administration on Aging, Veterans Administration, President's Committee on Mental Retardation, Administration on Development Disabilities, Office of Human Development Services, National Center of Health Statistics, National Center for Education Statistics, Department of Transportation, Department of Housing and Urban Development, Social Security Administration and Department of Labor.

In addition, a 12-point Participatory Planning Outline was circulated to the public and private agencies to elicit their ideas on such issues as: descriptions of their own mission and activities with respect to handicapping conditions; identification of major knowledge and service gaps; known on-going research; recommendations for improved dissemination systems; recommendation for future participatory planning with NIHR; and suggestions concerning specific new provisions of the 1978 amendments to the Rehabilitation Act (NIHR legislation).

The total FY 81 Federal appropriation for NIHR was $29,750,000

<table>
<thead>
<tr>
<th>TABLE 1. NIHR PROGRAM BUDGET</th>
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<tbody>
<tr>
<td><strong>1980</strong></td>
</tr>
<tr>
<td>Research and Training Center</td>
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<tr>
<td>Rehabilitation Engineering Center</td>
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<tr>
<td>Research &amp; Demonstration Program</td>
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<tr>
<td>Research Utilization Program</td>
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<tr>
<td>International Research Program</td>
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**Determining Researchable Areas and Priorities**

Research priorities for NIHR were derived from the Long Range plan and were reference to the policy guidelines of the National Council on the Handicapped. There was broad constituency participation in establishing the overall goals and objectives which are the framework for specific priorities. Priorities address identified unmet National Need in rehabilitation research. NIHR has recently developed a process for selecting specific annual priorities beginning in FY 1982.

**Application Review**

Changes were made in the peer review process primarily because of the Institute's move from the Department of Health, Education and
Welfare to the Department of Education. In order to effectively adapt past peer review procedures to the Education Department General Administrative Regulations (EDGAR), it was necessary for the Institute to review its past methods and formulate a written Technical Review and Evaluation Plan for the peer review process.

INTERAGENCY COMMITTEE ON HANDICAPPED RESEARCH

The Interagency Committee on Handicapped Research is charged with the responsibilities for coordinating the handicapped research efforts of all Federal agencies. The Committee has representation from twenty Federal agencies. The Director of NIHR serves as the Chairman of the Committee.

Presently, there are subcommittees on technology and rehabilitation engineering, demographics, low vision and partially sighted.

Meetings have been held by the full Committee. Based on discussions at these meetings and other contact, we see certain recommendations for activities in the future such as:

--- Establishing subcommittees in other areas such as deafness/hearing impairment, service delivery, psychosocial research, etc., to carry the very effective kind of work done so far in new areas.

--- Establishing an overall information retrieval system on research programs -- a kind of clearinghouse on activities being sponsored by other agencies.

--- Reaching out to non-governmental, private sector groups such as the Easter Seal Society, Muscular Dystrophy Association, and other to determine the extent of research they are sponsoring in specific topical areas.

--- Establishing a mechanism for joint planning to note similar areas of interest and to develop an overall plan for rehabilitation research. (The Long-Range Plan was an initial attempt at this process.)

Coordination of NIHR Activities

NIHR engages a variety of agencies and organizations in a broad scope of rehabilitation activities. The development of the 24 Rehabilitation Research and Training Centers and the 15 Rehabilitation Engineering Centers in one major approach to coordinating a national program that includes federal, and state, publica and private organizations. These Centers, located around the country conduct research and training and research dissemination activities. They also serve as focal points for community involvement for continuing education in rehabilitation and for sharing of rehabilitation information with consumer organizations. Information offices, in each of these Centers help to disseminate rehabilitation information to the public, rehabilitation professionals, and the disabled persons.
In response to an increased public concern about the lack of provision of vocational rehabilitation services for the mentally ill and the aged persons, NIHR developed research initiatives on the rehabilitation of the aged and mentally ill. Cooperating agencies are NIHR and the NIMH in joint support of two mental health Research and Training Centers and an Aging Research and Training Center. Information generated from the research is used to make recommendations covering the rehabilitation of mentally ill and aged individuals.

The Interagency Committee on Handicapped Research is supported to promote coordination and cooperation among federal departments and agencies conducting rehabilitation research programs. It is chaired by the NIHR Director and serves as a forum for exchanging information between member organizations -- Education, Veterans Affairs, NIH, National Aeronautics and Space Administration, Department of Transportation, National Science Foundation and others.

To encourage interagency relationships, NIHR supports the regionalization of its programs whereby the Regional Offices assist in dissemination of research information emanating from NIHR Center programs to state and private agencies providing rehabilitation services. This arrangement exemplifies the art of Federal, Regional, State, community partnerships and procedures for keeping all segments of the rehabilitation community informed of the latest research advances in the NIHR programs.

Advisory Councils have been developed in the Research and Training Centers as one mechanism to foster ongoing communication between the Center and the Federal, State, and community service agencies. The most significant feature of these Councils is that they are constituted to promote regional, state, and community involvement into the development of each Center's program -- thus having the potentialities of assuring research and training activities to be responsive to service needs and the needs of the disabled persons.

Interrelated committees concerned with rehabilitation with which NIHR is involved are:

CSAVR - Council of State Administrators.
Intergovernmental Committee on Housing for the Aged
Federal Interagency Committee on Education - Electronic Technology
Interagency Panel for Research and Development on Adolescence
Federal Interagency Committee for International Year for Disabled Persons
International Committee -- Council on Social Work Education

Development of research priorities for the Research and Training Center in Deafness, funded in 1981, included Rehabilitation Services Administration, Deafness and Communicative Disorders Office, Bureau of Education for the Handicapped, National Association of the Deaf, Deafness Regional Office representative.

Development of research priorities for the Research and Training Center in Aging involved: Center for Studies of Mental Health on Aging, NIMH; Administration on Aging, HHS; National Institute on Aging, HHS.
Development of research priorities for the Rehabilitation Research and Training Center in Blindness involved the American Foundation of the Blind; Bureau for Blind and Visually Handicapped, RSA; National Eye Institute, NIH; Council of State Administrators, RSA; Smith-Kettlewell Institute of Visual Science; American Printing House for the Blind; Administration on Aging, HHS.

Jointly supported research and demonstration projects in 1981 were with the National Institute of Arthritis, NIHR, HUD, Office of Special Education, Internal Communication Agency, and Rehabilitation Services Administration.

Research Fellowships

There were three Education Policy Fellows in NIHR from October 1980 to October 1982, and one Department of Commerce Fellow for a nine month period ending June 1981. The Education Policy Fellows participated in a developmental program consisting of seminars, field visits, and rotational assignments within NIHR and with the staff of Congressional Committees and Sub-committees on the Hill.

Resource Development

Many resources are required to carry out the NIHR mission. To assure the availability of these resources, the NIHR supports the following programs: Research and Training Center; Rehabilitation Engineering Centers; Research and Demonstration Program; Research Dissemination and Utilization Program; International Research Program.

These programs make up the resource development components of the NIHR program structure and contribute to the NIHR goals. A description of the programs follow:

Section 204
REHABILITATION RESEARCH AND TRAINING CENTERS
Federal Funds - $15,704,000

The Rehabilitation Act places upon the National Institute of Handicapped Research a responsibility over and above the development of new scientific knowledge: That is the responsibility to develop, disseminate and aid in the application of existing knowledge which is of immediate value in the rehabilitation of disabled persons. Section 204 (b) (1) authorizes the establishment of the Rehabilitation Research and Training Centers which function as a segment of the Institute in the implementation of this part of the Rehabilitation Act. The interrelationships of research, services and training form the framework within which these Centers construct their efforts. The rationale for this operational approach is the belief that research cannot be an isolated operational entity and still effectively accomplish its intended mission of being utilized.
The specific mission of each Center is to conduct research in priority research core areas; transpose research knowledge into tangible, utilizable products for rehabilitation practitioners; and disseminate it to practitioners, through training for incorporation into existing service delivery programs. Research is conducted in settings where patient/client services, research and training are viewed as interdependent activities essential to the accomplishment of maximum rehabilitation of disabled persons.

In the areas of research, the comprehensive medical Research and Training Centers (RTC's) attack a full range of disability problems such as spinal cord injury, neuromuscular diseases, cardiovascular diseases, amputations, psychosocial adjustments, etc. The term comprehensive is intended to indicate that the Research and Training Center has high quality activities in several research areas. The specialized RT Centers include those related to deafness, blindness, mental retardation to name a few. However, all RT Centers have a certain commonality. Their staffs include professionals with special interest and training in disability and expertise in rehabilitation treatment of the types of persons they serve. Most Centers also offer vocational rehabilitation services to ensure continuity of rehabilitation after discharge.

Research core areas emerge from particular needs of disabled persons in the geographic areas served by the Centers and from priority areas perceived by NIH as crucial to rehabilitation. Individual research projects, within a core area, are based upon demonstrated need for the research, available resources and given the present state of knowledge and practices, the probability of success in achieving the research objectives.

The first two Medical Rehabilitation Research and Training Centers, at the University of Minnesota and New York University, were established in 1962. Over the years, the Program has grown to twenty four (24) Research and Training Centers: ten (10) in medical rehabilitation; three (3) in vocational rehabilitation; three (3) in mental retardation; two (2) mental health; two (2) in deafness; two (2) in aging; one (1) in blindness; one (1) in independent living. Annually, NIH spends approximately $16,000,000 to support the Centers. Grants range from $200,000 to $1,500,000. In FY 1981 the Centers conducted over 300 research activities and provided training for 41,818 trainees in twenty six (26) rehabilitation and health related disciplines.

NIH's Evaluation of the Research of Training Centers

To facilitate the formulation of specific research efforts and to provide a basis for assessing program performance, the National Institute of Handicapped Research has developed a comprehensive accountability system that enables tracking progress and deficiencies. Each Center is required to submit an Annual Progress Report along with its Continuation Application. Individual research projects
are reviewed for appropriate research designs, relevance to the core question as well as the applicability and dissemination of the research results. All in-house and site visit reviews, evaluations, observations and recommendations are coordinated and integrated into a unified report with recommendations sent to the center for compliance.

Research and Training Interagency Activities

During the 1980-81 fiscal year, the Research and Training Centers were engaged in fifty-two (52) multi-agency activities that involved 30 different units of the Federal Government. Examples are:

-- Jointly supported NIHR-NIMH Research and Training Centers:
   University of Pennsylvania -- Aging
   University of California -- Mental Illness
   Boston University -- Mental Illness

-- NIHR-HHS, Indian Health Services - University of Colorado
   RTC: Feasibility Study of a Jointly Funded Research and Training for Rehabilitation Needs of Native Americans.

-- NIHR-NIMH-RSA, Boston University - RTC: Development of Action Plan to Improve Service Delivery to Psychiatrically Disabled Persons.

-- NIHR, Department of Transportation - George Washington
   University RTC: Development to Training Model on Maximum Use of LIFT Equipped Buses by Disabled Persons.


-- NIHR-President's Committee on Mental Retardation - University of Wisconsin RTC: Comprehensive Community Service Program for Mentally Retarded -- A National Symposium.

-- Texas Tech RTC -- Office of Special Education and Rehabilitative Services: Development of exemplary Models for Achieving Effective Coordination of Education and Vocational Rehabilitation in Local Communities.

-- NIHR-RSA, University of Arkansas RTC: Rehabilitation Service Needs of the Disabled Black Population.

Training and Research Dissemination Activities

During the 1980-81 fiscal year the Research and Training Centers conducted 659 training programs for 41,818 trainees in 26 rehabilitation and health related disciplines. (See Table 3 - Types of Personnel Trained).

Results of a rehabilitation survey conducted in 1981 by the University of Florida on the sources of education and training resource materials used by rehabilitation educators nationally, documented the criticalness of the RTC's. The Centers accounted for 36.7 percent of the resource materials used by rehabilitation educators nationally. This was the highest source of utilization. Additionally, the educators indicated their inservice training needs and their willingness to attend Center conducted inservice training.

25,500 publications and documents were distributed in 1980-81, in response to State Agency and other service provider requests. The INFORMER, a quarterly periodical which provides current information on all the research and training activities conducted by the Centers, was distributed to recipients in over 40 countries. It was received for permanent retention by 191 State, provincial, university, and institutional libraries in the United States. Ninety-three rehabilitation related clearinghouses and data bases received and cataloged each issue of the INFORMER and all Research and Training Center research directories. The data further confirmed that 80 percent of all INFORMER readers retained each issue for future reference. An analysis of one impact of the INFORMER over a 12 month period (1980-81) showed that approximately 1,500 participants in the RT Center training programs learned about these programs through the INFORMER.
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ACCOMPLISHMENTS 1980-81 -- RESEARCH AND TRAINING CENTERS

1. Texas Tech University Research and Training Center (Mental Retardation)
   a. Development and implementation of a program evaluation model which provides data on the processes and outcomes in integrating service components to meet needs of the severely mentally retarded person.
   b. Development of a model for vocational evaluation and programming for the developmentally disabled in secondary school systems. This model is aimed at emphasizing the development of realistic vocational potential rather than dwelling on academic materials.
   c. Development of a service model designed to help vocational rehabilitation agencies accommodating the severely handicapped.
   d. Development of cost effective ways of improving general work skills of severely retarded adults sufficiently to be able to be enrolled in regular sheltered work programs. The payoff is a decrease in dropout rate from rehabilitation programs; decrease in cost in providing rehabilitation services; and substantial improvement in the productivity of severely retarded persons.

