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# **Accommodation Reimbursement Fund**

2021

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## Introduction

This annual report on the State's Accommodation Reimbursement Fund is mandated under <u>Minnesota Statutes</u>, section 16B.4805, subd. 6.

### **Background**

The State of Minnesota recognizes the significant contribution workers with disabilities make to keep the state competitive in a global economy. To remain competitive, the State must aggressively pursue new and inclusive recruitment strategies to both prepare for the rapidly approaching workforce shortage, and ensure a state government that reflects the people it serves. However, workers with disabilities remain an underutilized resource. In 2015, there were over 296,000 Minnesotans with disabilities of typical working ages (18-64) of which 44% were unemployed.<sup>1</sup>

Minnesota Management and Budget (MMB), in collaboration with the Commission of Deaf, DeafBlind, and Hard of Hearing Minnesotans (MNCDHH) submitted a report to the Legislature in 2015, noting that:

Several studies have cited a centralized reasonable accommodation fund as a best practice for hiring individuals with disabilities. Specifically, it can reduce the unconscious or conscious bias a hiring manager may experience when considering an applicant with a disability and the associated costs of workplace accommodations. This bias has been shown to potentially deter a manager from hiring an individual with a disability.<sup>2</sup>

Subsequent to this report, legislation was enacted to establish a fund to reimburse state agencies for qualifying reasonable accommodation expenses to better support the hiring and retention of workers with disabilities.

#### **Accommodation Fund**

During the 2015 Legislative Session, \$200,000 was appropriated to the Department of Administration to establish an accommodation fund for the purpose of reimbursing state agencies (as defined in Minnesota Statutes, section 16A.011, subd. 12) up to 100 percent of the cost of reasonable accommodation expenses in accordance with Minnesota Statutes, section 16B.4805, subd. 6.

In 2017, the statute<sup>3</sup> was amended to allow the Commissioner of Administration to reimburse state agencies up to 50 percent of the cost of expenses incurred in making reasonable accommodations.

<sup>&</sup>lt;sup>1</sup> (2016, November). Population Notes - Minnesotans with Disabilities: Demographic and Economic Characteristics. Saint Paul: Minnesota State Demographic Center. T

<sup>&</sup>lt;sup>2</sup> 2015, February 26). Centralized Reasonable Accommodation Fund Study - Minnesota.... Retrieved January 12, 2017, from <a href="https://www.leg.state.mn.us/docs/2015/mandated/150351.pdf">https://www.leg.state.mn.us/docs/2015/mandated/150351.pdf</a>

<sup>&</sup>lt;sup>3</sup> 2017 Minnesota Statute 16B.4805 https://www.revisor.mn.gov/statutes/cite/16B.4805

The goal of the accommodation fund is twofold:

- 1. To provide an equal footing for job applicants with disabilities during the hiring process, in support of Executive Order 19-14; and
- 2. To provide for a more inclusive workplace environment for current state employees with disabilities.

The three types of accommodation expenses eligible for reimbursement are:

- 1. For applicants for employment in any amount;
- 2. For current employees for services that are needed on a periodic or ongoing basis; and
- 3. For **current employees** for one-time expenses that total more than \$1,000 for a single employee in a fiscal year

During Fiscal Year 2016, the Department of Administration (Admin) set up the fund and a method for distribution. Since its establishment, Admin has distributed approximately \$780,300 in reimbursement to agencies for accommodations.

### **Implementation**

The Accommodation Fund is administered by the Department of Administration's STAR (System of Technology to Achieve Result) program. STAR is federally-funded and provides assistive technology services to help Minnesotans with disabilities of all ages increase their independence at home, school, work, and in their communities.

## **Eligibility**

Eighty-one executive branch agencies, boards, councils, and commissions are eligible to submit requests for reimbursement of reasonable accommodations subject to established eligibility requirements.

Reimbursement requests may only be submitted for state employees and job applicants. Reasonable accommodations provided on behalf of board members, unpaid student workers, interns, and volunteers do not qualify for reimbursement.

