

FY 2008

CONGRESSIONAL BUDGET JUSTIFICATION

OFFICE OF DISABILITY EMPLOYMENT POLICY

OFFICE OF DISABILITY EMPLOYMENT POLICY

PERFORMANCE BUDGET

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OFFICE OF DISABILITY EMPLOYMENT POLICY

GENERAL STATEMENT

Introduction

The Office of Disability Employment Policy (ODEP) provides national leadership on disability employment policy. ODEP was established to bring a permanent focus within the U.S. Department of Labor (DOL) and across the Federal government to addressing the significant barriers to employment faced by individuals with disabilities and ensure coordination among DOL and other Federal agencies on matters related to or affecting employment of people with disabilities. The agency's success requires the active involvement and cooperation of offices and programs within DOL as well as with key stakeholders, including other Federal agencies, state and local governments, non-governmental organizations, and employers. ODEP also supports the achievement of the employment-related goals of the President's New Freedom Initiative.

Key components of ODEP's charge to increase workforce participation of people with disabilities include:

- Developing national policy related to and affecting employment of people with disabilities;
- Fostering the implementation of effective policies and practices within state and local workforce development systems and with employers;
- Conducting research that validates effective strategies for providing disability-employment related services and supports; and
- Providing technical assistance regarding the implementation of effective disability employment policies and practices throughout the workforce development system, its partners and employers.

In addition, ODEP ensures that employer perspectives on the recruitment, employment, advancement, and retention of people with disabilities are fully integrated into policy analysis and development.

ODEP's budget will also support and advance DOL Strategic Goal # 2 – A Competitive Workforce – by working to meet its annual Performance Goal of building knowledge and advancing disability employment policy that affects and promotes systems change.

Issues, Outcomes and Strategies

The American labor market is changing. The Bureau of Labor Statistics' (BLS) projections of employment between 2004 and 2014 show an increase of 18.9 million new jobs, about 2.5 million more jobs than were added in the previous decade, while almost 36 million workers are expected to leave their occupations and need to be replaced over this same period. And the workforce is getting older: the number of people in the labor force aged 55 to 64 is projected to increase by 42 percent, more than four times the average for all other age groups.

DOL and various industry groups are reporting that workforce shortages are clearly occurring across the country, while companies continue to seek highly skilled workers who have the qualifications and experience needed to perform the job at expected levels and who can

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significantly contribute to the businesses' "bottom line." Many people with disabilities are prepared, willing, and able to work, but they remain a largely untapped labor pool. Participation in the workforce by people with disabilities has historically been significantly lower than those without disabilities. The challenge has often come not from an inability or unwillingness to work, but from inadequate access to common but critical American systems and programs, including employment and training, housing, transportation, technology, and health care, upon which all workers depend. For many Americans with disabilities, these supports have often been available mainly through specialized systems. In addition, these systems and programs have frequently addressed aspects of life – from education and employment to housing and health care – in a stovepipe like fashion.

ODEP's challenge is two-fold. First, ODEP seeks to influence the development of policy that takes into account people with disabilities on matters relating to or affecting employment, which will link supply sources with labor market end users, providing employers with strategies for reaching into this untapped pool of workers. Research has shown that in order to improve the hiring climate for people with disabilities, employers need more accurate and practical information to dispel preconceptions and concerns about employing people with disabilities. Second, ODEP seeks to influence the development of policies and practices that enhance market-driven skills development, preparing youth and adults with disabilities with the skills and competencies required to obtain jobs and build successful careers in the 21st century workplace.

History demonstrates that often modifying the broader environment, not the individual, brings widespread change. Social, economic, and political factors have impacted both businesses and individuals in many ways over the years. Physical and programmatic advances in such areas as job training, education, technology, and mass transit have changed the nature of work and the workplace for all employees, regardless of their age, ability, level of experience or disability status. Such changes have not only improved our ability to communicate, travel, and be productive at work, but they have also led to greater employment opportunities for people with disabilities.

Although an increasing number of workers will be retiring over the next two decades, the sheer number of older workers means that many businesses will be dealing with an aging workforce. The number of labor force participants aged 65 and older is expected to grow by 74 percent, more than seven times as fast as the total labor force. Many of these workers may experience disabling conditions, placing increased pressure on the employer to keep workers on the job and to have employees who are temporarily disabled return to work quickly to maintain productivity. Thus, ODEP has the unique challenge of influencing policies and practices that empower employers, by providing them with the tools to rethink their strategies for employee recruitment, development, and transition with the goal of retaining long-term, high-quality, high-contributing employees. Effective and innovative strategies address ways to accommodate the needs of the changing workforce and workplace through accessibility, flexibility, and innovative technologies. At the same time, ODEP is challenged with influencing policies and practices that enhance coordination of needed supports, including access to healthcare, housing, and reliable transportation, to keep workers on the job and return employees to work quickly following an injury or illness.

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The need to recruit and retain qualified workers applies to smaller businesses as well. Small businesses are, and will continue to be, the backbone of the U.S. economic engine. More than ninety-nine percent of U.S. businesses are small businesses, which the Small Business Administration (SBA) defines as those with 500 employees or less. More importantly, small businesses employ half of all private sector employees and have generated 60 to 80 percent of net new jobs annually over the last decade.

However, many Americans choose self-employment rather than working for an employer. While self-employment is increasingly seen as a viable employment outcome for people with disabilities, many barriers to entrepreneurship exist. The challenge for ODEP is to influence the development and implementation of policies and practices that increase not only the recruitment of people with disabilities by the nation's small businesses, but also access to resources, such as capital, training, and information, for potential entrepreneurs with disabilities.

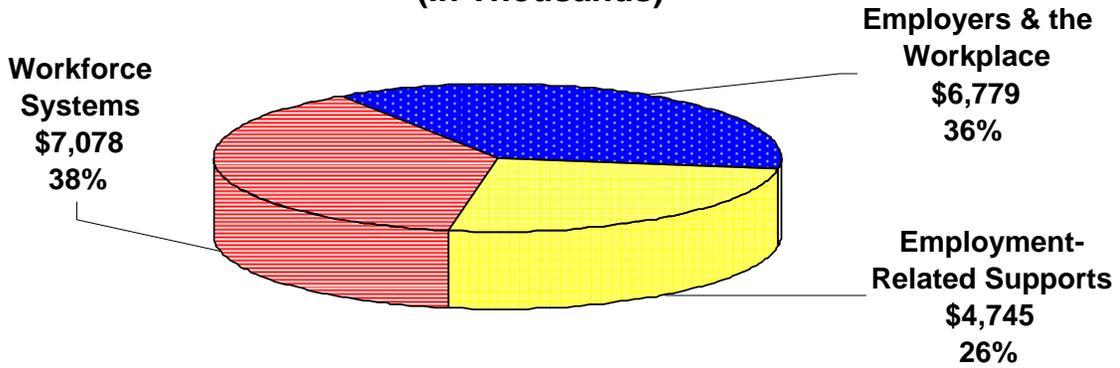
Cost Model

ODEP requests a total of \$18,602,000 and 40 FTE, a decrease of \$9,053,000 and 19 FTE from the FY 2007 level of \$27,655,000 and 59 FTE, allowing ODEP to continue its core mission of policy analysis, technical assistance, and the dissemination of effective practices to increase the employment opportunities for people with disabilities. In 2008 ODEP will focus its efforts on developing and fostering the implementation of disability employment policy to increase the recruitment, advancement, and retention of employees with disabilities.

With these resources, ODEP will develop policy and conduct research on workforce systems, employers and the workplace, and employment-related supports. ODEP's policy development and research activities will have an impact on specialized (services and programs that specifically serve people with disabilities) and generic (services and programs that serve all Americans, including those with disabilities) systems, as well as on employers' perspectives, leading to an increase in employment opportunities and greater recruitment, retention and promotion of people with disabilities. ODEP will influence national-level policy development and implementation, foster implementation and replication of state and local level strategies, conduct research, and provide technical assistance.

The cost model below displays a breakout of ODEP's FY 2008 budget activity by policy and research area. ODEP is designed to develop policy and conduct research aimed at increasing employment opportunities for people with disabilities and has one performance goal to reflect this clear purpose. As such, all of ODEP's resources support efforts and activities - utilizing a variety of strategies - that aim to increase employment opportunities for people with disabilities.