2. Emory University Research and Training Center (Medical)
   a. Development of bio-feedback techniques to control muscle contractures in stroke patients where control was not thought possible through other therapeutic modalities. The results are that some persons are learning to walk independently of braces and other assistive devices.
   b. Development of bio-feedback techniques to inhibit muscle spasms in spinal cord injured persons. The results are that persons no longer have to find themselves in vise-like postures which prevent them from moving.
   c. Development of feedback goniometers for use in improved and accelerated recovery of hand function following trauma. These devices and therapeutic approaches also have implications for persons with arthritis and stroke.

3. University of Colorado Research and Training Center (Medical)
   Development and implementation of a comprehensive rehabilitation program for elderly persons with heart disease. This program is assessing the ability of comprehensive rehabilitation to modify physical,
psychological, and vocational problems that accompany heart
disease in old age and developing methods and strategies in
rehabilitation to meet identified needs.

4. **New York University Research and Training Center (Medical)**

   Development of an environmental scanning technique for
   persons severely disabled by stroke. Severely disabled
   persons who are taught the scanning technique improve as much
   as the mild stroke patients.

5. **University of Minnesota Research and Training Center (Medical)**

   Development of appropriate rehabilitation and management
   techniques for spinal cord injured which makes it possible
   for these individuals to anticipate that lost time from usual
   activities because of illness each year will not be much
   greater than the general population and life expectancy will
   also be approximately that of the general population.

6. **University of Washington Research and Training Center (Medical)**

   a. Development of an entirely new approach to chronic pain based
      on behavioral sciences. The results are proving to be very
      effective in attacking the single most expensive chronic
      illness—low back pain.

   b. Development and implementation of a training program for the
      counseling staff of Alaska, Idaho, Oregon, and Washington
      Vocational Rehabilitation Agencies on skills necessary to
      work with the severely disabled clients. This activity has
      been supplemented with the development of a major textbook
      entitled "Medical Aspects of Severe Disability of
      Rehabilitation Counselors" for national dissemination.

   c. Development and evaluation of an engineering program which
      was designed to meet specific needs of disabled persons in
      the Region. This program has undergone a major expansion to
      include outreach in various States for adaptation of work
      situations in both sheltered workshops and in industry to
      accommodate the severely disabled individual.

7. **Baylor College of Medicine Research and Training Center (Medical)**

   Development of a demonstration program on the feasibility and
   implications for rehabilitation of a cooperative, self-
   managed residential program for persons with severe spinal
   cord injury with results supporting the favorable impact of
   the living arrangement in terms of a resident's personal
   independence, involvement in education and work, development
   of a greater number of options for disabled persons' living,
   and reduction of costs to the individual and to sponsors.
8. West Virginia University Research and Training Center (Vocational Rehabilitation)

   a. Development of the Preliminary Diagnostic Questionnaire (PDQ) which is currently being installed in State agencies and private rehabilitation facilities. It has proven to be a powerful and inexpensive tool for assessing the employability of a person. The benefits include reduction in the number and cost of medical and psychological examinations; reduction in length of time to rehabilitate handicapped persons; provision of documentation which can be used for analysis of program costs; and efficiency for planning for program resource allocation.

   b. Development of a Vocational Behavior Checklist for a thorough and comprehensive assessment of individuals based on their ability to perform vocationally related tasks. The instrument permits assessment of an individual's competency, specification of a program to overcome competency deficits and documentation of the effectiveness of training procedures.

9. Boston University Research and Training Center (Mental Health)

   a. Development of an evaluation system capable of assessing how well the living arrangements in community based residential settings are meeting the needs of the mentally ill persons.

   b. Development of strategies for assisting families in the reintegration of the mentally ill members into the family.

10. Tufts University Research and Training Center (Medical)

    Development and implementation of the New England Regional Pediatric Trauma Institute--a first of its kind in the nation. Jointly funded with the Kiwannis Foundation of New England, the focus of the Institute will be on identifying the most cost effective and optimum levels of medical and rehabilitation services for disabled children.

11. University of Pennsylvania Research and Training Center (Aging)

    Development of techniques in the effective use of the family as a primary rehabilitation mechanism which will contribute to the reduction of inappropriate utilization by the impaired elderly of hospitals, rehabilitation centers, and long term institutions.

12. University of Wisconsin Research and Training Center (Mental Retardation)

    Implementation of a demonstration model in comprehensive rehabilitation to prevent mental retardation in disadvantaged families in Pueblo, Colorado.
13. **University of Arkansas Research and Training Center (Vocational Rehabilitation)**

   Development of the personal achievement skills instrument (PAS) which is utilized in a better diagnosis of clients needs and improve timelines in beginning a rehabilitation plan.

14. **University of Oregon Research and Training Center (Mental Retardation)**

   Development of a vocational assessment instrument for use with mentally retarded persons which provides vocational trainers with an assessment of performance on specific tasks rather than a global assessment of work abilities; produce a validated set of predictor variables which would increase the accuracy of significant managerial decisions regarding specific training needs; and stimulate vocational opportunities for populations not previously considered as potential candidates for work.

15. **University of California Research and Training Center (Deafness)**

   a. Development of a system on the use of interpreters in mental health settings to make more effective clinical efforts of mental health professionals to work with deaf persons.

   b. Development of a pioneering text of Sign Language for professionals who thus far have been taught sign language only as a collection of ASL signs.

16. **George Washington University Research and Training Center (Medical)**

   a. Development and evaluation of a model for training transit authority personnel on transportation needs and transportation counseling for disabled persons.

   b. Development of innovative service delivery systems and concepts for placement of severely disabled persons into jobs.

**REHABILITATION ENGINEERING PROGRAM**

Federal Funds – $7,675,000

The original five Rehabilitation Engineering Centers (REC) were established within the United States in 1972 through funding under the Rehabilitation Services Administration's research program. In subsequent years, the number of Centers has grown to fifteen in the United States and three in other countries. Each Center is an integral part of a closely knit network devoted to improving the
quality of life of handicapped people through research, training and service in Rehabilitation Engineering.

Mission and organization of the Centers

The Rehabilitation Engineering Centers have as their purpose the development of innovative methods of applying advances in medical technology, scientific achievement and psychological and social knowledge. These programs are designed to produce new scientific knowledge, equipment, devices and combination systems which are suitable for solving problems encountered in the rehabilitation of handicapped people.

Each of the Centers is required to establish official working relationships with institutions of higher education in the field of medicine, engineering and related sciences. Each assists in the development of manpower and training programs through which the techniques, hardware and systems developed can be introduced safely into the service delivery systems.

Duplication of effort is avoided through the strong emphasis on inter-center coordination. Accordingly, the Centers are closely supervised and guided by a select coordinating Commission which regularly reviews the progress of all projects in each Center. One of the important initial recommendations made by the Commission was that each Center be required to concentrate its research effort on a substantial introduction of engineering and related sciences' expertise. As a result, each Center has developed an approved "core" area of research emphasizing a particular area of scientific strength and interest and reflecting the needs of the major patient populations of the Center. The following is a listing of several Rehabilitation Centers funded during FY 1981 along with its "core" area of research and some brief highlights of progress.

1. Smith-Kettlewell Institute of Visual Science REC

The Smith-Kettlewell Institute of Visual Sciences has been focusing their research activities in the core area of sensory aids research and development.

A sensory aid is any device, technique or system which helps to overcome or alleviate the performance losses caused by an impairment in any of the senses.

The Smith-Kettlewell REC has continued to produce a steady flow of practical sensory aid designs and innovations. In addition to their work in aids for the blind, Smith-Kettlewell has developed an increased emphasis on selected areas of deafness rehabilitation.

The Vocational Engineering Program has lead directly to the employment of a number of blind individuals, particularly through an auditory oscilloscope field testing program. Available innovation in the
vocational field has been the establishment of a blind technician's training/research program, which acts both as a vehicle for education of blind persons interested in working in technology and as a research tool in the development of new devices for blind employment and the refinement of teaching procedures to use with blind trainees.

Two examples of research activities completed during the past year by this REC:

a. **Universal Tone Indexer.**

While the use of cassette tape recorders has become widespread among the blind, the utility of these devices has always been limited by the slow speed of access to the stored material. In response to this need a design for a universal device for auditory tape indexing was developed.

This device can be used to superimpose a normally inaudible tone into material which is being tape recorded. The tone can later be heard during fast scanning of the tape. In this way, the device can be used to mark portions of the tape for future reference. Important points made in discussions can be "flagged" with bursts of inaudible tone to permit identification while scanning the tape at high speeds. The unit can be plugged into the microphone jack of any tape recorder. It has both low and high level inputs, allowing the program material to be recorded either using a microphone or another tape recorder. The unit allows for the use of a remote control microphone to start/stop the machine.

b. **Talking Signs.**

This concept is a method of making navigational signs and landmarks "readable" by blind and visually impaired persons.

The intent of the Talking Signs system is to make street signs, bus identification signs, home addresses, etc., available to blind, visually impaired and reading impaired persons. The Talking Signs system achieves this goal by placing a miniature, low-powered infrared light transmitter at locations where written signs normally appear, both indoors and out.

Each light beam is invisible to the eye and therefore not intrusive to the sighted population, is modulated with a spoken message which usually corresponds to the wording in a sign. This message is stored on a very small computer chip. Although the light is transmitted continuously, its message is only heard when a visually impaired pedestrian points his receiver in the general direction of the sign and depresses the "in" button. The receiver, which contains a small speaker, then decodes the sign back to its verbal message.
2. CHILDREN'S HOSPITAL AT STANFORD REC

The core area of research conducted at this Center focuses on controls and interfaces for communication and other systems for severely disabled people. This area was funded because work in this area has not been approached comprehensively. Communication devices, mobility aids, and environmental control systems have controls, but little attention has been given to "mixing and matching" controls and aids/systems from different manufacturers so that one control can operate several aids or that one control can be switched among aids. There is a big clinical need to maximize use of existing controls and to develop new controls to optimize residual motions of people with disabilities.

To this end, two significant projects were completed this past year. The first was the development of a controls evaluator; the second, the development of a control simulator.

The objective of the project was to build a portable system that can be used for evaluation and training physical control systems. The controls evaluator was designed to be used with existing augmentative communication aids and microprocessors so that the outputs are not limited.

The controls evaluator is designed to simulate the many different situations that require control of rehabilitation engineering systems. For example, a joystick for wheelchair control, switches for interfacing to communication aids the response time for a scanning, visual perception and audio feedback. This device can be used by hospital, school and other rehabilitation professionals to find the most reliable control site and the best standard interface. It can also be used to determine if modifications or a special control is necessary.

The control simulator was developed to simulate outputs of systems used for mobility, communication and environmental control. A microcomputer is used to evaluate a disabled individual's physical and cognitive abilities as they pertain to the control of particular interfaces. Software has been developed and existing software modified to use a microprocessor as a simulator of assistive device characteristics in order to isolate the specific characteristics of the aid required by the client.

3. UNIVERSITY OF IOWA, REC

A prime focus of the program at this Center is the identification, evaluation and rehabilitation of patients with instability of the spine. The University's effort is divided into four main areas: (1) the development of methods to measure disc instability; (2) the development of methods to objectively measure clinical parameters of low back dysfunction; (3) the clinical rehabilitation of lower back pain associated with disc instability; and (4) the determination of prevalence rates of lower back disorders. The research activities
focus on the development of quantitative means of accurately measuring three-dimensional movement between adjacent vertebra of the lumbar spine to determine the correlation between clinically identifiable and radiographically identifiable instability of the lumbar spine. Other projects focus in the development of objective means of measuring parameters such as gross motion, muscle spasm and muscle strength.

As a consequence of the research being conducted at this Center a test stand "spine table" has been designed and constructed. The "spinal" table provides the mechanism to attach the lumbar spine specimen to a central rotationally adjustable mounting fixture, a framework to attach loading devices, and fixtures for the mounting and coordination of two orthogonally arranged cameras. The analytical procedures to estimate the coordinates of points about the central mounting fixture have been developed and functional assessment of the procedure and apparatus have been evaluated to determine coordinates of landmarks to within ±7 millimeters.

4. GALLAUDET COLLEGE IN WASHINGTON, D.C., REC

During the past year an award was made to establish a Center to investigate activities which affect deaf and hearing impaired individuals. The areas covered under the research umbrella include: (1) surveys for use of in-place or off-the-shelf technology, such as T.V. and emerging information services; (2) wearable aids to speech reception via the tactile sense; (3) electroauditory implants in the cochlea; (4) a voice-sensing training aid for the deaf; and, (5) new diagnostic procedures based on detailed speech acoustic patterns.

The mandate of the Center is to develop innovative methods to solve the rehabilitation problems of the deaf and hearing impaired which focuses on the communication aspects of rehabilitation. The main emphasis in deafness rehabilitation research is on speech communication rather than text communication. Consequently, the Center has focused on the following: (1) speech-cue enhancement; and, (2) speech acoustic diagnostics.

Speech-cue enhancement research is aimed at defining types of speech patterns that are more clearly perceived by the hearing impaired. Results from this research, coupled with activities in speech-cue perception, will ultimately lead to the development of a new generation hearing aid. Speech-acoustic diagnostics is another area of concern. Special hearing tests will be developed that provide greater insight into the acoustic cues to speech perception that are available.

An example of activities conducted over the past year which addresses these problems is work to design and evaluate a wearable spectral tactile speech aid. Research activities are focused in the development of a multichannel vibrotactile aid for evaluation in the deaf and deaf-blind. This aid as developed will be vibrotactile, not electrocutaneous. It will be of the "spectral type" in the sense that
the acoustic signal will be analyzed into spectral components and the different components presented to different locations of the skin. The array of vibrators is linear rather than two-dimensional; the amplitude of a given spectral region will be represented by amplitude of stimulation at the corresponding location. These features are consistent with the choice of amplitude coding that can be achieved reliably. Based on these research results a determination will be made regarding a final design of the signal processing and display to be incorporated in the aid.

