 

Department of Rehabilitation (DOR)

and

Department of Developmental Services (DDS)

Annual Report

on

Demand Side Employment Initiative (DSEI)

and

Employment Grants

June 6, 2023

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# Executive Summary

The Department of Rehabilitation (DOR) and the Department of Developmental Services (DDS) were provided $20 million in State Fiscal Year 2021-22 to develop new pathways for people with disabilities, including those with developmental disabilities, to obtain competitive integrated employment (CIE). This report includes information on the progress DOR and DDS have made for the employment programs.

DOR works in partnership with consumers and other stakeholders to provide services and advocacy resulting in employment, independent living, and equality for individuals with disabilities. DOR administers the largest vocational rehabilitation and independent living programs in the country. Vocational rehabilitation services are designed to help job seekers with disabilities obtain competitive employment in integrated work settings. Independent living services may include peer support, skill development, systems advocacy, referrals, assistive technology services, transition services, housing assistance, and personal assistance services.

DDS works to ensure Californians with developmental disabilities have the opportunity to make choices and lead independent, productive lives as members of their communities in the least restrictive setting. Under the Lanterman Developmental Disabilities Services Act, DDS is responsible for overseeing the coordination and delivery of services and supports to approximately 400,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, autism, epilepsy, and related conditions. The state’s service system is designed to meet the needs and choices of individuals at each stage of their lives, and, to the extent possible, serve them in their home communities, providing choices that are reflective of lifestyle, cultural, and linguistic backgrounds.

# Background

In the 2021-2022 state budget, DOR and DDS received a one-time appropriation of $10 million each to establish new employment programs for individuals with disabilities to access CIE, as specified. The Budget Trailer Bill for Developmental Services (Assembly Bill 136, Committee on Budget, Chapter 76, Statutes of 2021) set forth requirements for these funded employment programs.

DOR has established a targeted program to increase employment opportunities for people with disabilities to work toward and achieve CIE in accordance with the Welfare and Institutions Code (WIC) 19726, which was added by Assembly Bill (AB) 136. This program provides entities with contracts or grants to implement a targeted marketing campaign and incentivize employers to hire individuals with disabilities through technical assistance, contracts, or grants to make workplaces accessible, develop and execute industry-recognized work-based learning opportunities, and support employment training for managers and human resources professionals.WIC 19726 also requires DOR to provide evaluation reports, developed in consultation with the Department of Developmental Services, on the implementation and status of the program required pursuant to subdivision (a) to the Legislature, no later than May 14, 2022; May 14, 2023; and May 14, 2024. This is the second of these required reports.

DDS continues the projects aimed at increasing pathways to CIE as required per WIC Section 4870.1 and established by AB 136. DDS, in consultation with stakeholders and the ongoing efforts of an Employment Workgroup, established the Employment Grant Program. DDS awarded grants to 45 entities in January 2023 to develop and implement innovative and replicable strategies and practices to increase paid work experiences and employment opportunities for regional center consumers.

# DOR

DOR’s $10 million Demand Side Employment Initiative (DSEI) has four parts: business incentives in the form of direct grants and technical assistance to medium- and small-sized businesses in California; development of human resource professional certification for inclusive hiring practices; creation of earn and learn opportunities designed to meet industry-identified skill needs; and a media/marketing campaign to highlight the businesses receiving grants and to communicate the competitive advantage of disability-inclusive hiring from the business perspective.

The largest portion of DSEI funding will be spent on direct grants to businesses, totaling $5.2 million. DOR has received 137 applications from small- and medium-sized businesses in California requesting funding and technical assistance to include individuals with disabilities in their workforce and to make improvements to their business to expand accessibility. Applications received by DOR total more than $20.3 million in requested funding, and small businesses represent 96% of the applications received. In exchange for grant funding, each business has agreed to make direct hires of individuals with disabilities to reach the parity level set by California Department of Human Resources (16%) or become a rotating work experience site for individuals with disabilities.

DOR has partnered with the Society for Human Resources Management (SHRM) to develop and distribute the training component for human resources (HR) professionals and students preparing to work in the field of human resources. This California-specific certification program/curriculum on disability-inclusive hiring and retention practices will be delivered to HR students through the California public college system and to current HR professionals and California employers through a web-based platform. The HR training modules are currently in development and estimated to launch in the summer of 2023.