Budget Activity by Policy & Research Area
Total ODEP Budget Request \$18,602
(In Thousands)



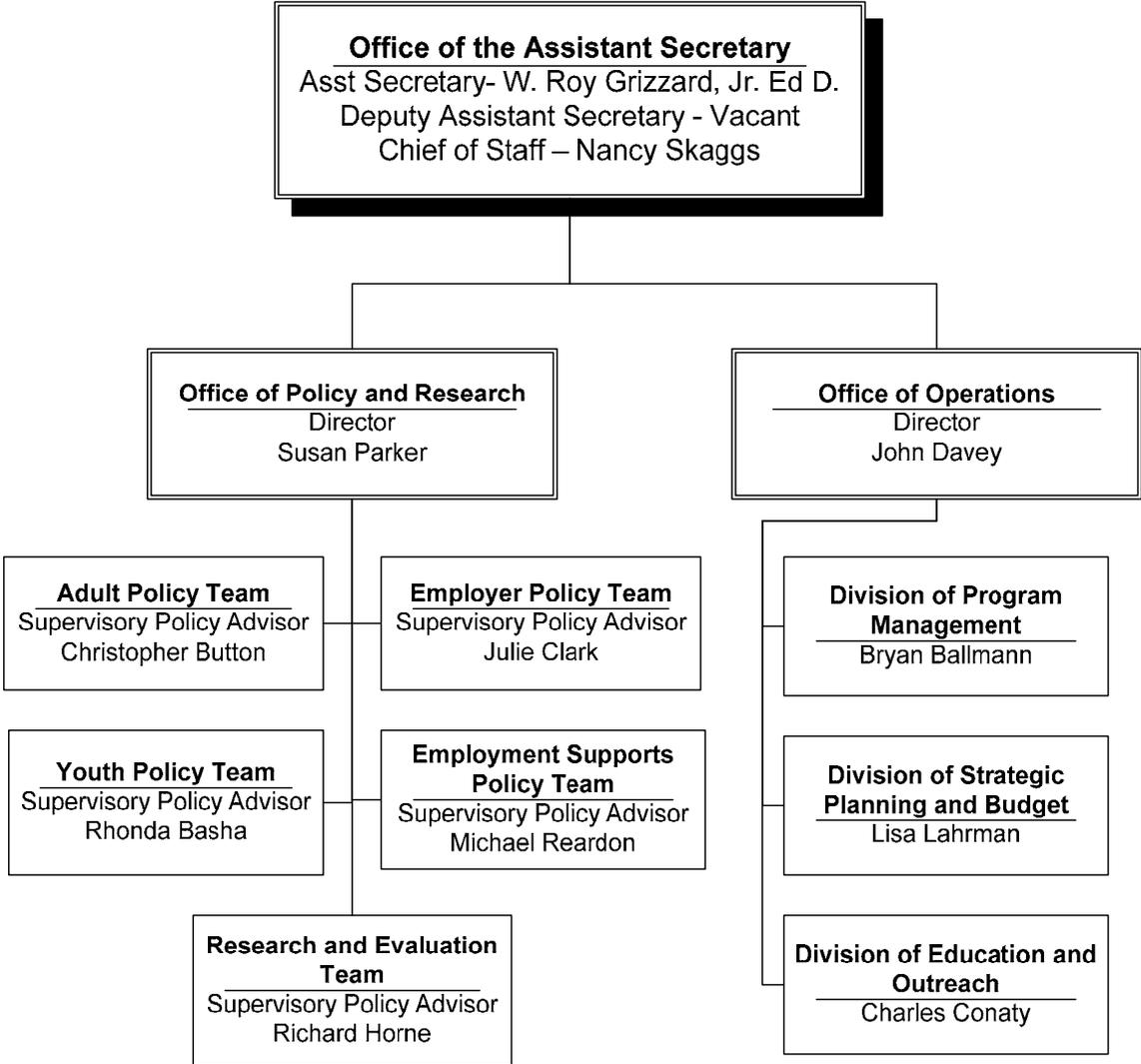
■ Workforce Systems ■ Employers & the Workplace ■ Employment-Related Supports

As the cost model illustrates, ODEP recognizes that increasing employment opportunities and workforce participation for people with disabilities requires that policy development and research occur concurrently within three broad areas: workforce systems, employers and the workplace, and employment-related supports.

It is important to note that in addition to implementing initiatives within these areas, ODEP manages a White House Initiative, DisabilityInfo.gov, and conducts comprehensive research initiatives that contribute new knowledge and performance data that inform policy development and serve as a foundation for additional research across the three broad policy and research areas.

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ORGANIZATION CHART



OFFICE OF DISABILITY EMPLOYMENT POLICY

APPROPRIATION LANGUAGE

For necessary expenses for the Office of Disability Employment Policy to provide leadership, develop policy and initiatives, and award grants furthering the objective of eliminating barriers to the training and employment of people with disabilities, \$18,602,000.

Note. — A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

OFFICE OF DISABILITY EMPLOYMENT POLICY

AMOUNTS AVAILABLE for OBLIGATIONS						
(Dollars in Thousands)						
	FY 2006 Enacted		FY 2007 C. R.		FY 2008 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation (Amount shown in Appropriation Language)	59	27,934	59	27,655	40	18,602
Reduction pursuant to (P.L. 109-148) in FY 2006	0	-279	0	0	0	0
Appropriation, Revised	59	27,655	59	27,655	40	18,602
A.2) Subtotal [positive entry]	59	27,655	59	27,655	40	18,602
B. Gross Budget Authority [sum of A.1 and A.2]	59	27,655	59	27,655	40	18,602
C. Budget Authority [sum of B. and B.1]	59	27,655	59	27,655	40	18,602
Reimbursements	0	500	0	0	0	0
C.1) Subtotal [postive entry]	59	28,155	59	27,655	40	18,602
D. Total Budgetary Resources	59	28,155	59	27,655	40	18,602
E. Total, Estimated Obligations	59	28,155	59	27,655	40	18,602

The 2007 level is the assumed current rate under the terms of P.L. 109-289, as amended.

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SUMMARY OF CHANGES								
(Dollars in Thousands)								
	FY 2007		FY 2008 Agency		Net			
	C. R.		Request		Change			
Budget Authority								
General Funds	27,655		18,602		-9,053			
Trust Funds	0		0		0			
Total	27,655		18,602		-9,053			
Full Time Equivalents								
General Funds	59		40		-19			
Trust Funds	0		0		0			
Total	59		40		-19			

Explanation of Change	FY 2008 Change							
	FY 2007 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
Costs of pay adjustments	59	5,868	0	0	0	115	0	115
Personnel benefits	0	1,233	0	0	0	31	0	31
Two More Days of Pay	0	0	0	0	0	57	0	57
Federal Employees Compensation Act (FECA)	0	62	0	0	0	0	0	0
Travel	0	500	0	0	0	6	0	6
GSA Space Rental	0	485	0	0	0	21	0	21
Communications, utilities & miscellaneous charges	0	40	0	0	0	1	0	1
Printing and reproduction	0	150	0	0	0	3	0	3
Advisory and assistance services	0	4,100	0	0	0	0	0	0
Other services	0	5,695	0	0	0	81	0	81
Working Capital Fund	0	1,307	0	0	0	114	0	114
Other Government Accounts (DHS Charges)	0	9	0	0	0	0	0	0
Purchase of goods and services from other Government accounts	0	2,350	0	0	0	44	0	44
Total Operations and Maintenance of Facilities	0	25	0	0	0	1	0	1
Operation and maintenance of equipment	0	30	0	0	0	0	0	0
Supplies and materials	0	80	0	0	0	2	0	2
Equipment	0	220	0	0	0	5	0	5
Grants	0	5,501	0	0	0	121	0	121
Built Ins Subtotal	+59	+27,655	0	0	0	+602	0	+602
Total Increase	+59	+27,655	0	0	0	+602	0	+602
Decreases:								
A. Built-Ins:								
Federal Employees Compensation Act (FECA)	0	0	0	0	0	-10	0	-10
Built Ins Subtotal	0	0	0	0	0	-10	0	-10
B. Programs:								
ODEP Program Decrease	0	0	0	0	-19	-9,654	-19	-9,654
Programs Subtotal	0	0	0	0	-19	-9,654	-19	-9,654
Total Decrease	0	0	0	0	-19	-9,664	-19	-9,664
Total Change	+59	+27,655	0	0	-19	-9,062	-19	-9,062

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SUMMARY BUDGET AUTHORITY and FTE by ACTIVITY						
(Dollars in Thousands)						
	FY 2006 Enacted 1/		FY 2007 C. R. 2/		FY 2008 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
Office of Disability Employment Policy	59	27,655	59	27,655	40	18,602
General Funds	59	27,655	59	27,655	40	18,602
Total	59	27,655	59	27,655	40	18,602
General Funds	59	27,655	59	27,655	40	18,602

1/ The FY 2006 reflects enacted, not actual, levels.

2/ The 2007 level is the assumed current rate under the terms of P.L. 109-289, as amended.

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Budget Authority by Object Class (Dollars in Thousands)				
	FY 2006 Enacted	FY 2007 C. R.	FY 2008 Request	FY 08 Request / FY 07 C. R.
Total Number of Full-Time Permanents Positions	59	59	40	-19
Full-Time Equivalent				
Full-time Permanent	59	59	40	-19
Average ES Salary	150,000	155,000	153,000	-2,000
Average GM/GS Grade	13.7	13.8	13.5	-0.3
Average GM/GS Salary	93,000	96,000	88,000	-8,000
Average Salary of Ungraded Positions	0	0	0	0
11.1 Full-time permanent	5,411	5,648	3,935	-1,713
11.5 Other personnel compensation	58	165	165	0
11.8 Special personal services payments	162	55	55	0
12.1 Civilian personnel benefits	1,371	1,295	815	-480
21.0 Travel and transportation of persons	500	500	406	-94
23.1 Rental payments to GSA	667	485	506	21
23.3 Communications, utilities, and miscellaneous charges	50	40	41	1
24.0 Printing and reproduction	68	150	153	3
25.1 Advisory and Assistance Services	0	4,100	5,476	1,376
25.2 Other services	7,636	5,695	1,901	-3,794
25.3 Other purchases of goods and services from Government accounts 1/	1,556	3,666	3,024	-642
25.4 Operation and maintenance of facilities	4	25	26	1
25.7 Operation and maintenance of equipment	120	30	30	0
26.0 Supplies and materials	87	80	42	-38
31.0 Equipment	45	220	105	-115
41.0 Grants, subsidies, and contributions	9,920	5,501	1,922	-3,579
Total	27,655	27,655	18,602	-9,053
1/Other Purchases of Goods and Services From Government Accounts				
Other Services - WCF	1,274	1,307	1,421	114
Department of Homeland Security Services (DHS)	0	9	9	0

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APPROPRIATION HISTORY
(Dollars in Thousands)

	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2002....1/	43,263	33,053	43,236	38,134	67
2003....2/	47,015	47,015	47,015	47,178	65
2004....3/	47,333	47,333	47,333	47,024	65
2005....4/	47,555	47,555	47,555	47,164	59
2006....5/	27,934	27,934	47,164	27,655	59
2007	20,319	0	0	0	0
2008	18,602	0	0	0	0

- 1/ Reflects a \$368,000 reduction pursuant to P.L. 107-116 and 107-206.
- 2/ Reflects a \$309,000 reduction pursuant to P.L. 108-07.
- 3/ Reflects a \$309,000 reduction pursuant to P.L. 108-199.
- 4/ Reflects a \$391,000 reduction pursuant to P.L. 108-447.
- 5/ Reflects a \$279,000 reduction pursuant to P.L. 109-148.