RESEARCH AND DEMONSTRATION PROJECTS

Federal Funds $2,330,000

Vocational, Management, Psychological, Sensory, and Special Populations Research

Management:

A research project to devise a system of weighting case closures in rehabilitation completed its work by providing a model system, with demonstrated feasibility, for weighting case closures. The new system has four main components: a management information system, a case recording package, a caseload profile and a profile utilization manual. In September 1981, the Rehabilitation Services Administration, acting in concert with NIHR and using shared funding, awarded contracts to two States for testing and refinement of model functional assessment techniques which incorporate the new weighted case closure model.

A research project was concluded which investigated the manpower and staffing issues facing the rehabilitation industry over the next five years. The project found that the period of growth for rehabilitation has been replaced by one of fiscal restraint, and as real funding levels have declined, manpower issues have shifted from management of staff growth to more efficient utilization of the manpower resources available. Manpower shortages exist among psychiatrists, rehabilitation nurses, physical therapists, and to a lesser extent occupational therapists. Significant shifts have occurred in the employment patterns of rehabilitation counselors in recent years. Most employment opportunities now exist in rehabilitation and for-profit counseling firms. The State-Federal program is becoming less significant as an employer of counselors. The report entitled, "Changing Patterns in Rehabilitation Manpower", July 1981, was submitted to NIHR by The Urban Institute, Washington, D.C.

A research project to develop a management system in which skilled rehabilitation counselors operate with an optimal degree of
autonomy from traditional management controls entered its third and final year in 1981. Significant progress has been made in establishing objective evaluations of counselor performance at crucial points in the rehabilitation process: entry, planning, and exit (outcome results) from the system. This project began in one State vocational rehabilitation agency and is currently being evaluated in 3 agencies.

"Rehabilitation Indicators: A Method for Enhancing Accountability and the Provision of Rehabilitation Services" focussed in the period October 1980 to September 1981 on optimizing utilization of RI's in rehabilitation systems by establishing demonstrations to evaluate RI usage in a variety of settings. The project produced a number of publications based on analysis of RI data. One study indicated, for example, how electronic assistive devices impact upon high level quadriplegic persons to provide an improved quality of life.

A Rehabilitation Research Institute with the focus of assisting States in evaluating management practices and service delivery systems prepared two major publications: (1) Program Evaluation for Rehabilitation: A Book of Readings, a compilation based on several years of research and training efforts; and, (2) Client Assessment Measures in Rehabilitation, a compilation and analysis of the state of the art in measures of employability, independent living skills, client perceptions, client satisfaction, and goal attainment scaling.

Special Populations (Children)

The following 4 projects are continuing in the area of research concerned with handicapped children:

(a) A research project to document the neurodevelopmental outcomes of infants who are at highest risk for handicapping conditions (1501 grams with intracranial hemorrhages) in a double-blind prospective study.

(b) A project in Prenatal Risk Factor/Early Intervention in Early Childhood to explore the systematic inclusion of parents in roles currently filled almost exclusively by highly trained professionals.

(c) A project to develop a model of continuous care which connects the medical community with intervention programs during early infancy.

(d) The principal goal of this project is to develop interdisciplinary intervention strategies appropriate for severely disabled or high risk young children. The research is centered on early identification of children, establishing rural outreach and communication networks,
and disseminating results in order to train professionals and make the public aware of prevention and intervention procedures.

**Sensory Disabilities**

A study has been completed which deals with job placement activities for partially sighted individuals. The study focused primarily upon new job opportunities.

The Center for Partially Sighted, Santa Monica, California has completed a multi-year project concerned with various approaches for assisting partially sighted individuals in several aspects of rehabilitation. Innovative approaches to such rehabilitation have been tested and evaluated. In addition, several assistive devices have been evaluated and recommended for use by this population.

In 1981, "American Sign Language: A Comprehensive Dictionary" edited by Martin L. A. Steinberg, Ed.D. was published by Harper and Row. The initial work on this dictionary was supported by an R&D grant. The dictionary has over 5,000 word entries and 8,000 drawings. The dictionary is in English with seven foreign language indexes (Italian, Spanish, French, German, Portuguese, Russian and Japanese).

**Other R&D Projects**

A multiyear study on the role of labor unions in affirmative action has been completed at Columbia University, School of Social Work, New York, N.Y. A prototype plan appears in the publication entitled, "Affirmative Action for the Disabled: A How to Manual for Labor Unions."

The study for developing a "National Model for Hiring the Handicapped within the Electronics Industries" is in its final stages. The project is managed by the Electronics Industry Foundation, Washington, D.C.

The U.S. Council for the International Year of Disabled Persons (IYDP) continued its activities during 1981 with funding and cooperation of NIHR. The NIHR funding specifically supported the implementation of a national plan of action for IYPD.

**Psychosocial R&D Projects**

The Regional Rehabilitation Research In-state in Job Placement and Job Development at Portland State University is continuing in its research, demonstration and dissemination activities.

A study by the Jewish Employment Vocational Service in Philadelphia concerning "A Determination of The Rehabilitation
Services Necessary for The Placement of the Ex-Mentally Ill was completed. The study examined the optimum combination of services necessary to achieve the rehabilitation and placement of the ex-mentally ill client resulting in competitive paid employment, as well as increased life management and social skills.

The Second Edition of "Who Cares? - A Handbook on Sex Education and Counseling Services for Disabled People" was published by University Park Press, Baltimore. This publication was based on a research study supported by RSA and NIHR at the George Washington University, Regional Rehabilitation Research Institute, Washington, D.C.

Independent Living

A study by the California State Department of Rehabilitation evaluating the Independent Living Centers was completed. This project, "Research on Attainment of Independent Living States and Evaluation of Independent Living Centers in California," was crucially designed to serve as a data base for policy development as Federal funding became available for new Centers. Its purposes were expanded to include the development of a means to measure gains in independence and the evaluation of what factors make for an effective independent living organization.

Regional Rehabilitation Research Institute (RRRI)

The major activities during this period involved a study of the effectiveness of individualized training in job-search skills, group training, the job approach and conventional VR placement services; and a study of different methods of utilizing placement specialists in comparison to conventional VR placement services.

1. University of Denver, RRRI

The Regional Rehabilitation Research Institute at the University of Denver completed its studies of interagency coordination and the utilization of similar benefits. Projects involved strategies for improving interagency relationships, enhancing the quality and quantity of similar benefits information and serving as a residence center for information in these areas.

2. George Washington University, Washington, D.C., RRRI

The Regional Rehabilitation Research Institute on Attitudinal, Legal and Recreational Barriers continues its research and dissemination activities at George Washington University. Their numerous studies have resulted in the production of public information booklets, technical assistance and bibliographic material aimed at reducing the handicapping affects of attitudinal, legal, and recreational barriers upon the lives of disabled individuals.
3. Baylor College of Medicine, RRRI

The Institute for Rehabilitation and Research at Baylor College of Medicine is in the final stages for the "Development of a Computer Program for Implementation of Benefit Cost Models." These models can serve as basic tools for decision-making and prioritization of research and demonstration projects in rehabilitation.

4. Post Graduate Center for Mental Health in New York

The Post Graduate Center for Mental Health in New York was completing the Development and Evaluation of a Psychodynamic-Rehabilitation Service Support System Model to Maintain Job Placement for the Ex-mentally Ill. The work involved the use of brief reality-focused psychotherapy in order to increase job maintenance through increasing motivation and reducing job-associated anxiety and resistance.

Medical-Physical Restoration Research

Spinal cord injury research continues to focus upon the prevention and treatment of costly, debilitating complications which militate against rehabilitation success and independence. Definitive baseline studies continue in urinary tract management, mass reflex spasm and spasticity, and life threatening respiratory complications. Significant new medical rehabilitation knowledge continues to be generated. As an example, a definitive study of deep veinous thrombosis has established new diagnostic and treatment criteria for circulatory complications that are both costly and life threatening. Studies in the rehabilitation of end-stage renal disease patients continue to focus upon their medical, psychological and vocational adjustment toward improved independence and productivity. Ongoing research is addressing the prevention of medical complications, the dynamics of psychological adjustment after onset of renal disease and criteria for prediction of successful rehabilitation.

Priority also continues to be placed upon the rehabilitation of head trauma victims and persons who have suffered severe burns. Research in these areas is emphasizing the generation of new knowledge in the clinical course of the disability, the rehabilitation problems and needs of burn and head trauma patients and suggested innovative approaches to meet the comprehensive service delivery needs of these populations. Head trauma projects continue at the New York University Medical Center and Santa Clara Valley Medical Center-Langley Porter Neuropsychiatric Institute. Burn research is ongoing at the Shriners Burn Institute, Galveston, Texas, and the National Institute for Burn Medicine, University of Michigan, Ann Arbor.

In FY 1981, new research was initiated on the rehabilitation of multiple sclerosis patients. This new priority will provide a focus for the identification of specific problems in rehabilitation of M.S. patients and multi-speciality approaches to resolution of clinical medical, psychological, and social needs.
Seventeen Model Spinal Cord Injury Systems are being coordinated and managed, including three new designations in 1981. The model system concept, based upon previous research findings and clinical rehabilitation experience, is demonstrating a new and effective service delivery system taking patients from onset through extensive rehabilitation and to community follow-up. The focus of this effort is on the generation of definitive knowledge leading to the establishment of a nationwide network of spinal cord injury treatment and rehabilitation centers. A comprehensive analysis of the National Data Base will soon be available so that interested institutions can plan and develop specific service delivery programs that have proven effectiveness and hospital cost containment. The results of seven years of research will be reported via a compendium National Report and seventeen specific project reports. In addition, the quarterly publication of the SCI Digest has provided an excellent scientific medium for dissemination of results. (The Model Systems are authorized under Section 311 of the Rehabilitation Act, as amended, and were funded at a level of $5.5 million in Fiscal Year 1981).

RESEARCH UTILIZATION (RU)

Federal Funds - $2,100,000

Goals

The goals of NIHR's utilization efforts are to: (1) help plan R&D in such a way as to maximize likelihood of usable results being produced; (2) encourage grantees—via a Guide for Preparing Final Reports—to prepare and submit Final Reports that will, in themselves, promote utilization of results; (3) disseminate R&D results to targeted users in various ways, as by Rehab Briefs; (4) link research with users, as by RU conferences of researchers and users, exchange of experts from overseas, use of RU consultants, RU specialists, and RU laboratories (funds permitting); (5) generate new RU knowledge, as needed, on change processes and the diffusion of innovations; and, (6) evaluate all RU activities. In addition, NIHR promotes the use of technology to improve services to all groups of handicapped persons.

RU Project Highlights

The National Rehabilitation Information Center (NARIC) has continued to offer various information services to the entire US rehabilitation community, plus users from overseas. It has added 2,200 R&D documents to its data base this year, and now has a definitive NIHR database of 6,000 items.

Users reside in all states and Canada, plus India, Africa, Asia, and West Indies. Many persons from overseas have also visited NARIC.

NARIC has also published a Thesaurus, a Catalog of NARIC Subjects, six issues of the Pathfinder, and has begun to phase in ABLEDATA, a
computerized data-bank on equipment and assistive devices for disabled persons. NARIC has also compiled and disseminated on request almost 300 annotated bibliographies.

Microfilming of its holdings by Microfilming Corp. of America has continued; and NARIC edited and contributed to a Special Issue of Drexel Library Quarterly on Information Services for Handicapped persons.

The Emerging Issues Project prepared and disseminated five excellent monographs, including one on "Intimacy and Disability," "Interpersonal Skills," "Small Business Enterprise," and an update of the Rehabilitation Engineering Sourcebook.

NIHR's IMPART Project continued to identify unmet needs of individual clients in the field and to find solutions for them. This project identified 330 such problems, and solved 168 of them. Their cumulative total is 859 problems and 692 solutions—a remarkable record.

Eleven Rehab Briefs were each disseminated to some 30,000 users, including one on International Perspectives, Psychiatric Rehabilitation, Behavior Modification, and Environmental Barriers.

The utilization activities of seven basically RU-type International Projects continued. The World Rehabilitation Fund exchanged experts and information on VR with overseas countries. Its pool of fellows and authors published 13 monographs and held 7 conferences. Partners of the Americas links the US with Latin American countries, including dissemination of technology information and the operation of a Communications Network; much of its work emphasizes early intervention and prevention of disability.

RIUSA progressed with its Access to the Skies program (9 airlines), Film Newsletter, and a Project With Industry grant to Puerto Rico. People to People continues its "planning for foreign visitors" program, its plans for the Gallaudet Meeting on how the media treats handicapped persons, and follow-up on prior African activities in rehabilitation.

The University Center for International Rehabilitation -- a knowledge and training center -- generated new insights into the dissemination of information, held a seminar with 7 medical RTCs, gave assistance to 18 graduate students (10 foreign), worked closely with other NIHR projects, entered the areas of recreation, sports, independent living, and employment practices, some of this in collaboration with experts in Australia and Canada.

Rehabilitation International (RI) provides a permanent institutional framework for international rehabilitation efforts, representing 115 organizations from 76 countries. Their charter has been signed by a
number of heads of State. They now have 4 Information Centers and will open a fifth. RI has official relations with the United Nations and holds a World Congress every four years.

The Carroll Center for the Blind will include international information in the Journal, Aids and Appliances Review. It has contacted 24 nations about international participation. This journal is currently being sent to 2,000 subscribers nationally. Twenty-four nations have been contacted for their participation in this project.