The earn and learn component has established three new experiential, work-based learning programs serving California employers. The programs focus on industry-recognized work activities and provide participating individuals with disabilities the opportunity to learn and practice in-demand skills in both the classroom and worksite settings. This component will provide work-based learning opportunities to an estimated 170 individuals.

The final component of the DSEI is the targeted media and marketing campaign, contracted for $2 million. The media component has increased California employer awareness of DOR’s DSEI and will highlight businesses who are champions of disability-inclusive hiring in California. This targeted campaign focuses on the business advantages rather than the social welfare aspects of a diverse workforce. The campaign will spotlight businesses receiving grant funding and direct businesses interested in learning about disability-inclusive hiring to available California workforce resources, including DOR and DDS.

**Number of Contracts and Grants Issued**

DOR is contracted with the Institute for Workforce Skills and Innovation (IWSI) America to develop and execute an earn and learn program for a minimum of 100 individuals with disabilities focused on the allied health field. IWSI America has extensive experience in growing modern apprenticeship programs for a broad range of populations, including young adults, transitioning or mature workers, and underserved populations, such as individuals with disabilities, disadvantaged youth, juveniles in the justice system, and formerly incarcerated individuals. IWSI America currently has 58 active program participants and estimates 75-85 program participants by the end of December 2023.

DOR has entered into a contract with NeuroTalent Works to develop an earn and learn program for an estimated 50 individuals with disabilities focused on positions in the insurance industry with a minimum of 32 placements. NeuroTalent Works specializes in advancing neurodiversity and disability inclusion/hiring through connecting business partners with neurodistinct individuals for meaningful employment. The first cohort of 10 program participants is estimated to launch in July 2023.

DOR is now in contract with East Bay Innovations (EBI) to develop an earn and learn program for a minimum of 20 individuals with disabilities focused on the childcare sector. EBI has extensive experience providing employment services and creating internship program opportunities for individuals with disabilities. The first cohort of 10 program participants is estimated to launch in June 2023.

DOR is contracted with SHRM to develop and disseminate California-specific training for disability-inclusive hiring and retention practices. This training will be available as a course offering to a minimum of three community colleges for upcoming HR professionals, as a recertification for current HR professionals , and as a free resource for all California employers. SHRM has years of experience creating and providing training to HR professionals and employers for the evolving workforce, including the creation of the global curriculum, Employing Abilities at Work. SHRM estimates launching the training in July 2023 and the community college course offering in August 2023. Statistics on the number of HR students, HR professionals, and employers receiving HR training will be included in the next submission of this report.

DOR has also contracted with Small Potatoes Communications (SPC) for the targeted marketing campaign to encourage the recruitment and employment of individuals with disabilities. SPC has substantial experience in creating multimedia marketing, communications, and corporate storytelling.

DOR is currently in the process of finalizing contracting documentation for the first 16 awarded employers for the DSEI business incentive grants for a total of $2.4 million. This funding will enable grant recipient employers to cumulatively provide 33 permanent employment positions, as well as the opportunities for industry-recognized work experience training for more than 64 Californians with disabilities. Forty-four of the internship positions will be paid work experience, and 20 internship positions are currently unpaid; however, DOR is working with the employer to explore options for DOR to support these as paid internship positions. The DSEI grant selection committee established a rolling review/award process and will commence the next review session in June 2023.

**Number of Businesses Targeted for Media Campaign**

It is DOR’s intention to leverage the media campaign by highlighting the small- to medium-sized businesses who take part in the direct grant program. While DOR and DDS can speak to why businesses should include individuals with disabilities in their workforces, it will be more impactful to have business owners speak to the business advantages they have found through their inclusive- hiring efforts and partnership with these two state departments.

SPC conducted outreach, traveling across the state to promote awareness of this grant funding opportunity to employers, gathered employer demographics, and determined the best marketing tactics based on region and type of business. SPC created a website dedicated to this direct grant program to spread awareness of the program, provide resources to employers interested in applying, and to spotlight the grant recipient businesses. To date, the EmployABILITYCA.com website has had more than 8,000 unique visitors, and DOR has been contacted by 401 employers for information about disability- inclusive hiring and this grant opportunity. Twenty-three percent of businesses surveyed reported learning about DOR and the DSEI through online or social media sources as a result of the targeted marketing campaign.