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(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	27,655	27,655	27,655	0	18,602	-9,053
FTE	59	59	59	0	40	-19

Introduction

ODEP’s FY 2008 budgetary request is \$18,602,000 and 40 FTE. ODEP employs several critical strategies to fulfill its mission and achieve its goals. A broad range of new and multi-year mission-critical activities, detailed below and grouped by relevant strategy, are planned for FY 2008.

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	47,178	65
2004	47,024	65
2005	47,164	59
2006	27,655	59

FY 2008

In FY 2008, ODEP will continue managing DisabilityInfo.gov to:

- Provide a comprehensive web resource for accessible information on employment, training, employment-related support services and other disability-related information. DisabilityInfo.gov ([ODEP - DisabilityInfo.gov \(DI.gov\)](http://ODEP - DisabilityInfo.gov (DI.gov))) presents citizens with a consolidated view of Federal, state and local information, programs and services, and employers with policies and effective practices regarding the employment of people with disabilities.

In FY 2008, ODEP will continue its comprehensive research initiatives by:

- Collaborating with and providing technical expertise to BLS to develop a set of valid and reliable questions that accurately measure the employment rate of people with disabilities in the Current Population Survey (CPS). When this ongoing initiative is completed, ODEP, other Federal government agencies, and organizations will, for the first time, have credible and invaluable data to develop further disability employment policy grounded in scientifically-based knowledge.
- Utilizing independent evaluation, as it has since its creation, to support program improvement and effectiveness, and to validate performance data used to measure ODEP’s annual performance. The results from the independent evaluation informed ODEP’s 2006-2010 strategic plan, including annual and long-term performance goals and measures, and provided a foundation for policy development in the three employment-related policy and research areas described below.

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- Continuing to implement its long term strategic plan by conducting periodic surveys of workforce development systems and employers to determine the degree to which research-to-practice actually takes place.

Workforce Systems Policy and Research

This policy and research area includes those specialized (services and programs that specifically serve people with disabilities) and generic (services and programs that serve all Americans, including those with disabilities) systems that prepare individuals for work as well as assist and support them in maintaining work. There are a multitude of systems, both specialized and generic, utilized by youth and adults with disabilities in preparing for and transitioning to employment, including the workforce development and education systems, as well as adjunct systems of support – such as vocational rehabilitation, health care, mental health, income supports, transportation, and housing. ODEP has invested substantial effort and resources to identify, validate, and foster implementation of innovative strategies for preparing adults and youth with disabilities for employment. Within the policy and research area of workforce systems, ODEP will focus its efforts on the following initiatives.

Youth with Disabilities Policy Initiative

Young people with disabilities experience significant challenges in making a successful transition to adult life and employment. ODEP is conducting research to develop policy and identify practices for dissemination that will increase access to the programs, services, and supports needed by young people with disabilities to gain the skills necessary to excel in the workplace of the 21st century. ODEP's goal is to influence, coordinate, and increase the capacity of the One-Stop Career Center system, secondary and post-secondary education systems, including community colleges, technical preparation, child welfare, juvenile justice, and other youth serving delivery systems, so that young Americans with disabilities enter adulthood prepared for and expecting to work. To further these objectives in 2008, ODEP will

- Assist the workforce development system, for example, One-Stop Career Centers, juvenile justice, and foster care, in implementing the *Knowledge, Skills and Abilities of Youth Service Practitioners*, a professional development tool created by ODEP. Research has shown that the professional development of staff leads to better practice with youth, improves program quality, and increases positive youth outcomes.
- Conduct research to determine how self-identification and the use of accommodations impact post-secondary education and employment outcomes of youth with disabilities. This research will serve as the basis for the future development of technical assistance and curricula to encourage the adoption of policies and effective practices that, if implemented, will promote self-identification, increased self-esteem, and increased expectations of education and employment success by youth, which in turn will make them strong candidates for employment in the 21st Century workplace.
- Evaluate financial literacy training that youth with disabilities receive through disability specific and mainstream programs to determine if it is age-appropriate and on par with that of their peers without disabilities. This information will be utilized to develop technical assistance to increase the ability of youth service systems to provide high quality practical financial literacy skills programs that are welcoming and inclusive of youth with disabilities.

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- Equip youth service delivery systems with the information needed to increase their capacity to provide service and their coordination of service delivery through the dissemination of ODEP materials that document effective practices gleaned from ODEP's prior youth-related transition efforts.
- Provide technical assistance, training, and capacity building support to states with a demonstrated commitment to developing and implementing a comprehensive plan to improve transition outcomes for youth with disabilities, consistent with the *Guideposts for Success* and DOL's Employment and Training Administration's (ETA) *Strategic Youth Vision*.

Adults with Disabilities Policy Initiative

ODEP is working with key stakeholders to increase the capacity of the nation's public and private workforce development systems to meet the employment-related needs of adults with disabilities, including those with significant disabilities. Innovative policy and effective practices will increase the workforce systems' programmatic and physical accessibility and the coordination and collaboration among agencies and programs that provide employment services to people with disabilities.

In FY 2008, ODEP will develop policy for and provide technical assistance to specialized (services and programs that specifically serve people with disabilities) and generic (services and programs that serve all Americans, including those with disabilities) workforce development systems. ODEP will also conduct research to demonstrate and validate models of comprehensive, responsive, and coordinated employment preparation service delivery to adults with disabilities in multiple economic, geographic and structural environments using policies, practices, and strategies, such as customized employment and universal service strategies, identified and validated in earlier initiatives. Unlike ODEP's previous research in these areas, which were primarily implemented in individual One-Stop Career Centers in local communities, this new state-focused research initiative will extend these proven approaches concurrently, validating the effectiveness and efficiency of state-wide implementation across multiple state systems. Technical assistance, training and capacity building assistance will complement and support state efforts. Developing validated state leadership models for workforce development is a critical step to secure information that (1) can be promoted nationally for purposes of expansion and long-term sustainability, and (2) can inform policy direction at the state and national levels. ODEP will

- Identify a limited number of regional, state, or local demonstration and research sites that have a proven commitment to developing and implementing a comprehensive plan for implementation of service delivery models using innovative policies and practices for improving employment outcomes for people with disabilities.
- Provide a small amount of technical assistance and infrastructure development support to the workforce development systems in coordination with other departmental initiatives such as Workforce Innovation in Regional Economic Development (WIRED) in the selected jurisdictions, including the One-Stop Career Centers and their traditional and non-traditional partners, such as public and private vocational rehabilitation programs, income support programs, state and local mental health and developmental disability programs, economic development programs.

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Self-Employment Policy Initiative

People with disabilities are increasingly interested in self-employment as an employment outcome. ODEP is working with the workforce development system and the small business development system to ensure full recognition of the entrepreneurial potential of people with disabilities and to develop strategies that expand their capacity to effectively serve potential entrepreneurs with disabilities.

In FY 2008, ODEP will promote increasing accessibility within workforce and small business development systems that support entrepreneurship for people with disabilities by:

- Convening a foundation summit to identify strategies for increasing private foundation investment in the area of self employment and disability. ODEP will selectively target foundations with an expressed interest in self-employment/entrepreneurship, educate them on the potential of people with disabilities as entrepreneurs, and secure their individual recommendations and commitments to engage the foundation sector to invest in this area.
- Collaborating with the SBA and other Federal, state and local entities and private sector small business management and finance entities to promote entrepreneurship for people with disabilities. ODEP is currently leading the development of a new Strategic Alliance Memorandum (SAM) between the DOL and the SBA. Unlike previous efforts, this new SAM includes a preliminary action plan developed collaboratively between SBA, ETA, the Veterans Employment and Training Service (VETS), and ODEP. The SAM specifically includes the commitment to extend the preliminary plan into a comprehensive plan for the life of the SAM, setting expectations from the beginning for what will be accomplished by each agency.
- Working with ETA on the WIRED initiative to ensure infusion of a disability focus across this expansive activity.

Leadership Personnel Policy Initiative

A major preliminary finding of the ODEP customized employment initiative is that leadership personnel have a significant impact on the employment of people with disabilities and in facilitating systems change at the state and local level. To validate this hypothesis and to develop models for educating leadership personnel, in FY 2008, ODEP will

- Develop and validate models for expanding the infrastructure of personnel with needed knowledge and skills for advancing customized employment among persons with disabilities and others with complex barriers to employment.
- Develop and validate models for increasing leadership personnel within key systems (such as workforce development, vocational rehabilitation, Medicaid, social security, etc.) whose resources and funding can be leveraged. ODEP will identify essential public and private, national, state, and local programs and systems whose leaders could effectively advance employment for people with barriers to employment. This includes but is not limited to the systems listed. By targeting capacity building of leaders within these programs and systems, and measuring the impact through changes in policy and practice, ODEP will develop and disseminate validated strategies for effectively replicating and sustaining effective approaches across the nation.