INTERNATIONAL RESEARCH AND OTHER INTERNATIONAL ACTIVITIES

Federal Funds - $106,000

Within the National Institute of Handicapped Research, two new international research and demonstration projects were approved in 1981. These new projects were both approved for Egypt and funded under the Special Foreign Currency Program (SPCP), P.L. 480, entitled: "Verbo-Tonal Method in the Rehabilitation of Hearing Impaired in Egypt," and "Development of a Dictionary for Manual Sign Language in Arabic."

There were eight ongoing projects extended for approximately twelve months with additional funds, while twelve other research and demonstration proposals were under consideration within six countries including: Pakistan, India, Poland, Yugoslavia, Guinea and Burma. Twelve projects were completed during the year and final reports were submitted to NIHR on ten other projects. Copies of all recently completed final reports, along with other final reports, have been recently presented to the National Rehabilitation Information Center (NARIC), located at Catholic University in Washington, D.C.

At the close of the year there were twenty-eight active projects being conducted in eight countries. Excess foreign currencies are now available in four countries: India, Pakistan, Burma and Guinea and special limited funds are available under joint board arrangements in Poland and Yugoslavia.

Seven projects were funded under the authority of Section 204(b)(5) of the Rehabilitation Act. These were entitled:

- International Perspectives on the Economic Aspects of Disability--Rehabilitation International USA (RIUSA)

- University Centers for International Rehabilitation -- MSU--Michigan State University

- International Exchange of Information and Experts--World Rehabilitation Fund
Site visits for monitoring programs and for international exchange were funded under P.L. 86-610 and 204(b)(5) of the Rehabilitation Act for thirty-six international scientists and American consultants. Approximately 125 other international guests were assisted with their programs while in Washington, D.C. and in other cities throughout the U.S. These observation training programs for two-to-four weeks were arranged for those international visitors sent by their governments or at the invitation of the U.S. NIHR worked closely with both governmental and non-governmental organizations and agencies in this program, including the Department of State, Department of Labor, Department of Health and Human Services, the International Communications Agency, the World Rehabilitation Fund, and the Partners of America.

NIHR in cooperation with UNESCO and Special Education Programs sponsored an International Symposium on Services for Young Disabled Children and Their Families in December 1981. Participants from 14 countries attended and developed strategies for improving educational, health and social services for disabled children and their families, particularly in developing countries. The final document will include successful and practical programs that can be easily adapted and will contain a listing of resources that could be used throughout the world.

International Activities staff represented NIHR during the special events carried out through 1981 in celebration of the International Year of Disabled Persons.
NATIONAL COUNCIL ON THE HANDICAPPED

Legislative Authority

Established by Title IV of the Rehabilitation Act of 1973, as amended by the Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments of 1978 (P.L. 95-602), the National Council is composed of fifteen members appointed by the President with the advice and consent of the Senate. Each member brings some special expertise to the Council. Collectively, members of the Council are representative of the diversity among handicapped individuals, national organizations concerned with the handicapped, providers and administrators of services, universities, and the scientific community engaged in research relating to handicapping conditions. By law, at least five members of the Council must be handicapped persons or the parents of handicapped persons.

Background and Purpose

The Council came into being officially in 1980 when its members were confirmed by the U.S. Senate. The Chairman, Dr. Howard A. Rusk, is a Distinguished University Professor, New York University School of Medicine and founder of the Institute of Rehabilitation Medicine and the World Rehabilitation Fund.

Created in response to a bipartisan demand for a coordinated approach to federal programs, policies, and activities concerning disabled persons, the NCH already has established general policies with respect to the National Institute of Handicapped Research (NIHR). The NCH is also charged with providing advice to the Commissioner on policies and conduct of the Rehabilitation Services Administration (RSA), advising the Commissioner of RSA, the Director of NIHR and the Assistant Secretary on the development of programs carried out under the Rehabilitation Act. The Council recommends ways to improve research, to administer services, to collect and disseminate findings of research and to facilitate implementation of programs based on research findings. The Council's broadest responsibility is to "review and evaluate on a continuing basis all policies, programs, and activities concerning handicapped individuals and persons with developmental disabilities conducted or assisted by Federal departments and agencies . . . in order to assess (their) effectiveness in meeting the needs of handicapped individuals."

The Council must meet at least four times per year and must produce an Annual Report to the President, the Congress and the Secretary. The first report was submitted on March 31, 1981 and its activities are reported in greater detail in its second report currently in preparation.

The Council is housed administratively in the Office of Special Education and Rehabilitation Services (OSERS).
Progress to Date

In May, the Council held an open public forum on the topic: The Place of Disabled Persons in Our Economy. The forum included papers on job placement, job training, job site accessibility, employer incentives, apprenticeship opportunities, insurance, self-employment options, special problems of disabled minorities and disabled persons in institutions, career choices of disabled children and other economic factors. Fifteen papers were presented orally to the Council before an audience of more than two hundred observers. Other submitted papers were provided to Council members for informational purposes and for consideration in their recommendations to the Commissioner, Director and Assistant Secretary.

Each of the six NCH meetings held during the year served essentially as a platform through which Government officials reviewed with members of the Council the status of programs and activities assisted or conducted by their agencies. This provided for continuity in policy discussions through the transition from one Administration to another. Matters related to the Rehabilitation Services Administration and the National Institute of Handicapped Research have been on the agenda of every Council meeting.

The Council organized its work into standing committees and ad hoc task forces. Standing Committee include Committees on Research, Services, External Affairs, Interagency Matters and Management. Ad Hoc Task Forces have responded to immediate issues and short-term objectives. For example, a task force which met in March and reported in May studied legislative and administrative proposals. Responding to the task force’s report which described how the President’s program for economic recovery might impact on handicapped people, the Council communicated its recommendations and offer of assistance to the Secretary of the Department of Education, the Secretary of the Department of Health and Human Services, the Speaker of the House of Representatives, the President of the Senate, and to the President of the United States. Another task force, on priorities of NIH, recommended how the Institute’s limited grant funds might be allocated in 1982.

The Committee on Research, joined by the Director Designate of NIH, visited the National Institutes of Health for a meeting hosted by the Associate Director of NIH. The committee reported on its productive discussions with the Directors of several of the Institutes about many areas in which NIH and NIHR research interfaces. Through its Services Committee, the NCH responded to the RSA Commissioner’s proposals for restructuring the RSA decision-making processes and reformulating the RSA mission statement.

In September, the Services Committee also met with invited representatives of 21 national consumer and provided organizations. Participants discussed their perception of where the Council should direct its attention over the coming year, particularly with respect to
assessing the delivery of services to disabled people. Service delivery issues of greatest concern to their organizations led the committee to recommend a future focus for the Council's ongoing work—to develop recommendations on ways to ensure that adequate and effective services—especially vocational rehabilitation services—are provided.

INTERNATIONAL YEAR OF DISABLED PERSONS (IYDP)

FEDERAL INTERAGENCY COMMITTEE (FIC)

The Federal Interagency Committee for IYDP formed by the White House, served as the initiator, planner and coordinator of Federal Involvement in this United Nations declared Year. The Year's theme, "Full Participation and Equality," was portrayed in a wide variety of activities throughout the United States and the world community. The committee was co-chaired by Mrs. Jean Tufts, Assistant Secretary for Special Education and Rehabilitative Services, Department of Education; Ms. Dorcas R. Hardy, Assistant Secretary for Human Development Services, Department of Health and Human Services; and Ambassador John W. McDonald, Special Negotiator, Department of State. Mr. Harold O'Flaherty served as the Executive Director of the Federal Secretariat, and was charged with the management and coordination of all efforts, and the provisions of all support and liaison services related to this.

In January 1981, shortly after President Reagan's inauguration, the FIC Secretariat provided the White House with recommendations for the IYDP. Two weeks later, on February 6, 1981, President Reagan officially proclaimed 1981 the International Year of Disabled Persons in the United States. The President's proclamation enabled the FIC Secretariat to proceed with many events and projects with the assistance of the White House. Mrs. Virginia Knauer, Special Assistant to the President, has provided continued support and guidance to the FIC's endeavors. She has served as the White House Liaison for IYDP, promoting an awareness of the Federal agencies' accomplishments and programs.

In March 1981, the FIC Secretariat staff, with White House support, prepared an Executive Summary of Federal Involvement in IYDP. Distributed to Federal employees, community organizations, international representatives, and interested citizens, the summary described the U.S. government's efforts to develop and implement the International Year guidelines as spelled out by the United Nations. The summary has been updated as the list of members grew and as the agencies developed IYDP-related programs. It is interesting to note that over three hundred projects and activities taking place were implemented through existing budgets with no new appropriation. The imagination and
creativity of Federal employees contributed to these successful accomplishments.

The outstanding contribution of the "Federal Family" was recognized by the White House and as result procedures were developed to acknowledge such. The IYDP Outstanding Agency Award will be bestowed upon the following agencies: Food and Drug Administration, Veterans Administration, Department of Interior, Department of Housing and Urban Development, and the Social Security Administration. In a White House ceremony, these agencies received public recognition for their creative and exemplary involvement.

The United States played an active role in the Year on the international level. Federal administrations participated in numerous international meetings, and conferences, many of which focused on technical cooperation, particularly with the developing nations. In August, Harold O'Flaherty, Executive Director, FIC/IYDP headed the U.S. Delegation to the Third Session of the U.N. Advisory Committee for IYDP, held in Vienna, Austria. The delegation played a lead role in the drafting of the "World Programme of Action Concerning Disabled Persons." The Plan calls for the "Full Participation and Equality" for disabled persons—living conditions equal to those of other citizens in their societies and an equal share in the improvement in living conditions resulting from social and economic development. The major foci of the plan were prevention, rehabilitation, and equalization of opportunity. The plan is presently being circulated for comment to U.N. member states, non-government organizations, and other interested bodies. It will hopefully be adopted by the United Nations General Assembly at its 1982 fall Session.

OFFICE OF INFORMATION AND RESOURCES FOR THE HANDICAPPED (OIRH)

The Office for Information and Resources for the Handicapped was placed under the Deputy Assistant Secretary of External Affairs of the office for Special Education and Rehabilitative Services in the Department of Education. It operates a Clearinghouse and administers an Interpreter Training Program.

Activities

The Clearinghouse on the Handicapped responded to 2,344 telephone inquiries, wrote 1,657 letters and distributed 66,526 publications. The Clearinghouse updated its Pocket Guide to Federal Help for the Disabled Person, published the 1980 edition of Federal Assistance for Programs Serving the Handicapped, and an update of the Resource Guide on Architectural Barriers Removal. As of June all publication activities had to be suspended because of the moratorium on publishing imposed by the Office of Information and Regulatory Affairs in the Office of Management and Budget. The only exception was the periodical Programs for the Handicapped.
Networking with local information providers serving handicapped people was pursued by a workshop on the information needs of handicapped individuals given at the annual meeting of the Alliance of Information and Referral Services.

The Clearinghouse provided technical assistance to other Federal offices, especially in the Office of Special Education and Rehabilitative Services, and participated in the training of information brokers for the ABLEDATA system which is funded by the National Institute of Handicapped Research.

The Clearinghouse has access to all major computerized data bases and has used it for exploration of the holdings of data bases on handicapped related topics. Results of these searches were published in Programs for the Handicapped.

**Interpreters for the Deaf**

The OIRH also administers a training grant program that is designed to increase the number of skilled interpreters for deaf individuals. This activity was authorized in 1978 in the Rehabilitation Amendments and was implemented in Fiscal Year 1980. Ten grant awards have been made to training programs throughout the country; these grants total approximately $900,000 and range from $85,000 to $98,000.

**PRESIDENT'S COMMITTEE ON MENTAL RETARDATION**

The President's Committee on Mental Retardation (PCMR) consists of 21 civilian members, appointed by the President. The Committee has been an active organization since 1966. A major priority of PCMR is the prevention of mental retardation from bio-studies, conferences, seminars, and produces publications in support of their prevention effort.

In addition to prevention, the Committee focus on mental retardation problems in legal rights, comprehensive community services, abuse and neglect along with international cooperation with mental retardation groups around the world, in the exchange of information and advice.

Each year the Committee is required to submit to the President an annual report focusing on a particular mental retardation area. This year's report is "Mental Retardation 1980: Directions for Community Services". The report is a historical documentation of community services with examples of programs in the U.S. that are working well to help mentally retarded citizens live as productive members of the community. An important aspect of the report is PCMR's recommendations for improving community services in the 80's with an emphasis on a reduced Federal role and increased State responsibility.
The Committee's objective of increasing community acceptance of mentally retarded persons has resulted in reducing the dependency on large institutions. The population in public institutions continues to decrease and more comprehensive forms of service have placed retarded people into group homes and jobs. The Committee will conduct a national Conference on Vocational Training and Employment in the Spring of 1982.

INTERAGENCY LIAISON

Cooperative linkages and relationships between rehabilitation agencies and other public and voluntary organizations are critical to efficiency, economy, and integrated quality services for handicapped people. Handicapped people have equal rights of access to all generic public services and benefits. Interagency agreements strive toward greater achievement of these rights to marshal similar benefits to augment limited rehabilitation while at the same time benefiting consumers through more coordinated and comprehensive services.

Present Cooperative Agreements include:

- American Heart Association
- United Cerebral Palsy Association, Inc.
- Administration on Aging
- Department of Labor, Job Corps
- National Multiple Sclerosis Society
- Veterans Administration
- Department of Labor, Targeted Job Tax Credit Program
- Social Security Administration
- National Institute of Mental Health
- Special Education, Vocational Education
- Department of Labor, CETA Prime Sponsor Programs
- Department of Labor, Employment Service Administration

Activities on Behalf of Current Cooperative Agreements in Fiscal Year 1981

RSA continued to monitor current agreements, as well as negotiating new agreements with several public and voluntary organizations. These activities included: a revised agreement with the American Heart Association, which includes services to persons who have sustained strokes, a national workshop on improving linkages between mental health and vocational rehabilitation agencies, and the signing of a cooperative agreement with the United Cerebral Palsy Foundation, Inc.
TITLE V OF THE REHABILITATION ACT
Background

The Selective Placement Programs Office within the U.S. Office of Personnel Management (OPM) has responsibility for providing technical assistance to Federal agencies in overall management of their selective placement programs for handicapped applicants and employees, and for providing input into all aspects of OPM's general policy guidance to ensure that persons with disabilities are not affected adversely by changes in employment procedures or by new policies or regulations. This office also initiates legislation, as needed, to promote the placement, advancement, and retention of disabled employees or applicants.