## **2021 Summary**

## **Reimbursement Requests**

#### Agency Requests – Fiscal Year 2021

During Fiscal Year 2021, thirteen agencies *requested* reasonable accommodation expense reimbursements totaling \$269,501.64. The following breakdown is provided by legislative committee.

#### Health and Human Services Finance \$65,542.88 – 24%

Department of Human Services – \$61,590.88

• Health Licensing Boards - \$3,952.00

#### Human Services Reform \$53,745.97 - 20%

Council on Disability - \$53,745.97

#### **Public Safety Finance \$1,411.88 - 0.52%**

Department of Public Safety - \$1,411.88

#### Jobs and Economic Growth/Workforce and Business Development Finance \$63,494.60 - 23.56%

• Department of Employment and Economic Development - \$63,494.60

#### **State Government Finance \$ 42,970.63 - 15.94%**

- IT Services \$27,435.45
- Revenue \$15,175.18
- Management and Budget \$360.00

#### Environment and Natural Resources Finance \$9,261.22 - 3.44%

Department of Natural Resources - \$9,261.22

#### Education Finance \$23,902.00 - 3.44%

Department of Education \$ 23,902.00

#### Higher Education Finance \$4,392.00 - 1.52%

• Office of Higher Education - \$1,605.00

#### Housing Finance \$6,052.75 - 2.25%

Housing Finance Agency - \$6,052.75

#### Veterans and Military Affairs Finance - \$1,514.71 - 0.56%

• Department of Veterans Affairs - \$1,514.71

#### **Approved Requests – FY21**

The Accommodation Fund approved and reimbursed 139 requests submitted by state agencies.

#### Number of Approved Reimbursement by Functional Need in FY20

Vision (7)

- Hearing (152)
- Physical/Mobility (3)
- Speech (1)
- Other Respirtory (1)

#### Number of Reimbursements Approved by Accommodation Type in FY21

- One-time expenses for a state employee that total more than \$1000 in a fiscal year (10)
- Periodic or ongoing services for a state employee (139)
- Combination periodic services/one-time expense in fiscal year for a state employee (0)
- Combination periodic services/one-time expense in fiscal year and any expense for a job applicant (15)

#### Recipients (Applicants/Employees)

Of the 164 requests made during FY21:

- 149 requests were for state employees
- 15 requests were made for a job applicants. Four were hired.

#### **Agency Reimbursements Received - FY21**

The thirteen agencies listed below *received* a total of \$133,529.87during FY21:

#### Health and Human Services Finance Committee \$32,771.45 - 25%

- Department of Human Services \$30,795.45
- Health Licensing Boards \$1,976.00

#### Human Services Reform Finance \$26,873.00-20.13%

• Council on Disability - \$26,873.00

#### Judiciary and Public Safety Finance \$705.94 - 1%

Department of Public Safety - \$705.94

#### Jobs and Economic Growth/Workforce and Business Development Finance \$31,747.31 - 24%

Department of Employment and Economic Development - \$31,747.31

#### State Government Finance \$20,264.32 - 15%

- IT Services \$12,496.73
- Department of Revenue \$7,587.59
- Management and Budget \$180.00

#### Environment and Natural Resources \$4,630.61 - 3%

Department of Natural Resources - \$4,630.61

#### **Education Finance – \$11,951.00 – 9%**

Department of Education - \$11,951.00

#### Higher Education Finance - \$802.50 - 1%

• Office of Higher Education - \$802.50

#### Housing Finance - \$3,026.38 - 2%

Housing Finance Agency - \$3,026.38

#### **Veterans and Military Affairs Fianance - \$757.36 – 1%**

Department of Veterans Affairs - \$757.36

#### **Denied Reimbursement Requests – FY21**

Zero applications were submitted that did not qualify.

#### Conclusion

Due to the current eligibility threshold requirement that one-time expenses must be \$1,000 or more to be eligible for reimbursement, the fund continues to provide more reimbursements to agencies for employees with ongoing or periodic needs versus those agencies whose employees whose needs can be addressed by one-time purchases of assistive technology.