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This initiative will validate models for advancing integrated and customized employment strategies and leveraging resources and funds across various separate but related systems to accomplish this goal.

Older Workers Policy Initiative

As referenced earlier, the American workforce is getting older. The number of people in the labor force aged 55 to 64 is projected to increase by 42 percent from 2004 to 2014, more than four times the average for all other age groups. To address the range of employer and worker issues that this raises, DOL began a cross-agency leadership initiative in May 2006, implemented through the Federal Task Force on the Aging of the American Workforce. ODEP is actively participating in Task Force efforts to review research, policy and practices and develop recommendations for strategies that enhance employment of employees with disabilities who are aging and older workers who acquire disabilities.

In FY 2008, ODEP will continue working with ETA to leverage the ongoing activities and investments of other agencies to ensure that issues related to aging and disability are an integral part of the Task Forces' activities and to build capacity for serving seniors with disabilities by:

- Conducting a national web seminar series on older workers and disability, developed collaboratively with and targeted to ETA's Senior Community Service Employment Program (SCSEP) grantees, in order to address implementation issues related to disability and thus enable them to more effectively serve seniors with disabilities through this grant program.
- Conducting research that identifies employer policies and practices that stimulate and support recruitment and/or retention of older workers, extracting the strategies that are universally applicable to other populations with similar barriers to employment, including individuals with disabilities.
- Convening a national summit on older workers with disabilities to leverage information and develop recommendations.

Employers and the Workplace Policy and Research

This policy and research area includes all aspects of the work environment from how and where work is performed to how an organization's values, policies, and practices impact its employees. ODEP develops innovative policy and effective strategies that focus on organizational structures, as well as practices and policies related to job applicants and employees, such as recruitment, hiring, accommodation, promotion, retention, and productivity.

Workplace Health and Productivity Initiative

Over the last decade, employers of all sizes have become increasingly concerned about employee health and productivity. At the same time, they have held on to misconceptions and misguided concerns about the health care costs, rate of absenteeism, and productivity levels of individuals with disabilities.

In FY 2008, ODEP will respond to the needs and concerns of employers seeking to maximize the productivity of their workforce, particularly as it relates to employees with disabilities, by

- Disseminating ODEP's issue papers on employer-sponsored health benefits to Federal partners and business leaders, and discussing them at an invitational summit of business,

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health, and disability experts that will (1) facilitate dialogue between private and public sector experts in health and employment; (2) generate new partnerships between the public and private sectors on workplace health and productivity issues; and (3) provide a basis for a report summarizing the key issues related to health, disability, and employment issues as they intersect in the private sector and recommending action steps.

- Fostering the integration of accommodation and return-to-work strategies into the administration and implementation of employer absence and disability management policies, practices and resources.
- Continuing to gather data on the direct and indirect costs and benefits to employers of accommodations for job applicants and employees with disabilities.
- Providing technical assistance on job accommodations, the Americans with Disabilities Act (ADA), and other disability- and employment-related legislation.
- Informing policy development by analyzing data on employee retention and accommodation needs and employer utilization of workplace accommodations.

Recruiting and Hiring Initiative

Finding and retaining qualified employees is one of the most significant issues facing employers today. To compete for talent in this ever-tightening labor market, employers have utilized cutting-edge technology in all aspects of the recruiting, screening, and hiring process. While these tools and practices have enhanced efficiency and effectiveness, they often create barriers that eliminate qualified youth and adults with disabilities from being recruited, hired, and promoted.

In FY 2008, ODEP will help employers better meet their future workforce needs by

- Assisting employers with increasing the usability and accessibility of tools in recruitment, hiring and promotion of employees, such as on-line job boards, electronic job applications, and computer-based testing and screening, through education and dissemination of effective practices.
- Providing tangible strategies and solutions to employers for reducing the barriers to employment created by electronic recruiting practices.
- Expanding access to the credentialing process for individuals with disabilities through the provision of education and technical assistance, taking into account the perspectives of industry associations and employer organizations.
- Assisting employers with finding qualified workers by increasing linkages between retiring workers and young people with disabilities seeking careers in high-growth industries through the development of resources and innovative partnerships.

Government as a Model Employer Initiative

As one of the largest employment sectors and purchasers of goods, services, technology, and healthcare, the public sector plays a significant role in enhancing employment opportunities for people with disabilities. Innovative changes that governments make set examples for other private sector employers and businesses. As such, governments play a critical role as model employers and in increasing employment opportunities for people with disabilities.

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To further assist the Federal government in achieving its goal of being a model employer for people with disabilities as well as to identify and promote effective practices and policies across all levels of government, in FY 2008, ODEP will

- Collaborate further with the Office of Personnel Management (OPM) and the Equal Employment Opportunity Commission (EEOC) to disseminate ODEP's research findings on the effective employment practices of Federal agencies in employing individuals with disabilities, and coordinate our work with EEOC's Leadership for the Employment of Americans with Disabilities (LEAD) initiative and other Federal hiring efforts, including outreach on the Schedule A hiring authority and activities related to compliance with EEOC's Management Directive 715 on the recruitment, hiring and advancement of individuals with disabilities.
- Identify and disseminate state initiatives, policies, and effective practices that are resulting in increased recruitment, hiring, promotion, and retention of people with disabilities within state and local governments.

Employer Organizational Practices Initiative

Today's employers are competing for job applicants in many fields. Organizational practices and work environments play a significant role in employers' success at recruiting and retaining a competitive workforce. Employees with disabilities, like all employees, are affected by an organization's structures, values, policies, and day-to-day practices. These aspects of the workplace can play a significant role in employers' success in attracting and retaining qualified workers, including workers with disabilities.

In FY 2008, ODEP will work with employers to ensure that all aspects of an organization's practices and environment take into account people with disabilities by

- Facilitating the use of flexible work policies, such as flexible schedules, flexiplace, and telework.
- Fostering employers' use of leave policies that support the employment, retention and return-to-work of employees with disabilities and chronic health conditions, by strengthening their understanding of the interrelationship of the disability- and medical-related leave policies in the ADA, Family and Medical Leave Act (FMLA), and workers compensation laws.
- Collaborating with educational institutions and national education and training organizations to ensure that disability employment perspectives and issues are integrated into curriculum and professional development courses as a means of educating future business leaders.
- Educating employers on topics such as workplace accommodations, legal issues, and other organizational practices.
- Continuing to advance the evidence-based business case regarding the employment of people with disabilities.

Employment-Related Supports Policy and Research

This policy and research area includes both specialized (services and programs that specifically serve people with disabilities) and generic (services and programs that serve all Americans, including those with disabilities) systems that an individual must have access to in order to obtain and maintain a job (e.g., housing, transportation, health care, etc.). ODEP will work with

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key systems and programs on the following initiatives to develop policy that reduces barriers to employment.

Health Care and Employment Policy Initiative

For many Americans with disabilities, access to adequate and affordable health care coverage and services has been one of the biggest obstacles to employment and independent living. ODEP is developing an employment-related health care policy agenda as a critical first step in expanding employment supports for individuals with disabilities.

To reduce disincentives to employment for people with disabilities, in FY 2008 ODEP will

- Increase health care-related competency within the existing workforce development network (including the One-Stops/Disability Program Navigators) through the provision of information and technical assistance.
- Equip the Medicaid Infrastructure Grant states to better address the employment-related health care needs of their Medicaid recipients through the identification of effective practices.
- Strengthen understanding and awareness of work-related personal assistance services (PAS) alternatives by identifying both effective practices in existing or previous U.S. or internationally-based PAS cooperatives and ways to replicate these cooperatives, taking into account the impact on those providing services and receiving services.
- Inform advocacy organizations and provider associations of available employment-related health care options through the development of materials on effective practices.

Transportation and Employment Policy Initiative

The best job, skills, and employment programs provide few benefits if there is no reliable means of getting to work. ODEP's collaboration with the U.S. Department of Transportation (DOT) and other Federal agencies has been critical to the development and on-going work of United We Ride. This Federal interagency initiative supports States and their localities in developing coordinated human service delivery systems.

ODEP's contribution to the recently passed Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) resulted in the provision of a number of new resources to assist communities in meeting the mobility needs of adults and youth with disabilities seeking employment. For the first time, local communities will have the resources to put the concept of mobility management for jobseekers with disabilities into practice.

As part of continuing efforts to remove employment-related transportation barriers, in FY 2008 ODEP will

- Encourage the development of local options for job seekers through the promotion of employment-related mobility management models (travel navigators, transportation brokers, trip planners), which will be co-funded by DOT.
- Promote less expensive and less restrictive alternatives to paratransit through the use of Medicaid-funded transit passes.
- Encourage additional states to adopt successful strategies by tracking state activities related to employment-related transportation options funded through SAFETEA-LU and WIA.

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- Equip states to better coordinate their respective employment-related transportation systems by facilitating and fostering peer-to-peer support.

Housing Initiative

Having a place to live is critical to entering the workforce and maintaining a job. For people with disabilities, finding affordable housing that is accessible can be difficult. Without such housing near jobs or appropriate transportation, qualified individuals with disabilities cannot benefit from employment opportunities in their communities.

ODEP is working with other DOL agencies and the U.S. Department of Housing and Urban Development (HUD), under the auspices of the White House's Interagency Council on the Homeless, to provide coordinated employment and housing services to people who are chronically homeless. These policy efforts will expand to include general housing issues of importance to Americans with disabilities seeking employment.