OPM works closely with the Equal Employment Opportunity Commission (EEOC) to carry out, as appropriate, recommended changes in policies or procedures, and to maintain effective coordination and positive working relationships on areas of mutual interest. In addition, OPM is a member of the Interagency Committee on Employment of the Handicapped and consults with consumer organizations, State and local governments, other OPM offices, and through the Interagency Advisory Group Subcommittee on Selective Placement (chaired by the Director of the Selective Placement Programs Office) with other agencies.

The following events and activities occurred during FY 81 which had, or will have, a significant impact on employment programs for handicapped persons within the Federal Government.

Statistical Data

Two statistical studies were published during 1981. The first was the second edition of a publication entitled "Statistical Profile of Handicapped Federal Civilian Employees." This report examines the employment characteristics of handicapped employees in the Federal civilian work force, based on data collected as of December 31, 1979.

The second study was done at the request of the newly established government-wide Disabled Women's Task Force. This publication analyzes the employment characteristics of severely disabled women as compared to severely disabled men, non-handicapped women, and the general handicapped work force as of December 1980.

Program Guidance

OPM prepared a Presidential policy statement which was signed by President Reagan on September 17, 1981. This memorandum, which is
directed to the heads of executive departments and agencies, expresses
the responsibilities that agencies have in providing job opportunities
and advancement to qualified disabled individuals.

OPM issued instructions to Federal agencies on implementing P.L.
96-523. This law authorizes agencies to employ individuals as assist-
ants for those disabled employees who require personal services at
their work sites or while on travel. The implementing instructions
also included guidance on the employment of interpreters for deaf
employees and readers for blind workers.

A second booklet in the "Handbook of Reasonable Accommodation" series
was prepared during 1981. The booklet, which is tentatively scheduled
for printing in fiscal year 1982, outlines procedures for conducting
job analysis and/or worksite modifications for disabled employees.

Training and Upward Mobility

All training course announcements state that OPM would make accommoda-
tions needed to fully open interagency training courses in Washington,
D.C. and its 10 regions to disabled students.

Sign language classes were offered for supervisors and employees of
OPM's central office on a regularly scheduled basis.

A one-day showcase, titled "The Supervisor and the Disabled Person,"
was conducted in 1981. This was a joint OPM/Advisory Training
Directors undertaking for the International Year of Disabled Persons
which was attended by 150 Federal supervisors.

Retention

During fiscal year 1981, OPM developed a proposal to conduct a study
on retention of employees who become disabled in order to demonstrate
techniques which will prevent the loss of otherwise productive
employees and will contribute to agency effectiveness in lieu of
disability retirement or separation.

Disabled Veterans

During fiscal year 1982, OPM reached an agreement with the Equal
Employment Opportunity Commission to resume responsibility for the
monitoring of agency affirmative action plans for disabled veterans,
as required under P.L. 93-508 (Vietnam Era Veterans Readjustment
Assistance Act of 1974).

Participation in the International Year of Disabled Persons (IYDP)

OPM participated on a nationwide basis in the observance of the Inter-
national Year of Disabled Persons. (See page 80 for further
details.) All 10 regional offices worked with the Federal Executive
Boards/Associations, Governors' Committees on the Employment of the
Handicapped, local rehabilitation agencies, and veterans service offices to host workshops, seminars, job fairs; and award ceremonies to highlight IYDP and promote employment of handicapped persons.

Conclusion

Federal employment opportunities for handicapped individuals have improved in the past years. Problems still exist, many of which are complex and have no simple or immediate solutions. However, the problems are being addressed through regulations and improved guidance. The continued emphasis and commitment of agencies toward more comprehensive affirmative employment programs for handicapped persons holds promise for more fully integrating them into the mainstream of Federal employment.

Section 501

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC) AND INTERAGENCY COMMITTEE ON EMPLOYMENT ON HANDICAPPED EMPLOYEES

The Equal Employment Opportunity Commission (EEOC) has responsibility for enforcing nondiscrimination and affirmative action provisions of laws and regulations concerning Federal employment of handicapped individuals. Specifically, EEOC:

- reviews and approves agency affirmative action program plans for hiring, placement, and advancement of handicapped individuals;
- processes appeals of agency decisions in regard to complaints of discrimination on the basis of handicap;
- issues rules, regulations, orders, and instructions to enforce equal employment opportunity for handicapped individuals;
- requests information from agencies as necessary; and
- cochairs the Interagency Committee on Handicapped Employees and provides staff and space for the Secretariat of the Committee.

In addition, Executive Order 12067, dated June 30, 1978, provides that EEOC is to coordinate Federal equal employment opportunity programs, including those for handicapped individuals. EEOC leads and coordinates the efforts of Federal agencies to enforce all Federal statutes, executive orders, regulations, and policies that require equal employment opportunity without regard to race, color, religion, sex, national origin, handicap, or age.

The Handicapped Individuals Programs Division in the Office of Government Employment, EEOC, provides leadership and guidance for EEOC enforcement of Section 501 of the Rehabilitation Act of 1973, as
amended, and Section 403 of the Vietnam Era Veterans Readjustment Assistance Act of 1974. The Division develops and recommends policy concerning equal employment opportunity for handicapped individuals in Federal employment, provides instructions for Federal agencies' affirmative action programs and assists them in complying with their legal obligations under the Act. It also provides support to the Inter-agency Committee on Handicapped Employees, disseminates reports and educational materials, and prepares the annual report to Congress as required by law.

Program Direction - When responsibility for affirmative action for handicapped individuals in Federal employment was transferred to the Equal Employment Opportunity Commission (EEOC) in 1979, FY 1980 was declared a transition period during which Federal agencies were to redirect their efforts to achieve measurable results in a limited number of clearly defined areas. EEOC's instructions to agencies were intended to emphasize development of results-oriented plans and also were intended to produce objective agency-generated means of measuring progress.

The transition period that began in FY 1980 was extended through FY 1981. Agencies were given a total of 18 months, from October 1, 1979, through March 31, 1981, to meet goals established in their FY 1980 plans. Agencies then were instructed to update these plans to cover the last half of 1981 and to prepare new plans for FY 1982. The basic principles that had evolved during the transition period were refined and applied with more specificity in each successive set of instructions. Relevant management directives are EEO-MD-703 (December 6, 1979), EEO-MD-706 (July 1, 1980), EEO-MD-708 (February 24, 1981), and EEO-MD-709 (October 6, 1981).

A major planning element that was introduced during the transition period is emphasis in affirmative action programs on handicapped individuals with targeted disabilities. These disabilities (and applicable codes on Standard Form 256) are as follows: deafness (16 and 17), blindness (23 and 25), missing extremities (28 and 32-38), partial paralysis (64-68), complete paralysis (71-78), convulsive disorders (82), mental retardation (90), mental illness (91), and distortion of limbs and/or spine (92).

Affirmative Action Program Plans - In response to specific instructions for submission of FY 1981 6-month program plans, eighty-two agencies submitted complete plans; three submitted incomplete plans; and 16 submitted no plans.

Affirmative Action Accomplishment Reports - This report covers agency accomplishments during the period October 1, 1979, through September 30, 1981. Agencies submitted two separate reports: one for October 1, 1979, through March 31, 1981, and one for the period April 1, 1981, through September 30, 1981.
EEOC evaluated agency accomplishments during FY 1980 and FY 1981 using criteria established to assess changes in the percent representation of persons with specified severe disabilities. In FY 1980 and FY 1981 affirmative action program plans, agencies had established goals for achievement of specific increases in representation of persons with targeted disabilities.

Analysis of FY 1980 18-Month Accomplishment Reports - During the period October 1, 1979, through March 31, 1981, the accomplishments of 71 agencies were satisfactory and nine were unsatisfactory. Two agencies submitted incomplete reports, and 16 submitted no reports.

Combined work force data from the agencies submitting reports are presented in Table 1. The number of handicapped individuals—that is, the combined total for persons with targeted disabilities and persons with other handicaps—and the number of disabled veterans employed decreased during the reporting period. Analysis of data and data collection procedures indicate that the decreases noted may be statistical phenomena rather than the result of decreased agency efforts to employ disabled veterans or handicapped persons with disabilities other than those that are targeted.

Almost all new disabled veteran employees are from the Vietnam Era. Disabled veterans in employment have been from the World War II and Korean Eras as well. Many of these veterans are now reaching retirement age and leaving Federal employment. It is difficult to suppose that the number of disabled veterans now entering the Federal work force could offset the number leaving.

With respect to handicapped individuals other than those with the targeted disabilities, the procedures for collecting data tend to skew the results. A government wide survey of all employees was completed in 1977. Since then, the major effort has been identifying the disabilities of new employees rather than the disabilities persons acquire after they are employed. No specific steps have been taken to identify disabilities such as heart disease, arthritis, cancer, diabetes, kidney dysfunction, and respiratory disorders, which commonly affect older persons. These disabilities accounted for 65.5% of the handicapped workforce in 1977, and many individuals who did not consider themselves handicapped at that time may have developed these disabilities since that time. As persons who indicated that they had these disabilities at the time of the survey leave government employment, the totals decrease because persons having these disabilities are not entering the work force in large numbers and current employees who develop these disabilities are not being identified. The only way to verify this thesis would be to resurvey the entire Federal work force periodically. Because of fiscal constraints, such a costly undertaking is unlikely.

Table 1 shows a dramatic increase in employment of individuals with targeted disabilities. The data show an increase of 2.2% in the total work force as compared to an increase of 8.06% in the number of employees with targeted disabilities. Representation of individuals
with targeted disabilities increased from 0.87% to 0.92% (see column (8)). This is a 5.75% increase in representation. The rate of accessions of individuals with targeted disabilities was 2.28% during the eighteen-month reporting period while the rate of losses was only 0.70%.

Table 1. Employment of Individuals With Targeted Disabilities

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Total Work Force</th>
<th>Disabled Per-Veterans cent</th>
<th>Handicapped Per-Individuals cent</th>
<th>Persons with Targeted Disabilities Per-</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
</tr>
<tr>
<td>10/1/79</td>
<td>1,833,482</td>
<td>86,248</td>
<td>4.70</td>
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<td>6.75</td>
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<td>3/31/81</td>
<td>1,875,021</td>
<td>85,966</td>
<td>4.58</td>
<td>121,627</td>
<td>6.48</td>
</tr>
</tbody>
</table>

Accessions
10/1/79-     429,380
3/31/81      9,783  2.28

Losses
10/1/79-     432,543
3/31/81      3,047  0.70

Analysis of FY 1981 6-Month Accomplishment Reports - These reports cover the period April 1, 1981, through September 30, 1981. As of the date of this report, the accomplishments of 66 agencies were satisfactory, and 15 were unsatisfactory. Twenty-one agencies submitted no reports.

The United States Postal Service (USPS) has reported data (Table 2) for the first time since EEOC was transferred the authority and responsibility to monitor Federal agency affirmative action programs for employment of handicapped individuals from the Civil Service Commission. Since USPS employs such a large percentage of the Federal work force, comparison of data is not meaningful with inclusion of USPS data for FY 1981. Therefore, Table 3 represents the same data as Table 2 except it excludes USPS data.

The number of handicapped individuals—that is, the combined total for persons with targeted disabilities and persons with other handicaps—decreased during this reporting period as it had done during FY 1980. Once again, this may be a statistical phenomena rather than the result of decreased agency efforts to employ handicapped persons with disabilities other than those that are targeted.
Unlike the results during FY 1980, the number of disabled veterans increased during this six-month reporting period. It is difficult to explain this trend reversal in employment of disabled veterans. However, it must be noted that this reporting period covered six months rather than 18 months as in FY 1980. Also, during this six months many agencies were reducing their workforces through attrition or RIF. Veterans preference provides protection for disabled veterans in a RIF.

Table 2 (with USPS data) shows an increase in employment of individuals with targeted disabilities. The data show a decrease of 0.34% in the total workforce as compared to an increase of 1.61% in the number of employees with targeted disabilities. Representation of individuals with targeted disabilities increased from 0.79% to 0.80%. The rate of accessions of individuals with targeted disabilities was 0.79% during the six-month reporting period while the rate of losses was 0.70%.

Table 2. USPS Data for Employment of Individuals With Targeted Disabilities

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Total Work Force</th>
<th>Disabled Per-Veterans cent</th>
<th>Handicapped Per-Individuals cent</th>
<th>Persons with Targeted Disabilities Per-cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3) (4)</td>
<td>(5) (6)</td>
<td>(7)</td>
</tr>
<tr>
<td>4/1/81</td>
<td>2,722,485</td>
<td>162,948 5.98</td>
<td>141,307 5.19</td>
<td>21,540 0.79</td>
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<tr>
<td>9/30/81</td>
<td>2,713,113</td>
<td>164,107 6.04</td>
<td>140,913 5.19</td>
<td>21,888 0.80</td>
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<tr>
<td>Accessions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4/1/81-</td>
<td>264,536</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9/30/81</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Losses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4/1/81-</td>
<td>275,300</td>
<td></td>
<td></td>
<td>1,928 070</td>
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<tr>
<td>9/30/81</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Table 3 (excluding USPS data) shows an increase in employment of individuals with targeted disabilities. The data show a decrease of 0.65% in the total workforce as compared to an increase of 0.45% in the number of employees with targeted disabilities. Representation of individuals with targeted disabilities increased 0.90% to 0.92%. The rate of accessions of individuals with targeted disabilities was 0.79% during the six-month reporting period while the rate of losses was 0.72%.
Table 3. Employment of Individuals With Targeted Disabilities (Excluding USPS Data)

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Total Work Force</th>
<th>Disabled Per-Veterans</th>
<th>Handicapped Per-Veterans</th>
<th>Persons with Targeted Disabilities</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
</tr>
<tr>
<td>4/1/81</td>
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<td>92,600</td>
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<td>9/30/81</td>
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<td>93,054</td>
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<td>4/1/81-</td>
<td>238,067</td>
<td></td>
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<td></td>
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<tr>
<td>9/30/81</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Losses</td>
<td></td>
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</table>

SECTION 502

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Federal accessibility regulations are based on the Architectural Barriers Act of 1968 (P.L. 90-48), an act "to ensure that certain buildings financed with federal funds are so designed and constructed as to be accessible to the physically handicapped."

Section 502 of the 1973 Rehabilitation Act (P.L. 93-112) established the Architectural and Transportation Barriers Compliance Board (ATBCB) to enforce standards issued under the 1968 Act by the four federal standard-setting agencies. The 1974 amendments to the Rehabilitation Act (P.L. 93-516) require the Board to report its activities annually to Congress and the 1978 amendments (P.L. 95-602) authorized the Board to establish minimum guidelines and requirements for standards to be issued under the Act.

The members of the ATBCB are cabinet-level officials or their Executive level IV or higher designees from eleven federal agencies and eleven individuals appointed by the President as public members. At least five public members must be disabled persons.

The Board's principal activity during most of FY 1981 focused on its responsibility to develop minimum guidelines and requirements for federal accessibility standards. Several board meetings were devoted to this rule-making function and notices were published in the Federal Register that generated a significant number of responses from the public. (The Board approved a revised regulation on May 4, 1982, and it was published as a final rule on August 4, 1982).
The guidelines, mandated in Section 502(b)(7) of the Rehabilitation Act, as amended in 1978, are to serve as a basis for standards to be issued under the Architectural Barriers Act by the standard-setting agencies named in the Act: Department of Defense (DOD), Housing and Urban Development (HUD), General Services Administration (GSA), and U.S. Postal Service (USPS). These guidelines were first published as a final rule on January 16, 1981, with an effective date retroactive to January 6, 1981.

At the outset of the process of developing the guidelines, the Board considered the technical specifications in the American National Standards Institute "Standard Specifications for Making Buildings and Facilities Accessible to and Usable by Physically Handicapped People" ANSI A117.1-1961 (R1971) and (1980), but determined that it would be necessary to develop its own document while drawing heavily from ANSI design specifications. The ANSI A117.1 specifications are published by the American National Standards Institute (ANSI), a private organization based in New York that develops voluntary consensus accessibility standards. The original ANSI standard, published in 1961, has been the basis for subsequent development of the majority of state and local accessibility codes or laws and has provided the basis for accessibility requirements in most other codes, including the major model building codes. The preponderance of the Board's technical provisions are similar or identical to ANSI.

The Board contracted with the National Conference of States on Building Codes and Standards in September 1980 to assist in conducting seminars for code officials and others concerning the rationale for certain design solutions and to discuss how the minimum guidelines and requirements attempted to address these requirements.

The 24-month, 50-state project got under way in March 1981 with a pilot seminar in Washington, D.C. The seminars continued into August 1981, reaching federal, state and local code officials in 22 states. On August 19, 1981, the Department of Education, on behalf of the Board, terminated the contract for the convenience of the government.

The Board's funding in FY 1981 was $2.3 million. Approximately $828,000 was used for salaries, $120,000 for public information and education, $368,000 for contracts and research, and $274,000 for such administrative costs as travel, equipment, rent and supplies. The balance of the funds was not needed to carry out the Board's activities, and, therefore, reverted to the Treasury.

After consulting with Education Department and Office of Management and Budget (OMB) officials, the Board's budget and planning committee prepared and submitted in September 1980 the Board's FY 1982 budget request. This was the first time the Board had submitted a budget request directly to OMB as an independent agency with a separate account and appropriation. (In December 1981 Congress appropriated $1.9 million directly to the Board, removing the Board as a component of the Education Department.)

The Board received 106 complaints in 1981. The complaints came from 41 states and Puerto Rico. They included a wide range of accessibility problems, such as inaccessible entrances, lack of ramps and curb cuts, no parking for handicapped persons, and lack of tactile identification for persons with visual impairments and devices for persons with hearing disabilities. This was the first year the number of complaints decreased. There was, however, a small increase in the number of those complaints addressing facilities within the Board's jurisdiction.
The Board staff seeks to resolve amicably the majority of its cases. Of the 106 complaints received in FY 1981 only two--State Street Mall in Chicago and the Richard B. Russell Building in Atlanta--required legal action. The others have been resolved or are still pending.

The Board continued to be concerned about its 1978 mandate from Congress to explore ways to remove communication barriers to handicapped persons. A standing committee was established to focus on the issue and that committee has been called on to gather information to identify research areas involving communication barriers and to establish priorities in those areas.

SECTION 503
EMPLOYMENT OF HANDICAPPED INDIVIDUALS UNDER FEDERAL CONTRACTS

Section 503 of the Rehabilitation Act of 1973, as amended, requires that any contract in excess of $2,500 entered into by any Federal department or agency for the procurement of personal property and non-personal services (including construction) for the United States shall contain a provision requiring affirmative action by the contractor to employ and advance in employment qualified handicapped individuals.

Since the early 1960s, Government contractors have been required to take affirmative action with respect to minorities. In 1968, contractors were required to do the same for women. Affirmative action requirements under the Rehabilitation Act of 1973 were established for employment of the handicapped. Executive Order 11758, issued January 15, 1974, delegated responsibility to the Secretary of Labor for implementation of Section 503. This was subsequently delegated to the Director of the Office of Federal Contract Compliance Programs (OFCCP). In 1974, the same requirements were established for disabled veterans under Section 402 of the Vietnam Era Veterans' Readjustment Assistance Act.

A universe of some 300,000 contractors comprised of well over 30,000 prime and roughly 250,000 or more subcontractors provide the United States Government with supplies, services, use of property, and construction work, totaling over $81 billion each year. Federal contractors and subcontractors include almost all major businesses and corporations in the country, as well as many small firms. Together, they employ more than 31 million persons. Enforcement is carried out by OFCCP as part of the U. S. Department of Labor, Employment Standards Administration.

Equal Employment Opportunity and affirmative action requirements of contract compliance cover all aspects of employment including recruitment, hiring, training, pay, seniority, promotion, and fringe benefits.
Special efforts by employers in outreach, recruitment, training, and other areas help members of protected groups compete for jobs and promotions on an equal footing with other applicants and employees. In all employment areas, Federal contractors and subcontractors must ensure that qualified minorities, women, members of religious and ethnic groups, handicapped persons, and veterans are not discriminated against. They must be further committed to guaranteed positive actions to hire and promote members of the protected groups.

The term "handicap" includes a wide range of mental and physical disabilities. Some impairments are obvious such as paraplegia or blindness. Others may not be readily noticeable. Heart disease, high blood pressure, and diabetes are not often apparent, but may be disabling. In other cases, people have recovered from their disabilities, but have encountered job discrimination because of their past medical record. Cancer, epilepsy, mental and emotional disorders are examples of medical histories which might be associated with job discrimination.

Sometimes people are perceived as having handicaps when, in fact, they do not. One example is an anomaly of the spine discovered by X-ray which causes no disability, but which may be regarded as an impairment by employers.

Complaints of Discrimination

Individuals who are protected by the contract compliance programs may file complaints if they believe they have been discriminated against by Federal contractors or subcontractors. Complaints may also be filed by organizations or other individuals on behalf of the person or persons affected. A contractor's failure to make reasonable accommodation to the disability of a qualified handicapped employee can be the basis for administrative sanctions and the possible loss of contracts.

Exclusion of specific handicapped groups, such as epileptics and diabetics, is established as a clear violation of contractor obligations. Physical and mental criteria for jobs for which the handicapped person is being considered must be job related and consistent with business necessity and safe performance of the job. Pre-employment physical examinations cannot be used to screen out the handicapped and reasonable accommodations must be made to the limitations imposed by the individual's disability.

During FY 1981, almost 2,500 complaints of discrimination were received from handicapped individuals. These related on an almost equal basis to initial hire and termination. In this same period, some 2,386 cases were investigated, conciliated, and closed. During the year, the resolution of complaints with backpay as a remedy affected a total of 281 individuals and $1,095,574. The total far surpasses any single year since the inception of Section 503 program.
Compliance Reviews

The goal of OFCCP's Veterans/Handicapped unit is to carry out the enforcement process and to ensure affirmative action on the part of Federal contractors.

OFCCP equal opportunity specialists in field offices are now monitoring employer compliance with Section 503 of the 1973 Rehabilitation Act as part of their regular contractors' reviews. Through the investigation of individual complaints, a number of problems were revealed which appeared to be handled more efficiently through compliance reviews of all affirmative action programs.

Enforcing Contract Compliance

When a compliance review turns up problems which cannot be easily resolved, OFCCP attempts to reach a conciliation agreement with the employer. The conciliation agreement is OFCCP's preferred route. It means that the contractor may continue doing Government business and the employees are guaranteed protection of their rights. When conciliation efforts fail, OFCCP must turn to its enforcement process. Federal rules and regulations set forth administrative procedures to be followed when enforcement actions are necessary.

Goals and Objectives for 1981

In addition to continuing strong enforcement, there are continuing objectives designed to make Section 503 even more viable as a vehicle for the employment of handicapped individuals. They include:

1. Revision and updating of the regulations and procedures governing Section 503 compliance to enhance their effectiveness.

2. Concentrating staff efforts on scheduled contractors to enhance employment opportunities for the handicapped.

3. Emphasizing resolution of complaints while performing compliance reviews.

4. Continued efforts to eliminate systemic discrimination against the handicapped workers.

5. Strengthening the enforcement of affirmative action programs for the handicapped workers.
Conclusion

A dramatic improvement in enforcement of equal employment opportunity and affirmative action has occurred during the first three years of the new consolidated OFCCP. With only one Federal agency responsible for enforcement, contract compliance is more consistent and less confusing to both protected group members and Federal contractors. For the millions of handicapped people, as well as the hundreds of thousands of Federal contractors, there is now one voice speaking to compliance and affirmative action employment, OFCCP. Also, for the first time in its history, OFCCP has the authority to enforce equal employment opportunity and affirmative action on all covered Government contract work. All programs, policies, regulations and procedures associated with contract compliance are now integrated within OFCCP.

Because the equal employment opportunity programs administered by OFCCP are an integral part of the Federal procurement system, OFCCP believes that it has greater potential than other programs for eliminating invidious discrimination. Covered employers are required to accept voluntarily agreed-to contractual obligations to implement an effective affirmative action program to ensure equal employment opportunities for handicapped individuals along with veterans, minorities, and women. These contractual stipulations are now the heart of the broad prohibition against discriminatory employment practices. The new OFCCP has set a tone of positive and aggressive enforcement of Section 503 of the Rehabilitation Act.

SECTION 504

NON-DISCRIMINATION UNDER FEDERAL GRANTS AND PROGRAMS
OFFICE FOR CIVIL RIGHTS (HHS)

Legislative Authority

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination against qualified handicapped persons in programs and activities receiving Federal financial assistance. The Office for Civil Rights (OCR) enforces Section 504 in regard to programs and activities receiving funds from the Department of Health and Human Services (HHS). OCR enforces Section 504 by investigating complaints of discrimination, reviewing the practices of health care and social service providers, and extending technical assistance to recipients and handicapped persons to encourage voluntary compliance. In addition, OCR works with various program agencies within the Department to integrate Section 504 nondiscrimination requirements into program audits and program administration.
Discrimination Complaints

Based on preliminary analysis of regional reports, OCR received 706 individual complaints alleging discrimination under Section 504 during FY 1981. This compares with 937 complaints received in FY 1980.

During FY 1981, OCR completed action on 679 discrimination complaints that raised Section 504 issues. The most important issues raised in the complaints covered the general categories of employment (recruitment, selection, and testing; demotions and dismissals) and services (exclusion of beneficiaries from programs or facilities, physical accessibility, and comparability of programs and services).

Compliance Reviews

During FY 1981, OCR initiated 65 compliance reviews of hospitals and state health or human services agencies that involved Section 504 issues. An additional 146 reviews were carried over from FY 1979 and FY 1980. During FY 1981, OCR completed 24 compliance reviews covering Section 504 issues.

The issues most commonly addressed in the FY 1981 compliance reviews were: (1) admission policies and practices; (2) accessibility/availability of services; (3) differential treatment within programs; (4) program planning and administration; (5) employment; and (6) procedural violations.

External Technical Assistance

In FY 1981, the Office for Civil Rights managed nine contracts which provided Section 504 technical assistance to recipients and beneficiaries of HHS financial assistance. The value of these contracts was approximately $2.6 million.

Two two-year contracts awarded in FY 1979 developed and produced designs of national demonstrations of Section 504 compliance in community general hospitals—a total of 1050 recipients and 60 in FY 1981. The final result of these two contracts was the development of a model that will help hospitals of similar size meet the requirements of Section 504 of the Rehabilitation Act of 1973.