In addition to continuing to encourage work as an integral part of reducing homelessness, in FY 2008 ODEP will:

- Strengthen the ability of advocacy and provider organizations to assist individuals with disabilities in obtaining housing near their jobs by determining the applicability of new sources of housing-related supports such as Housing Trust Funds, Individual Development Accounts, and employer-assisted housing.
- Collaborate with HUD and other Federal agencies to identify and reduce potential new barriers to housing for people with disabilities as they relate to employment.
- Identify and increase awareness among provider and advocacy organizations of underutilized programs and initiatives that would increase the availability of accessible and affordable housing, including Section 8 Project-based vouchers and low-income housing tax credits.
- Conduct research on the housing location, housing assistance, and home ownership characteristics of individuals with disabilities as they relate to employment and accessible transportation in order to support the above activities.

Assistive Technology Initiative

ODEP is developing an assistive technology policy agenda as a critical first step in expanding access to and utilization of employment supports for individuals with disabilities. Addressing the need for assistive technology from both the worker and employer perspectives, ODEP will work with those Federal agencies currently funding or providing assistive technology supports (Department of Education (ED), Department of Commerce, U.S. Access Board, and others), coordinating efforts to ensure the elimination of service gaps and duplication.

In FY 2008, ODEP will

- Increase awareness among employers and provider and advocacy organizations regarding the link between assistive technology and employment for people with disabilities through collaboration with ED, Disability Business Technical Assistance Centers (DBTACs), rehabilitation engineering agencies, and Protection and Advocacy agencies on Title III (Assistive Technology Act) and related issues.
- Increase awareness among employers and employees regarding the availability and financing of assistive technology through the development of technical assistance materials.

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Veterans Issues

ODEP is working closely with VETS, and the Departments of Defense (DOD) and Veterans Affairs (VA) to address the provision of personal recovery and employment assistance to the nation's disabled service members, including those returning from Iraq and Afghanistan.

In FY 2008 ODEP will

- Increase and improve the Federal government's use of existing hiring authorities (Schedule A, 30 percent Connected Disability) and resources (e.g., Uniformed Services Employment and Reemployment Rights Act (USERRA), Veterans Preference, REALifelines, e-Vets) through the development of a training manual with OPM.
- Assist states and localities in responding to the needs of newly disabled returning service members through the development and dissemination of technical assistance materials geared toward Federal agencies Disabled Veterans Outreach Programs (DVOPs), Local Veterans Employment Representatives, national Veterans Service Organizations, and other national provider and advocacy associations.

Mental Health and Employment Initiative

Although persons with serious psychiatric disabilities have the lowest employment rate of all disability groups, the evidence clearly shows that many of them can and want to work with the appropriate supports. In fact, work can be an important part of recovery. ODEP has taken on the important task of chairing a Department-wide workgroup on the topic, the DOL Work Group on Mental Health. In addition, ODEP chairs and staffs the Employment Work Group (EWG) of the Federal Partners on Mental Health Transformation, a group consisting of representatives from twelve Federal agencies, including the Departments of Health and Human Services (HHS), VA, ED, and the Social Security Administration (SSA).

In FY 2008, ODEP will

- Ensure that the policy of 'work as a priority' is a key element in states' mental health transformation efforts by strengthening partnerships with and collaborations between DOL, HHS, ED, and other stakeholders.
- Provide training and technical assistance on employment as a key part of individual recovery and on developing cross-systems employment-related collaborations among key stakeholders to Mental Health Transformation State Incentive Grants Councils
- Extract policy-related information from the Transformation State Incentive Grant activities and other national workforce investment activities to (1) form the basis of a Policy Handbook focusing on national issues related to the employment of people with psychiatric disabilities and mental health needs and (2) facilitate replication of successful strategies throughout the country.

FY 2007

ODEP's FY 2007 estimate is \$27,655,000 and 59 FTE. ODEP continues to employ several strategies to fulfill its mission and achieve its goals. A broad range of activities detailed below and grouped by policy and research area are underway in FY 2007. Multi-year activities are represented in the most recent fiscal year of effort:

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Workforce Development Systems

- ***Child and Family Mental Health Initiative:*** Continue to collaborate with HHS, SSA, ED, DOD and private child welfare stakeholders to ensure that youth with disabilities have the leadership skills they need to effectively participate in guiding policy development at the Federal, state and community levels, and that these systems understand why their participation should be valued.
- ***President's Committee on People with Intellectual Disabilities:*** Continuing representation on behalf of the Department, ODEP's Assistant Secretary serves on the Committee formulating policy recommendations for the President on all matters related to people with intellectual disabilities.
- ***Small Business Strategic Alliance Memorandum (SAM):*** Continue to lead the *New Freedom Small Business Initiative* Work Group, which includes ETA, VETS, and Office of Small Business Programs (OSBP) and the SBA, to develop coordinated Federal policies and programs for facilitating entrepreneurship by people with disabilities and provide small businesses with information and resources to encourage increased hiring of people with disabilities.
- ***Internal Revenue Service Cross-Agency Working Group:*** Continue leading the DOL/IRS cross agency working group on tax incentives, financial literacy and asset development and developing collaborative partnerships to increase knowledge and utilization of existing strategies.
- ***Cross-agency One Stop Accessibility Plan.*** Continue to collaborate with DOL's ETA and Civil Rights Center (CRC), and mandated and non-mandated WIA partners to ensure that the workforce system is fully inclusive of and able to effectively meet the needs of people with disabilities.
- ***Youth with Disabilities Inclusion Initiative:*** Continue to collaborate with ETA's Youth Office, Job Corps, and CRC to ensure that ETA's youth programs are inclusive of and welcoming to youth with disabilities.
- ***Federal Interagency Transition Partner Workgroup:*** Continue to lead efforts to comprehensively address issues relating to positive transition outcomes for youth with disabilities through collaboration with ED, HHS, the Department of Justice's (DOJ's) Office of Juvenile Justice and Delinquency Programs (OJJDP), SSA and DOT, and other Federal agencies.
- ***Youth to Work Initiative:*** Continue leadership of the Youth to Work Coalition, a joint effort with ED's Office of Special Education and Rehabilitative Services (OSERS) and the Mitsubishi Electric America Foundation that brings together foundation executives and Federal agencies that fund programs for youth with disabilities to identify and develop linkages that improve their quality of life and employment outcomes. This effort makes the business case to companies for instituting model programs that engage students with disabilities and lead to meaningful employment.
- ***National Alliance on Secondary Education and Transition:*** Continue to serve as DOL's representative on the Alliance, a voluntary coalition lead by ED, of Federal agencies and disability and non-disability-related education, human resource and workforce development organizations to identify issues at the national level that impact the provision of effective secondary education and transition services, and evidence-based design features/guideposts for successful youth transition to adulthood.

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- **Legislative Analysis:** Provide input to ETA on reauthorization and implementation of the Workforce Investment Act (WIA); analysis of an input to implementing regulations, policy, guidance, performance measures and technical assistance. Provide input to other Acts being reauthorized, such as the Carl D. Perkins Vocational Education Act, the Technology-Related Assistance for All Americans Act, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
- **Self-Employment Initiative:** Launch a national **Self-Employment Initiative**, improving self employment outcomes for individuals with disabilities by conducting applied research to document and disseminate effective practices and analyzing structures currently in place that either promote or impede the expansion of business ownership by youth and adults with disabilities. This initiative will also provide technical assistance, inform policy development at the Federal level and provide models for adoption and replication by relevant systems.
- **Youth Research Center on Transition:** Develop policy, provide technical assistance, and conduct research on effective practices and curriculum related to improving transition results for youth with disabilities. Areas of inquiry include determining the impact that apprenticeship programs and mentoring can have on improving employment outcomes for youth with disabilities and assessing the impact of comprehensive career planning services on the long-term employment of students with disabilities within their chosen careers.
- **State Leadership/Youth and Adult:** Continue a multi-pronged effort to support development of state level infrastructure to increase employment opportunities for people with disabilities with multiple barriers to employment, including transitioning youth. Leadership state activities will inform Federal policy development and provide models for adoption/replication in other states.
- **Telework:** Continue to investigate, develop, and validate strategies to yield the largest number of telework positions for people with disabilities, including those on Federal or state Workers' Compensation and returning disabled service members, in cooperation with Federal and state agencies and the private sector to expand understanding of the full dimensions of telework as an employment option.
- **Coordinated Disability Research Initiative:** Continuing its partnership with the National Institute on Disability and Rehabilitation Research (NIDRR), ODEP and NIDRR develop complimentary long-range research plans that consider ETA's five-year research plan under the WIA.
- **Systems Change Leadership:** Continue implementation of a multi-pronged initiative to increase customized employment for people with multiple barriers to employment by identifying and documenting models of leadership that result in effective change to workforce investment service delivery systems at the state and local levels. These leadership activities will inform policy development at Federal level and provide models for adoption/replication in other states and communities.
- **Customized Apprenticeship Initiative:** Continue partnering with DOL's Wage and Hour Division (WHD) and ATELS, and NISH to conduct research on customizing apprenticeship programs to provide people with significant disabilities who are in sheltered work environments increased choice and career advancement.
- **Aging and Disability Initiative:** Partner with DOL's Older Workers Program to provide information, technical assistance and training related to customized employment and older workers in order to increase employment opportunities for older workers with disabilities.

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- **Internship Initiatives:** Continue the existing, innovative structured internship program at current appropriation levels as congressionally mandated, to provide opportunities for students with disabilities to pursue academic and career development. This program will continue to contribute to the development of policies related to work-based learning experiences and address systems change within other internship programs in public and private sectors. Continue coordinating with DOD on the Workforce Recruitment Program, a summer employment internship program in the public and private sectors for college students and recent graduates with disabilities.