Approximately 517 Native American recipients and 644 Native American beneficiaries received Section 504 training and technical assistance through a series of workshops in FY 1981. The training consisted of ten workshops for members or representatives of tribal governments or councils from Native American Reservations located in target states.

A contract to analyze Section 504 technical assistance needs in sheltered workshops was awarded in FY 1980 and managed during FY 1981. In addition, workshop training to provide Section 504 technical assistance to private social service providers was conducted under
contract during FY 1981. Section 504 presentations were provided at 49 regional and national conferences on how to operate a Section 504 Information Service. A contract to develop Section 504 training components for inclusion in Federal and State training programs was completed in FY 1981.

Work is continuing on seven contracts to increase outreach to minority disabled persons. In cooperation with the Administration on Developmental Disabilities (ADD), OCR is working to increase the ability of seven State Protection and Advocacy (P&A) systems to address the problems of developmentally disabled minority individuals. The seven projects are located in West Virginia; Maryland; Washington, D.C.; Texas; New Mexico; Arizona; and California.

Training is also being provided under contract to prepare State, county, and local welfare agencies to implement Section 504. This project trained recipients of the Office of Family Assistance (AFDC) representing each of Social Security Administration's fifty-four jurisdictions on how to conduct Section 504 courses for administrative personnel, management, and program staff and provided follow-up support to ensure that the trainees train additional persons. Approximately 6100 recipient staff have been trained through this process.

Activities of the Department's Operating Divisions (OPDIVS)

During FY 1981, OCR continued to work with various program agencies within the Department to integrate Section 504 nondiscrimination requirements into program audits and program administration. OCR and the Office of Human Development Services developed a Section 504 checklist component which was included in the Children's Bureau/Administration on Children, Youth and Families program assessment of 15 State welfare agencies. The purpose of the Section 504 component in the checklist was to stimulate civil rights awareness, encourage voluntary compliance and identify those State agencies not in compliance with the requirements of the regulation. As a result of these audits, advisory reports were submitted to each of the 15 States. In addition, OCR and the Administration on Aging (AoA) developed a draft civil rights checklist including a component on Section 504 which will be contained in AoA's FY 1982 program review guidelines for State agencies on aging.

OCR and the Social Security Administration (SSA) developed a videotape entitled "Improving the Delivery of SSA Services to the Handicapped." The videotape has been distributed to 1400 SSA field offices and has been viewed by approximately 60,000 public contact employees in SSA. SSA, with assistance from OCR, has been developing civil rights guidelines for use by SSA personnel in its direct payment programs. The guidelines are patterned after the requirements of Section 504.
The Health Care Financing Administration regional staff and Public Health Service (PHS) regional and headquarters staff conducted 240 Section 504 briefings for approximately 2300 recipients, including Medicaid and Medicare providers and Medicaid State agencies. PHS staff also conducted internal training sessions on all civil rights statutes, including Section 504, for 186 employees.

Materials Development

During FY 81, OCR continued its efforts which began in FY 1978 to develop and distribute Section 504 technical assistance material. The purpose of this material is to provide accurate and up-to-date information on Section 504 policy and compliance standards to recipients, beneficiaries, elected officials, and other Federal agencies.

In FY 1981, OCR concentrated on revising materials to focus on HHS programs and activities, including two basic public information documents, "Your Rights As A Disabled Person" and "Your Responsibilities To Disabled Persons As A Health And Social Services Administrator." Materials addressing specific Section 504 issues were also developed. For example, a videotape entitled "Reasonable Accommodation - The Employment Story," was produced which provides information to hospital administrators on how to effectively employ handicapped persons. Efforts were also directed towards making information about civil rights available to all handicapped persons. For example, the HHS Section 504 Regulation and the Title VI Regulation were published in large print for the visually impaired and disseminated to libraries, organizations, and individuals. Other efforts to improve the accessibility of HHS publications resulted in the development of printing and publication guidelines to accommodate the visually impaired. Two documents, which have not yet been published but which were developed in FY 1981, address problems faced by deaf and hearing-impaired individuals.

In FY 1981, a total of 250,000 Section 504 technical assistance documents were distributed to recipients, beneficiaries, elected officials, other Federal agencies, professional organizations, and interested individuals.

Regional Technical Assistance Staffs

During FY 1981, OCR's three Regional Technical Assistance Staff (RTAS) recorded over 11,680 Section 504 technical assistance contacts with recipients, beneficiaries, and State and local government officials.

RTAS performed a wide variety of activities. They made presentations on civil rights requirements to organizations of elected officials, recipients, beneficiaries, and other Federal agencies. RTAS organized networks of knowledgeable people to assist in providing technical
assistance, established resource libraries to assist recipients and beneficiaries achieve voluntary compliance, and distributed over 220,000 documents. Over 300 site visits were conducted during which technical assistance to recipients on specific compliance problems was provided. For example, RTAS assisted many recipients in developing and implementing Section 504 self-evaluation plans. In addition, RTAS conducted training for representatives of over 2,000 beneficiary and recipient organizations.

Program Development

During 1981 OCR concentrated on resolving policy issues that arose in connection with complaint investigations and compliance reviews.

Periodically, OCR publishes a "Policy Digest" summarizing significant policy decisions. Policy Digests issued on December 17, 1980 and January 18, 1981, contained five Section 504 case-related policy clarification issues. The issues discussed are:

1) Mentally handicapped persons residing in institutions;
2) Adoption placement to handicapped potential parents;
3) Preemployment inquiries;
4) Evaluating program accessibility of new constructions; and
5) An employer's duty to provide reasonable accommodations to handicapped employees with either mental or physical limitations.

The most significant decision dealt with mentally handicapped individuals residing in institutions. OCR determined that under Section 504, mentally handicapped persons are entitled to treatment in the most integrated setting appropriate, so as to provide them with equally effective services. Furthermore, a recipient providing treatment to a beneficiary in an institutional setting must demonstrate that equally effective treatment could not be provided in a noninstitutional setting. 45 CFR 84.4(b)(1)(iii) prohibits recipients from providing "a qualified handicapped person with an aid, benefit, or service that is not as effective as that provided to others." The burden of proof rests with the recipient to demonstrate that only institutional care and treatment would be appropriate to the patient's needs.

The policy clarification concerning adoption placement to handicapped potential parents was also significant. In this case, OCR determined that recipients who categorically exclude handicapped persons from an adoption program, or who try to use the prospective parent's handicapping condition as the sole basis for rejection, are in violation of Section 504. Under 45 CFR 84.52(a)(4), a recipient may not "provide
benefits or services in a manner that limits or has the effect of limiting the participation of qualified handicapped persons."

Recipients must consider in each placement situation, whether the particular prospective parents are equipped to raise the child and whether the placement will be in the best interest of the child.

**Surveys Conducted**

1. **Hospital Civil Rights Survey.** In December of 1980 OCR mailed the 1981 Short-term, General and other Special Hospital Civil Rights Survey to approximately 6200 recipient hospitals. The purpose of the survey is to provide OCR with information needed to permit assessment of the compliance status of individual hospitals with the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Section 504, and Titles VI and XVI of the Public Health Service Act. As the survey is the first comprehensive questionnaire sent to the nation's hospitals since passage of the Rehabilitation Act in 1973, OCR included a section on Section 504 designed to help measure the extent to which the facilities are complying with regulatory provisions.

2. **1980 Children and Youth Referral Survey.** The 1980 Children and Youth Referral Survey was conducted to obtain data required by OCR to fulfill its responsibilities under Title VI of the Civil Rights Act of 1964 and Section 504 of the Rehabilitation Act of 1973. The focus of the survey was the out-of-home placement of approximately 300,000 children and youth by 2,439 local public welfare and social service agencies. Final data analyses were completed in 1981 and identified those agencies which appeared to have a potential compliance problem in one or more issue areas. The analyses were distributed to OCR's regional offices for their use in planning and conducting review and monitoring activities. State-by-State data were also distributed to each State welfare or social service agency for their use in monitoring agencies within each State's jurisdiction. A computerized agency fact sheet was generated and sent to the 2,439 survey respondents. These data sheets allow an agency to conduct a self-evaluation and identify potential problem areas. A national director was printed in response to data requests from advocacy groups and other Federal agencies and made available upon request. A computerized data file has been established which allow OCR to conduct future analyses as required. This data file has been made available to the Children's Bureau, Office of Human Development Services, DHHS.
INTRODUCTION

Executive Order 12250 continued in effect the guidelines for enforcement of section 504 issued by the Department of Health, Education, and Welfare in 1978 and transferred them to the Department of Justice. On August 11, DOJ finalized this transfer by publishing a notice redesignating the existing regulation (45 CFR 85) as a Department of Justice regulation to be codified at 28 CFR 41.

The Section is revising the former HEW guidelines in the form of "coordination regulations" for both federally assisted and federally conducted programs under section 504. The two coordination regulations will be published for comment in the Federal Register.

Specific Responsibilities of Attorney General

Specifically, this Executive Order charges the Attorney General with responsibility for the following:

1. Establishing standards and procedures for enforcement actions and for conducting investigations and compliance reviews;

2. Issuing guidelines concerning enforcement actions including the establishment of reasonable time limits on efforts to secure voluntary compliance;

3. Developing standards and guidelines for consistent and effective reporting requirements, information sharing, and for cooperative programs with State and local agencies;

4. Developing cooperative programs among Federal agencies; and,

5. Establishing a schedule for reviewing existing and proposed Executive agency nondiscrimination regulations to identify those which are inadequate, unclear, or inconsistent with DOJ standards.

The Attorney General has delegated to the Assistant Attorney General in charge of the Civil Rights Division all of the duties and responsibilities assigned by Executive Order 12250 except the responsibility for approval of agency rules, regulations, and orders of general applicability implementing Title VI of the 1964 Civil Rights Act and Title IX of the Education Amendments of 1972 and approval of any departmental regulations deemed necessary to carry out the Executive Order. The Coordination and Review Section (CRS) of the Civil Rights Division has been assigned responsibility for implementing Executive Order 12250 on behalf of the Department of Justice. In much of what the Section does, activities relating strictly to section 504 cannot be separated out from activity related to the other civil rights statutes.
Coordination of Agency Compliance with Section 504

CRS assists agencies to issue nondiscrimination guidelines and regulations. In FY 1981 the Section circulated to agencies and departments a document entitled "Guideline for Agency Implementation Plans" as a management tool for agency compliance with their obligations under Executive Order 12250.

CRS program coordinators also maintain ongoing day-to-day liaison with agencies which includes review of proposed regulations and data collection efforts, training of agency staff, assistance in preparing the A-11 reports required by the Office of Management and Budget, review of complaint procedures, and assistance in handling complaints.

Agencies are required to submit data regarding their civil rights activities pursuant to OMB Circular A-11. In FY 1981 CRS staff conducted training sessions for agencies on how to prepare this information. Agency attendance and response to these sessions was very positive.

The review and analysis of data on Federal civil rights activities is currently being completed by the program coordinators. The data will provide the basis for cross agency analyses and analyses of staff resources and performance. New reporting requirements for Circular A-11, coupled with changes in budget assumptions, have caused late data submissions by many agencies. However, once the data base is established it will provide a comprehensive picture of Federal civil rights activities, including compliance with section 504.

In FY 1981 CRS reviewed six agency regulations and approved them for publication in the Federal Register, and reviewed and commented on ten other regulations concerning section 504 which are still under revision.

The Coordination and Review Section provided assistance to the Office of Revenue Sharing, and the Department of Health and Human Services (HHS), in the development of a training course entitled "Discrimination on the Basis of Handicap." In addition, CRS has collected and is reviewing training materials on section 504 that had been developed or contracted for by HHS and the Department of Education (ED) under Executive Order 11914. This material will become a standardized training and technical assistance package in FY 1982.

DOT Suspension

On August 11, 1981, DOJ suspended application of the section 504 coordination regulation (28 CFR 41) to mass transportation. The suspension was prompted by three events. First, the Presidential Task Force on Regulatory Relief and the Department of Transportation asked the DOJ to revise the regulation to be consistent with the Administration's policy of reducing regulatory burdens and increasing local control over local programs. On May 26, 1978, the Court of Appeals
for the District of Columbia Circuit ruled that the Department of Transportation's regulation implementing section 504 exceeded its authority under that statute. American Public Transit Association v. Lewis, No. 79-1697. On July 20, 1981, DOT issued an interim final rule revising its 1979 regulation to provide for greater local control over transportation decisions. The suspension eliminated any technical inconsistency between the DOT interim rule and the DOJ coordination regulation. Its purpose was to permit mass transit system operators to provide alternative forms of transportation for handicapped persons instead of modifying its mainline system to make it accessible.

Policy Development

During FY 1981 CRS considered a variety of policy issues relevant to its responsibilities under the Executive Order including inconsistent architectural accessibility standards, the need for deaf interpreters to be employed by the Internal Revenue Service and other agencies, coverage of agencies under the Executive Order, the meaning of "emotional" or "psychological" handicap, and accessibility requirements for transportation systems.

Response to Citizens' Questions and Complaints

Citizens will often send complaints about discrimination either directly to CRS or indirectly through their Congressional representatives. CRS staff generally refer these complaints to the relevant agency or agencies for handling through the administrative review process. In addition, CRS receives and responds to numerous requests for information from citizens.

Litigation Support

CRS has provided support to the Civil Division in four lawsuits brought under section 504. In Williams v. United States, plaintiffs charged 43 Federal agencies with failure to promulgate regulations as required by the 1978 amendment to section 504. The district court denied the government's motion to dismiss, rejected a motion for preliminary injunction against the Department of Justice, and stayed proceedings until March, 1982.

In Gottfried v. Federal Communications Commission the United States Court of Appeals for the District of Columbia has remanded that portion of the case concerning renewal of the broadcast license of public television station KCET for reconsideration by the FCC in light of the requirements of section 504.

In another case concerning television, GLAD v. Bell, the district court has enjoined the Department of Education from granting Federal financial assistance for the production of television programs until agency regulations ensure accessibility for hearing-impaired persons. The court also ordered the Justice Department and the FCC to develop
compliance standards. These final orders have been stayed pending appeal to the Ninth Circuit Court of Appeals.

A preliminary injunction against nine Federal agencies was granted in June, 1981, by the district court in Paralyzed Veterans of America v. Smith. The injunction requires the expedited promulgation of Section 504 regulations.

CRS involvement in these cases has included preparation of testimony, affidavits and court-requested status reports, assistance to the Civil Division in developing arguments, and preparation of a coordination regulation for federally conducted programs. In addition, the Section of our coordination regulations for federally assisted programs establishing requirements for television stations was drafted partially in response to the concerns expressed in the Gottfried and GLAD cases.

NON-DISCRIMINATION UNDER FEDERAL GRANTS AND PROGRAMS
OFFICE FOR CIVIL RIGHTS (ED)

Legislative Authority

The Office for Civil Rights (OCR) enforces Section 504 in regard to programs and activities receiving funds from the Department of Education. OCR enforces Section 504 by investigating complaints of discrimination, and reviewing the practices of education related service providers.

The task of protecting the civil rights of 4 million handicapped persons, who attend public schools or postsecondary institutions rests almost exclusively with OCR, as does the responsibility of guaranteeing these rights for future students. OCR's goals is a fair and effective compliance program that is responsive to the needs of all protected groups. To operate the program in FY 1981, OCR was authorized 1,098 full-time permanent positions. Funding amounted to $46,915,000 for all OCR activities. Forty-three percent (43%) of total funding and staff time was spent on Section 504 activities, complaints and compliance review activities as well as technical assistance and policy development.

OCR also provides technical assistance to encourage voluntary compliance and to increase understanding of Section 504 among school and college students and employees as well as school districts, the higher education community, State rehabilitation centers, and other recipients of Federal education funds. In addition, OCR works with various program agencies within the Department to integrate Section 504's nondiscrimination requirements into program audits and program administration.

Processing Complaints of Discrimination

Each Section 504 complaint must be resolved in accordance with schedules specified in the Adams order. (The most important factor influencing OCR operations is the continuing application of a combined consent decree resulting from lawsuits brought by civil rights groups during the past decade, each alleging failure to enforce the civil rights laws adequately. The court order requires OCR to process complaints and compliance reviews within specific time frames).
During FY 1981 OCR received 1435 complaints alleging discrimination on the basis of handicap. Of these complaints, 82 percent involved elementary and secondary institutions, 18 percent postsecondary/vocational rehabilitation institutions and other education related institutions. The biggest change in the nature of complaints received was the continued increase in a number of 504 complaints from 45 percent in FY 1980 to 50 percent in FY 1981.

Section 504 complaint closures increased during FY 1981 to 1571. The majority of cases closed were at the elementary and secondary level involving issues related to delivery of educational services.

Compliance Reviews

Section 504 compliance reviews differ from complaint investigations in that OCR has some discretion in selecting the issues and institutions for review. In selecting issues warranting review, OCR relies on research, survey data, and other available information which allows for targeting resources on compliance problems that appear to be serious or national in scope.

During FY 1981, OCR initiated over sixty (60) Section 504 compliance reviews. Approximately 75 percent of the reviews were of elementary and secondary schools. In-school discrimination was the most frequent issue, including classroom assignment. Twenty-five percent (25%) of the reviews were of post-secondary institutions where the primary issues were program accessibility and graduate admissions. As in complaint investigations, OCR was able to achieve voluntary compliance in almost all instances where violations were determined.

Regional Technical Assistance

Technical assistance is an essential part of the civil rights compliance program. Since late 1978, the major focus of OCR's Regional Technical Assistance (RTAS) program has been the provision of technical assistance to Department of Education recipients to assist them to comply with Section 504. Activities have varied across regions, reflecting unique regional characteristics, priorities and resources. In providing this assistance each RTAS combines workshops and on-site consultations with phone and written responses to recipient and beneficiary requests for assistance.

Technical assistance issues are selected on the basis of OCR's Annual Operating Plan, past contractors' efforts, recommendations of OCR's Executive Staff and analyses of complaint workload data.

In FY 1981, more than 5,000 persons received training through OCR contractor workshops. In addition, an estimated 12,500 persons were provided training and technical assistance information indirectly, through follow-up efforts of approximately 50 percent of those initially trained. Technical assistance informational materials disseminated by contractors reached about 225,000 recipients, beneficiary organizations and others.

During FY 1981, RTAS collectively responded to 14,799 requests for technical assistance from identified target populations utilizing a variety of delivery methods. Tables 1 and 2 below review the distribution of technical assistance efforts among target groups and the delivery methods of RTAS.
Table 1. RTAS' accomplishment during FY 1981 in responding to requests for technical assistance from target population.

<table>
<thead>
<tr>
<th>Requests From:</th>
<th>FY 1981 TOTALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ED</td>
<td></td>
</tr>
<tr>
<td>Recipients</td>
<td>4457</td>
</tr>
<tr>
<td>ED Components</td>
<td>459</td>
</tr>
<tr>
<td>OCR Staff</td>
<td>1380</td>
</tr>
<tr>
<td>State/local Governments</td>
<td>2101</td>
</tr>
<tr>
<td>Consumers*</td>
<td>3490</td>
</tr>
<tr>
<td>Federal Agencies*</td>
<td>1495</td>
</tr>
<tr>
<td>Other*</td>
<td>1417</td>
</tr>
<tr>
<td>GRAND TOTAL</td>
<td>14799</td>
</tr>
</tbody>
</table>

* Figures in "Federal Agencies" and "Others" include technical assistance provided by OCR to Health and Human Services and its recipients, pursuant to the Memorandum of Understanding between the Office for Civil Rights/Department of Education and the Office for Civil Rights/Health and Human Services.

Table 2. RTAS' FY 1981 use of varied technical assistance delivery methods

<table>
<thead>
<tr>
<th>Delivery Methods:</th>
<th>FY 1981 TOTALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Site Consultations</td>
<td>492</td>
</tr>
<tr>
<td>Workshops</td>
<td>263</td>
</tr>
<tr>
<td>Public Speaking</td>
<td>325</td>
</tr>
<tr>
<td>Conferences/Meetings</td>
<td>1178</td>
</tr>
<tr>
<td>Written Responses</td>
<td>1531</td>
</tr>
<tr>
<td>Telephone Responses</td>
<td>4825</td>
</tr>
<tr>
<td>Material Dissemination</td>
<td>5000</td>
</tr>
<tr>
<td>Other*</td>
<td>1185</td>
</tr>
<tr>
<td>GRAND TOTAL</td>
<td>14799</td>
</tr>
</tbody>
</table>

* Figures in "Other" only account for 8% of technical assistance activities. Referrals and walk-ins are examples of delivery methods reported in "Other" Category.
RTAS technical assistance activities also are aimed at assisting recipients to comply cost-effectively with the requirements of Section 504. During FY 1981, RTAS reported $921,400 savings to recipients based on OCR's advice. The majority of these savings are derived from eliminating costly building or structural changes recipients believed necessary in order to comply with the program accessibility requirements of Section 504.

Technical Assistance Contract Development

OCR's technical assistance contract budget has been sharply reduced, while the scope of the program has expanded considerably. (Budget: FY 1980 = $8,700,000, FY 1981 = $4,829,525).

There are nine (9) new Section 504 projects totaling $3,227,795, awarded during FY 1981. The following technical assistance issues, among others, were addressed during FY 1981.

- Role of elected officials in implementing Section 504. Mayors and county officials were believed to be key members in the implementation of civil rights statutes at the local level.
- Role of beneficiaries in helping recipients comply with Section 504. The regulations implementing Section 504 require recipients to involve disabled persons in making their programs accessible to disabled persons.
- Program and physical accessibility requirements. Some recipients still do not understand the difference between program accessibility and physical accessibility under Section 504. These recipients believe that extensive and expensive structural renovations are needed to achieve program accessibility and spend money unnecessarily.

Policy/Program Development

During FY 1981, OCR published two Digests of Significant Case-Related Memoranda summarizing significant policy decisions. The Digests covering the period January 1980—December 1980 and January 1981—June 1981 contained 10 Section 504 case-related policy clarification issues. The issues discussed included the following:

- What is evidence of a "pattern or practice" of discrimination which would prompt OCR to investigate and review the results of individual placement decisions?
- Are grade placement decisions affecting handicapped students subject to the "impartial hearing" procedural safeguards requirements of Section 504?
- Do State procedures which permit the selection of an employee of one school district as the hearing officer by another school district violate the requirement of an "impartial hearing" regarding the identification, evaluation, or placement of a handicapped student?
Does Section 504 require a school district to establish intramural athletic programs to accommodate handicapped students who are unable to successfully compete with non-handicapped students for placement in the school district's regular competitive interscholastic athletic program?

When does a school district become financially responsible for placement of a handicapped student in a private institution if such placement was originally made by the student's parents and subsequently affirmed by the school district?

What are the obligations of school districts to handicapped children residing in State institutions located within the boundaries of the school district?

Is it a violation of the program accessibility provisions of the Section 504 regulation if the science building of a recipient postsecondary institution does not have any lowered tables in the laboratory but is otherwise accessible?

Is a State vocational rehabilitation agency precluded by the "similar benefits" provision of Title I of the Rehabilitation Act of 1973 from paying for interpreter services for a hearing-impaired client, otherwise eligible for such services, who is enrolled in a recipient postsecondary educational institution, because the educational institution is required by the Section 504 regulation to ensure the provision of auxiliary aids?

When a recipient postsecondary institution offers, among various types of housing accommodations, housing with double or single air-conditioned rooms and private bathrooms to students, but the same choice of housing accommodations with air-conditioning and private bathrooms is not accessible to students in wheelchairs, what types of housing must be accessible in order for the institutions to comply with the Section 504 regulation?

What must a university do to accommodate the special dietary needs of a qualified handicapped student when it requires all students to participate in its food service program?

**Regulation Review - Elementary, Secondary**

As part of Vice President Bush's Task Force on Regulation Review, during FY 1981 (and continuing to the present), OCR initiated a review of the Section 504 regulation which involves issues involving: time deadlines for modifying facilities' physical accessibility, and program accessibility; the exhaustion of remedies; employment discrimination; the provision of auxiliary aids; and preschool, elementary and secondary education (Subpart D of the regulation.)
Fall 1980 Elementary and Secondary School Civil Rights Survey.

This survey was sent to over 5,000 school districts throughout the U.S. in November 1980. The survey was conducted by OCR on a national basis since the 1967-68 school year.

The purpose of the survey was to provide OCR with information needed to permit assessment of the compliance status of individual school systems and individual schools with the nondiscrimination provision of Title VI of the Civil Rights Act of 1964 (race and ethnicity), Title IX of the Education Amendments of 1972 (sex) and Section 504. The Section 504 issues addressed by this survey included:

- Unserved in special education: pupils identified as requiring special education services but not currently enrolled as well as those pupils not yet evaluated for special education;
- Discipline: disproportion by handicap (and race, and sex);
- Accessibility of programs to handicapped students; and
- Disproportion by race, sex and bilingual status in special education programs.

Vocational Education

The Vocational Education Guidelines issued by the Department of Education during FY 1981 require that each State and insular possession administering and/or operating vocational education programs indicate how they and their Federally funded subrecipients would comply with Federal civil rights requirements prohibiting discrimination in the areas of race, ethnicity, sex and handicap. These State and insular possession requirements are referred to as Methods of Administration. Such Methods of Administration describe how States and insular possessions intend to enforce among their subrecipients the requirements of Section 504, as well as Title VI and Title IX. As of the end of FY 1981, the Department of Education had received and approved Methods of Administration relative to Section 504 from all 50 States and insular possessions with the exception of two.

Section 507
INTERAGENCY COORDINATING COUNCIL

The Interagency Coordinating Council is a Cabinet-level council established under section 507 of the Rehabilitation Act Amendments of 1978 P.L. 95-602, Section 120(a); 29 U.S.C.. 794c (1979 Supp.) to coordinate the Federal implementation and enforcement of Title V of the Rehabilitation Act and to make recommendations, when appropriate, to the Congress for legislative and administrative change. The Federal agencies represented on the Council are the Department of Labor, Education, Justice, Health and Human Services, the Office of Personnel
Management, the Equal Employment Opportunity Commission, and the Architectural and Transportation Barriers Compliance Board. From the council’s inceptions, the Attorney General has served as the Chairman of the Council but has designated the Assistant Attorney General for Civil Rights as his representative.

During the last fiscal year the Council:

1. Resolved differences between the Department of Labor, the Equal Employment Opportunity Commission and the Department of Justice regarding pre-employment inquiries;

2. Agreed to procedures by which the Equal Employment Opportunity Commission reviews employment provisions of proposed agency rules prior to review by the Department of Justice of final agency submissions;

3. Recommended to the Census Bureau and the Secretary of Commerce that a Post Census Disability Survey be conducted;

4. Agreed to recommend that the Fair Labor Standards Act be amended to permit the integration of sheltered workshop and work activity center clients; and,

5. Encouraged the revision of minimum guidelines by the Architectural and Transportation Barriers Compliance Board to expand on but be more consistent with the ANSI standard. The new guidelines were published in proposed form 47 FR 3934 (Jan. 27, 1982).

Aside from these measures, Council activity over the last fiscal year was held in abeyance pending appointment of the new Assistant Attorney General for Civil Rights and the development by the Department of Justice of coordination regulations to implement its new authority under Executive Order 12250.