Employers and the Workplace

- **Disability and Medical Leave Initiative:** Building on the current E-laws Advisor initiative, ODEP will collaborate with DOL's Office of the Assistant Secretary for Policy (OASP), CRC, the Office of the Solicitor (SOL), and other DOL agencies to develop resources and a policy forum to address employers' concerns related to the interrelationship between the FMLA, the ADA, and state workers' compensation laws.
- **Emergency Preparedness Leadership:** Continue coordinating with the Department of Homeland Security (DHS), the General Services Administration (GSA), the Access Board, OPM, and other key Federal agencies through the Interagency Coordinating Council on Emergency Preparedness and Individuals with Disabilities to ensure people with disabilities are fully included in the development, implementation, and maintenance of workplace preparedness plans.
- **Business Resource Collaboration:** Partner with ETA, ED's Rehabilitation Services Administration (RSA) and SSA, to develop a clearinghouse of employer, labor market, and business sector research, information and resources that inform systems change within education and training programs for individuals with disabilities.
- **Health Care and Employment Policy Initiative:** Continue to partner with HHS, SSA, and ETA, leading the creation of a health care policy agenda addressing such issue areas as the Medicaid buy-in, the Ticket to Work and the role of health-related supports (*e.g.*, durable medical equipment, personal assistance services); and providing information to the One-Stops' Disability Program Navigators on health care-related work incentive provisions.
- **Workforce Services Initiative:** Continue fostering partnerships with key national workforce and employer associations to document effective practices utilized by employers to interface with the workforce system to recruit and hire qualified youth and adults with disabilities.
- **Hiring Practices Research:** Partner with national employer organizations to examine emerging trends in the use of applicant screening mechanisms (personality tests, credentialing, etc.) to determine their effects on youth and adults with disabilities.
- **Employers and Health Care Research:** Conduct research on the interaction between Medicare, Medicaid, and employer-sponsored health insurance coverage that include health-related "work incentives," *e.g.*, using employer coverage; and review and analyze existing and proposed legislation addressing employer-sponsored health insurance as it relates to people with disabilities.
- **Employer Survey:** Continue research to produce quantifiable findings related to employer perspectives on people with disabilities, within different industry sectors and organizational roles.

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- **Corporate Culture:** Continue case study research with leading employers to document the effective practices associated with creating a corporate culture that supports the recruitment, retention, and promotion of people with disabilities.
- **Federal Personnel Employment Policy:** Continue collaborating with OPM, EEOC, and the Federal Disability Workforce Consortium, to conduct analyses and develop recommendations for improving the effectiveness of the Federal government's disability employment data collection system.
- **Communication Access Initiative:** Continue developing strategies to expand understanding and utilization of various communication accommodations for individuals, systems and business in order to increase hiring and promoting of individuals with communication disabilities.
- **Stakeholder Outreach Campaign:** Continue informing, educating, and persuading ODEP's stakeholders regarding the benefits of, and the effective practices, policies and strategies for the recruitment, hiring, promotion and retention of people with disabilities.
- **New Freedom Initiative Award:** Continue presenting an annual award on behalf of the Secretary of Labor recognizing businesses, organizations, and individuals that have demonstrated exemplary and innovative efforts in furthering President George W. Bush's *New Freedom Initiative* employment objectives.
- **Disability Mentoring Day:** Continue sponsoring a broad-based effort promoting career development for students and job seekers with disabilities through hands-on career exploration and job shadowing, throughout the United States.

Employment-Related Supports

- **Veterans Initiative:** Continue to co-lead a multi-agency effort comprised of DOL's VETS, DOD, and VA to address the provision of community-based employment supports for newly disabled returning service members. Activities include working closely with VETS to co-sponsor a series of meetings with large employers regarding their roles in re-connecting returning disabled service members to jobs.
- **Addressing Chronic Homelessness through Employment and Housing:** Continue to conduct a technical assistance and policy development initiative targeting individuals with disabilities who are unemployed and homeless, under the auspices of the White House's Interagency Council on the Homeless (ICH). This innovative initiative is co-sponsored by VETS as well as ETA, and HUD.
- **Federal Partners on Mental Health:** Continue to lead the DOL Mental Health Work Group in its substantive participation in the Federal Partners Workgroup. Federal partners include HHS's Substance Abuse and Mental Health Services Administration (SAMHSA), VA, HUD, DOD, and other Federal agencies. DOL members of the workgroup include fifteen offices. Activities include additional studies relating to expanding workforce development and employment-related system access for people with mental health disabilities.
- **Coordinated Transportation Initiative:** Continue to represent DOL on the Interagency Executive Council created by Executive Order 13330. Activities include chairing two of the five Council workgroups, as well as leading the coordinated effort to collect and analyze state legislative approaches to human service and employment-related transportation.
- **Accessibility Policy:** Continuing representation on behalf of the Department, ODEP's Assistant Secretary serves on the Access Board, which formulates policy and regulations

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regarding accessibility (e.g., physical, technological, communications) for people with disabilities.

- ***Housing and Employment Policy Initiative:*** Creating a cross-agency working team with HUD to address overlapping housing and employment issues, including increasing Public Housing Authorities' knowledge of disability employment issues; increasing input of consumers/disability groups in local consolidated planning process; and incorporating housing activities into the One-Stop system.
- ***Assistive Technology and Employment Policy Initiative:*** Continue to lead efforts to expand useable and affordable assistive technology in the workplace; collaborate with the National Institute on Disability Rehabilitation and Research on the Technology Act and related technology support issues; co-sponsor an Assistive Technology in the Workplace Summit with both Federal and private partners; and provide technical assistance and research on accommodations through the Job Accommodation Network.

FY 2006

ODEP's FY 2006 budget authority was \$27,655,000 and 59 FTE. New and continued activities in FY 2006 are detailed here below the relevant policy and research area. Multi-year activities are represented in the most recent fiscal year of effort:

Workforce Development Systems

- ***Retirement, Savings and Asset Development Initiative:*** Partner with DOL's Employee Benefits Security Administration (EBSA) to ensure consideration of the specific needs of people with disabilities in building assets and savings for retirement.
- ***Ticket to Work:*** Analyze regulations proposed by SSA revising the Ticket to Work and Self Sufficiency Program authorized under the Ticket to Work and Work Incentives Improvement Act of 1999.
- ***Demystifying the Rehabilitation Act:*** Continue to collaborate with DOL's CRC and the Office of Community and Faith-Based Initiatives in developing guidance to assist community and faith-based organizations in effectively serving people with disabilities within the requirements of the Rehabilitation Act.
- ***Mental Health Research – Youth:*** Conduct research to develop new knowledge regarding effective practices for assisting youth with psychiatric disabilities in transitioning to secondary education and/or employment. The research will identify a range of promising and effective practices in terms of their impact on improving transition outcomes for youth with psychiatric disabilities, including those in the foster care and juvenile justice systems.
- ***Alternate Diplomas and Employability Research:*** Conduct research to determine whether, to what extent, and why alternate diploma options impact employer's views on youth employability.
- ***Youth Transition Systems Change:*** Continue to conduct research and document practices for improving transition results for youth with disabilities through expansion of the evidence-based Transition Guideposts to Success into the youth service delivery system and the brokering of relationships with partners across multiple funding streams.
- ***Customized Employment:*** Continue pilot projects to document and disseminate effective practices and strategies for the delivery of customized employment services to people with significant disabilities through the workforce investment system and its partners. Target

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audiences include persons transitioning from institutions to communities under the *Olmstead* Supreme Court decision, homeless individuals, individuals in segregated work or non-work settings, and SSI and SSDI recipients. Federal and state policy and systems change issues will be identified and addressed. The extension of customized employment methods in One-Stops to populations other than people with disabilities will be explored.

- ***Universal Strategies:*** Continue partnering with relevant DOL agencies and other Federal systems to develop strategies for expanding knowledge and utilization of universal strategies for serving customers with disabilities throughout the workforce system.

Employers and the Workplace

- ***Job Accommodation Study:*** Complete the multi-year research on what employers report to be the direct and indirect costs and benefits of providing reasonable accommodations to applicants and employees with disabilities.
- ***Federal Personnel Employment Policy:*** Continue collaborating with OPM, EEOC, and the Federal Disability Workforce Consortium to document the effective employment practices of leading Federal government agencies in the recruitment, retention, and promotion of individuals with disabilities.

Employment-Related Supports

Chronic Homelessness and Employment Research: Continue to administer research projects, under the auspices of the White House's Interagency Council on the Homeless (ICH), and jointly funded with VETS and HUD that target individuals with disabilities who are unemployed and homeless.

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WORKLOAD SUMMARY			
	FY 2006	FY 2007	FY 2008
	Actual	Target	Target
Budget Activity – ODEP	\$27,655	\$27,655	\$18,602
Policy and Research: Workforce Development Systems	\$10,509	\$10,509	\$7,078
Policy and Research: Employers and the Workplace	\$10,232	\$10,232	\$6,779
Policy and Research: Employment-Related Supports	\$6,914	\$6,914	\$4,745
Budget Activity Total	\$27,655	\$27,655	\$18,602

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CHANGES IN FY 2008

(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Costs of pay adjustments		115
Personnel benefits		31
Two More Days of Pay		57
Federal Employees Compensation Act (FECA)		-10
Travel		6
GSA Space Rental		21
Communications, utilities & miscellaneous charges		1
Printing and reproduction		3
Other services		81
Working Capital Fund		114
Purchase of goods and services from other Government accounts		44
Supplies and materials		2
Equipment		5
Grants		121
Total Operations and Maintenance of Facilities		1
Total Built-in		592
Net Program		-\$9,645
Direct FTE		-19
	Estimate	FTE
Base	\$28,247	59
Program Decrease	-\$9,654	-19

OFFICE OF DISABILITY EMPLOYMENT POLICY

**U.S. Department of Labor
Office of Disability Employment Policy
Performance Budget Issue Paper
ODEP Program Decrease**

Applicable Performance Goal:

ODEP contributes to the Department's **Competitive Workforce** goal to *meet the competitive labor demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of global competition*, as described in the *FY 2006-2011 DOL Strategic Plan*. ODEP works to develop policy on matters of, or affecting employment for people with disabilities, supporting the Department's commitment to increase the capacity of the workforce investment system to serve people with disabilities; to increase planning and coordination within service delivery systems; and to increase employer access to supports and services for recruiting, retaining and promoting people with disabilities.

Requested Resources:

A total of +\$18,602,000 is requested, a decrease of -\$9,654,000 from the FY 2007 C.R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

To eliminate grant projects and FTE with grant-making functions, including grant policy direction, development, administration, and oversight. The 2008 Budget will allow ODEP to continue its core mission of policy analysis, technical assistance, and the dissemination of effective practices to increase the employment opportunities for people with disabilities. In 2008, ODEP will focus its efforts on developing and fostering the implementation of disability employment policy to increase recruitment, retention, and promotion of people with disabilities.

Marginal Cost Impact:

Offsets:

Base Level Funding (\$ in thousands):

Base:			
Estimate:	+\$0	FTE:	0

Program Performance at Request Level (\$ in thousands):

Program Changes:			
Estimate:	-\$9,654	FTE:	-19

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Object Class (\$ in thousands):

Object Class		FY 2008 Request
11.1	Full Time Perm Appts	-\$1,873
12.1	Other Benefits	-\$513
21.0	Travel/Transportation of Persons	-\$100
25.2	All Other Services	-\$3,299
26.0	Supplies and material	-\$40
31.0	Equipment	-\$120
41.0	Grants Subsidies and Contributions	-\$3,700
	TOTAL	-\$9,645

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Introduction

ODEP contributes to the Department’s **Competitive Workforce** goal to *meet the competitive labor demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of global competition*, as described in the *FY 2006-2011 DOL Strategic Plan*. ODEP works to develop policy on matters of, or affecting employment for, people with disabilities, supporting the Department’s commitment to increase the capacity of the workforce investment system to serve people with disabilities; to increase planning and coordination within service delivery systems; and to increase employer access to supports and services for recruiting, retaining, and promoting people with disabilities.

Specifically, ODEP’s annual Performance Goal is to build knowledge and advance disability employment policy that affects and promotes systems change. Performance for this annual goal is measured using the indicators and targets described in the chart below.

There are barriers to employment found on both the supply and demand sides of the labor market. To reduce and remove those barriers, ODEP develops national policy related to and affecting employment of people with disabilities; fosters the implementation of effective policies and practices within state and local workforce development systems and with employers; conducts research that validates effective strategies for providing services and supports and for recruiting, retaining, and promoting people with disabilities; and provides technical assistance on implementation of effective systems-change strategies to both the demand and supply side of the labor market. ODEP works with key stakeholders in the Department, with other Federal, state, and local governments, non-governmental organizations, and employers to increase employment opportunities for people with disabilities by developing innovative and comprehensive policy that expands access to workforce systems, addresses the needs of employers, and ensures the availability of employment-related supports.

Office of Disability Employment Policy					
Performance Goal: Build knowledge and advance disability employment policy that affects and promotes systems change.					
Indicators, Targets and Results	FY 2006		FY 2007		FY 2008
	Target	Actual	Target	Estimate	Target
Number of policy-related documents	Set Baseline	20	2 nd Yr. Base [+3% over past 3-yr. avg.]	20**	3 rd Yr. Base [+3% over past 3-yr. avg.]
Number of formal agreements	Set Baseline	20	2 nd Yr. Base [+3% over past 3-yr. avg.]	20**	3 rd Yr. Base [+3% over past 3-yr. avg.]
Number of effective practices	21	26	+10% over past 3-yr. avg.	24	+10% over past 3-yr. avg.

*Data collected as of end of 3rd quarter, FY 2006

**Estimate based on FY 2006 Actual; FY 2009 target will not be established until FY 2008 performance.

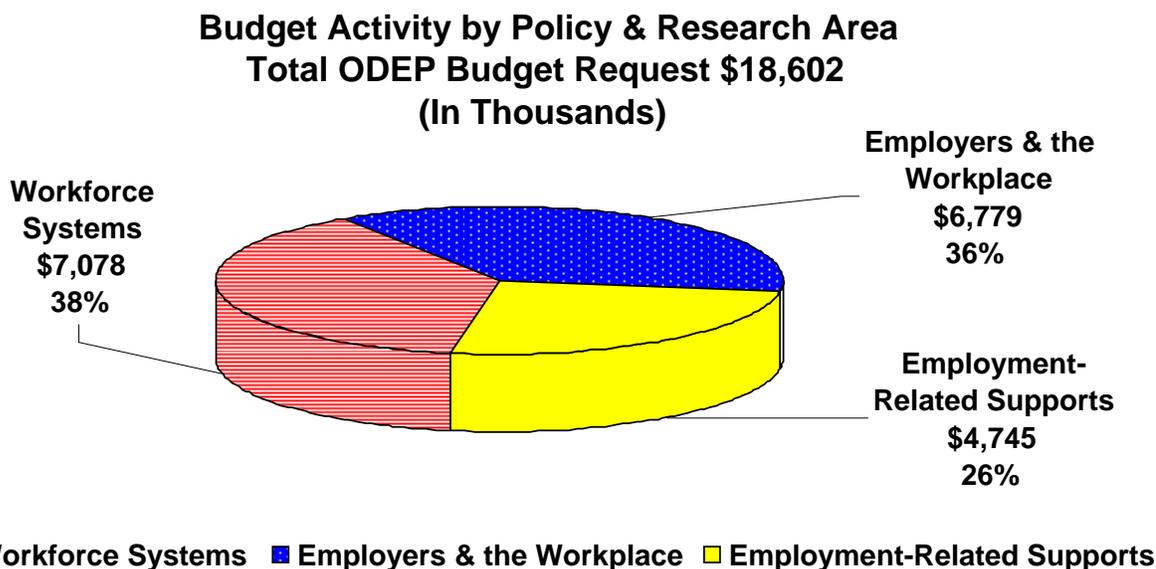
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Cost Model

ODEP requests a total of \$18,602,000 and 40 FTE, a decrease of \$9,053,000 and 19 FTE from the FY 2007 level of \$27,655,000 and 59 FTE, allowing ODEP to continue its core mission of policy analysis, technical assistance, and the dissemination of effective practices to increase the employment opportunities for people with disabilities. In 2008 ODEP will focus its efforts on developing and fostering the implementation of disability employment policy to increase the recruitment, retention and promotion of people with disabilities.

With these resources, ODEP will develop policy and conduct research on workforce systems, employers and the workplace, and employment-related supports. ODEP's policy development and research activities will have an impact on specialized (services and programs that specifically serve people with disabilities) and generic (services and programs that serve all Americans, including people with disabilities) systems serving people with disabilities systems as well as on employers' perspectives, leading to an increase in employment opportunities and greater recruitment, retention and promotion of people with disabilities. ODEP will influence national-level policy development and implementation, foster implementation and replication of state and local level strategies, conduct research, and provide technical assistance.

The cost model below displays a breakout of ODEP's FY 2008 budget activity by policy and research area. ODEP is designed to develop policy and conduct research aimed at increasing employment opportunities for people with disabilities and has one performance goal to reflect this clear purpose. As such, all of ODEP's resources support efforts and activities - utilizing a variety of strategies - that aim to increase employment opportunities for people with disabilities.



As the cost model illustrates, ODEP recognizes that increasing employment opportunities and workforce participation for people with disabilities requires that policy development and

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research occur concurrently within three broad areas: workforce systems, employers and the workplace, and employment-related supports.

It is important to note that, in addition to implementing initiatives within workforce systems, employers and the workplace, and employment-related supports, ODEP manages a White House Initiative, DisabilityInfo.gov, and conducts comprehensive research initiatives that contribute new knowledge and performance data that inform policy development and serve as a foundation for additional research across the three broad policy and research areas.

In FY 2008, ODEP will continue managing DisabilityInfo.gov, a cross-agency initiative, to

- Provide a citizen-centric comprehensive web resource for accessible information on employment, training, employment-related support services and other disability-related information. DisabilityInfo.gov presents citizens with a consolidated view of Federal, state and local information, programs and services, and employers with policies and effective practices regarding the employment of people with disabilities.

In FY 2008, ODEP will continue its comprehensive research initiatives by

- Collaborating with and providing technical expertise to the Department's Bureau of Labor Statistics (BLS) to develop a set of valid and reliable questions that accurately measure the employment rate of people with disabilities in the Current Population Survey. When this ongoing initiative is completed, ODEP, other Federal government agencies, and organizations will, for the first time, have credible and invaluable data to develop further disability employment policy grounded in scientifically-based knowledge.
- Contracting with an independent evaluator, as it has since its creation, to support program improvement and effectiveness, and to validate performance data used to measure ODEP's annual performance. The results from the independent evaluation, which have been used to inform ODEP's 2006-2010 strategic plan, including annual and long-term goals, outcomes, and performance measures, have also informed policy development in the areas described below.
- Continuing to implement its long term strategic plan by conducting periodic surveys of workforce development systems and employers to determine the degree to which research-to-practice actually takes place.

Specific and detailed discussion of initiatives and activities that will support mission fulfillment and Performance Goal achievement, including producing results to be measured by ODEP's Performance Goal indicators, are presented in the Cost Model section of the General Statement of this budget document.

Performance Challenges

ODEP's mission, to provide national leadership on disability employment policy, is achieved by developing and influencing the development of policy that affects systems change. To fulfill its mission and meet performance targets, ODEP employs several critical strategies. Factors influencing ODEP's efforts have been identified below and acknowledged as potentially significant on performance and desired outcomes.

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- ***Economic conditions:*** During times of high economic growth, demand for new workers increases. In these times, businesses readily look beyond the traditional labor sources to access skilled, qualified candidates. Downturns in the economy mean fewer available jobs and more competition, tightening the hiring climate for all workers.
- ***Societal attitudes:*** Significant barriers to improving the hiring climate of people with disabilities include assumptions, preconceptions, and concerns about people with disabilities in the workplace.
- ***Scientific and technological advancements:*** Scientific and technological advances have the capacity to eliminate barriers faced by people with disabilities in the workplace, leveling the playing field. Many past advances in technology that were originally designed to assist people with disabilities have become universal. While technological advancements increase access to and opportunities for employment, such advances can also lead to a reduced need for workers in some areas and increased skill requirements in others.
- ***Variable funding:*** Changes in priorities at the Federal, state, and local levels can result in increases in funding for some programs and their related services and decreases for others.
- ***Changing public policies:*** Shifts in policy priorities at the Federal, state, and local levels affect how resources are allocated in and across programs.
- ***Coordination and cooperation with other government entities:*** The ability to reduce duplication of services and create systems change across service delivery systems requires coordination and cooperation among government entities.

Marginal Cost and Efficiency Measures

In FY 2008, ODEP will reduce FTE by 19, from 59 to 40, and will reduce funds in nearly all object classes, specifically in 11.1 (Full Time Permanent Appointments), 12.1 (Other Benefits), 21.0 (Travel/Transportation of Persons), 25.2 (All Other Services), 26.0 (Supplies and Materials), 31.0 (Equipment), and 41.0 (Grants, Subsidies, and Contributions). This reduction of FTE and funds contributes to a significant marginal cost difference.

As stated below in the Program Efficiency Measures section of this budget, ODEP's efficiency measure is undergoing review. A baseline will be set at the close of FY 2007.

PART issues

ODEP received a score of Results Not Demonstrated on its FY 2006 Program Assessment Rating Tool (PART) evaluation. ODEP has, since its creation, contracted with an independent external evaluator to ensure that annual performance data is valid and that ODEP's activities align with Departmental goals. ODEP continues to implement activities that support core mission achievement, align with long- and short-term goals, and that support performance monitoring. However, to ensure that ODEP can measure its performance effectively for use in program performance management, the agency has contracted with program evaluation experts to assist ODEP in implementing key recommendations from its FY 2006 PART evaluation. ODEP, with the assistance of its contractors, will work to ensure that it can more efficiently measure its performance. ODEP anticipates revising and developing annual and long-term performance goals and measures that are strong and will better serve ODEP in assessing the agency's policy and coordination efforts.

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ODEP expects to have revised or to have validated the current goals and measures to meet requirements for measuring program performance and effectiveness in place by the beginning of FY 2008 to ensure that the collection of data to measure performance is validated and in place by the end of FY 2008. Data for the three indicators used to measure annual performance had been provided, but baseline data for any revised goals and measures will be in place at the close of FY 2008. ODEP is scheduled for its next PART evaluation in FY 2011.

Program efficiency measures

ODEP has developed an efficiency measure, Cost per policy and practice disseminated, that is currently under review.

This efficiency measure is comprised of a numerator, number of policies and practices disseminated; and a denominator, cost of dissemination projects. Data for the efficiency measure will be tracked by ODEP and validated through ODEP's external independent evaluator. ODEP will establish baselines for this measure in FY 2007.

Conclusion

In the short time since ODEP's establishment, the agency has played a key role in impacting policy concerning or relating to the employment of people with disabilities. ODEP's leadership and expertise have led to change in each of the policy and research areas highlighted: workforce systems, employers and the workplace, and employment-related supports. Each of these important changes has contributed to progress in removing barriers to employment and increasing workforce participation of people with disabilities.

History has clearly demonstrated that effective advances in one area or advances for a specific purpose—whether it is science and technology, education, communication, transportation, or health care—can have a broader impact than originally intended. Many of ODEP's accomplishments illustrate this important principle. Because of ODEP's leadership and work, there has been increased coordination across systems and decreased duplication of services.

With ODEP's critical contributions to the policy and research areas described above, a significant portion of the labor pool will no longer remain untapped. At a time when "baby boomers" are projected to retire in record numbers and the workforce as a whole is aging, we no longer overlook the employment of people with disabilities—for the benefit of the workforce, employers and the workplace, and society as a whole. ODEP will continue to take into account all of these factors, collaborating across systems and developing innovative policy that reduces the barriers to employment and creates a more inclusive and competitive workforce for the 21st century.

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BUDGET AUTHORITY by STRATEGIC GOAL					
(Dollars in Thousands)					
Performance Goal	DOL Strategic Goal 1: A Prepared Workforce	DOL Strategic Goal 2: A Competitive Workforce	DOL Strategic Goal 3: Safe and Secure Workplaces	DOL Strategic Goal 4: Strengthened Economic Protections	Total Budget Authority
Performance Goal 1:	0	18,602	0	0	18,602
Office of Disability	0	18,602	0	0	18,602
Employment Policy	0	18,602	0	0	18,602
Agency Total	0	18,602	0	0	18,602

As an administrative activity, funding for these resources has been allocated to the agencies' performance goals within the agency program activity

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TOTAL BUDGETARY RESOURCES by ACTIVITY
FY 2006 – 2008
(Dollars in Thousands)

	FY 2006 Enacted				FY 2007 C. R.				FY 2008 Request			
	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total
Office of Disability Employment Policy	27,655	0	0	27,655	27,655	0	0	27,655	18,602	0	0	18,602
Total	27,655	0	0	27,655	27,655	0	0	27,655	18,602	0	0	18,602

^{1/} "Other Appropriation" is comprised of resources appropriated elsewhere, but for which the benefits accrue toward the operation of the budget activities. (Mgmt Crosscut, Executive Direction, and IT Crosscut)

^{2/} "Other Resources" include funds that are available for a budget activity, but not appropriated such as, reimbursements and fees

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SUMMARY OF PERFORMANCE AND RESOURCE LEVELS										
Office of Disability Employment Policy										
Budget Activities, Performance Goals and Indicators	2003		2004		2005		2006		2007	FY 2008
	Target	Result	Target	Result	Target	Result	Target	Result	Target	Target
Budget Activity ODEP	--	--	--	--	--	--	\$27,655		\$27,655	\$18,602
Performance Goal: Build knowledge and advance disability employment policy that affects and promotes systems change.	--	--	--	--	--	--	--	--	--	--
Indicator #1 -- # Policy-related documents	N/A	N/A	N/A	N/A	N/A	N/A	Base	20	2nd Yr. Base [+3% over past 3-yr. avg.]	3rd Yr. Base [+3% over past 3-yr. avg.]
Indicator #2 -- # Formal agreements	N/A	N/A	N/A	N/A	N/A	N/A	Base	20	2nd Yr. Base [+3% over past 3-yr. avg.]	3rd Yr. Base [+3% over past 3-yr. avg.]
Indicator #3 -- # Effective practices	N/A	N/A	Base	10	11	19	21	26	24	+10% over past 3-yr. avg.
Agency Total	--	--	--	--	--	--	\$27,655		\$27,655	\$18,602
Baseline(s): Describe (e.g. if an average is used) and enumerate the baseline and FY(s) and PY(s) for the baseline. If the baseline has changed, note when and why.										
Data Source(s): Independent evaluator and ODEP.										
Comments: Give the target and result in the indicator units as dollars (\$) numbers (#) or percents (%); under each year note whether the goal was Achieved, Substantially Achieved or Not Achieved.										

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PART RECOMMENDATIONS AND STATUS

PART RECOMMENDATIONS AND STATUS				
Agency/Program: Office of Disability Employment Policy (ODEP)				
PART Recommendation	Milestone(s)	Target (FY/Q)	Completion (FY/Q)	Comments on Status; Reference/Documentation
Improve data collection methods for efficiency and annual measures	Develop valid methods	FY 2007/4	FY200X/X	Program evaluation contractor began work in 4 th quarter FY2006 for one-year period of performance.
Review effectiveness of efficiency and annual measures and rigorousness of evidence collected	Confirm current measures are effective and evidence is rigorous or develop new measures	FY 2007/4	FY200X/X	Program evaluation contractor began work in 4 th quarter FY2006 for one-year period of performance.

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EFFICIENCY MEASURE

EFFICIENCY MEASURE					
Program/Budget Activity	Office of Disability Employment Policy (ODEP)				
FY Program PARTed	FY 2006				
Status of Approval	Pending Agency review per PART recommendations				
Efficiency Measure	Cost per policy and practice disseminated.				
Numerator Description	# policies and practices disseminated				
Denominator Description	cost of dissemination projects				
Baseline Data	FY 2007	Numerator: TBD			Ratio: TBD
		Denominator: TBD			
	FY 2008	2009	2010	2011	2012
Target Ratios	TBD	TBD	TBD	TBD	TBD
Result Ratios	TBD	TBD	TBD	TBD	TBD
Comment/Data Source	ODEP's PART recommendations include review of program performance measures to improve efficiency.				
Strategy(s) to Achieve Efficiency	ODEP's efficiency measure will accurately and appropriately measure the Agency's activity as a policy office established to develop and influence the implementation of policies and practices that address the significant barriers to employment for people with disabilities.				