**Number of Businesses That Received Technical Assistance**

DOR has been engaging with businesses since the inception of the DSEI program to better understand how to incentivize hiring individuals with disabilities as related to a business’s bottom line. DOR designed all components based on stakeholder engagement that was done in year 1, including the grant solicitation materials released in May 2022. Through discussions with the applicant businesses, the 137 applicants have requested technical assistance from DOR with recruiting individuals with disabilities; providing training for disability awareness, disability etiquette, and other services; such as writing disability-inclusive job descriptions and work site assessments. Additional statistics on the quantity and types of technical assistance provided to employers will be included in the next submission of this report.

**Number of Entities That Received Contracts or Grants to Make Workplaces Accessible**

Thirty-four percent of all applicants requested funding to make their workplaces accessible for a cumulative total of $1.3 million. Forty-four percent of awarded businesses will be making physical location improvements to their workplaces for accessibility for an estimated total of $81,000. Modifications to businesses for accessibility include remodeling restrooms for ADA compliance, installing push- button door openers, entry/exit railings, audible and visual alarms, lighting for visual sensory needs, and creating accessible workstations.

**Number of Participants Who Are Working Toward or Have Achieved Competitive Integrated Employment**

There are currently 58 participants working toward CIE through participation in industry-recognized work-based learning programs. DOR looks forward to reporting on the number of participants having achieved CIE through direct placement at businesses receiving grant funds and participation in industry- recognized work-based learning programs in the next submission of this report.

# DDS

In 2021, DDS established an Employment Workgroup of individuals with developmental disabilities, family members, advocates, service providers, regional center staff, members of the DDS Developmental Services Task Force, DOR, California Department of Education (CDE), and the Employment Development Department (EDD). The stakeholders provided input on critical issues, priorities, and strategies related to building career pathways for individuals served by the regional centers. The Employment Grant Program was developed with input from stakeholders participating in the DDS Employment Workgroup.

The following priority areas for the grants were identified by the Employment Workgroup:

* Implementing evidence-based, new, and emerging best practices for job attainment, retention, and career advancement through an individualized, self-directed, and whole-person approach to services.
* Providing pathways to employment for individuals with high support needs through an individualized and whole-person approach to services.
* Developing business- or industry-focused collaborations to increase workforce preparation and employment opportunities.
* Increasing family, adult, and youth knowledge and use of community employment-related resources and services.
* Changing service delivery models to promote competitive integrated employment for all individuals served.

Applicants for the employment grants were asked to select one of the five project types that best describes their activities from the list below:

* Business-Focused Practices: Establish ongoing employer- or industry-focused collaborations that support the success of the business and create more opportunities for the employment of individuals with intellectual and developmental disabilities. Business-focused practices may include but are not limited to developing work-based learning opportunities, developing high quality matching of job candidates, providing access to job openings that may be customized to individual needs, offering personalized interactions with hiring personnel, and supporting disability inclusion in the workplace.
* Employment Preparation Services and Supports: Create innovative pathways to employment that utilize evidence-based, best, or promising practices in employment supports and strategies for job attainment, retention, and career advancements in competitive integrated employment. This may include but is not limited to family engagement, paid work experience, coordination of services, customized employment, postsecondary education or training, supported employment, benefits planning, and/or technology.
* Service Models for Individuals with High Support Needs: Establish new and innovative ways to achieve competitive integrated employment for individuals with high support needs utilizing a whole-person approach through intensive employment services.
* Service Model Transformation: Develop an action plan for organizational transformation to a business and service delivery model that supports competitive integrated employment for every individual served. The grant will support training and technical assistance for the planning process.
* Training and Implementation: May include multiple platforms or methods of training, such as in-person, virtual, peer mentoring, peer learning, train the trainer, coaching, and/or community of practice. This may also include cross-agency training that leads to improvements in planning and services for competitive integrated employment.
	+ Professional and Staff: Increase statewide provider knowledge and use of evidence-based and best practices in competitive integrated employment and effective outreach and partnerships with businesses. Projects must include coaching or technical assistance for local implementation of practices learned. Projects may include cross-agency training of professionals and staff that leads to improved planning, coordination, and services for competitive integrated employment.
	+ Family, Adult, and Youth: Increase family, adult, and youth knowledge and use of resources, services, and supports for competitive integrated employment. This may include use of community resources, work experience opportunities, self-advocacy, transition planning from school to postsecondary education and employment, navigating adult service systems, and benefits planning.

DDS released the grant guidelines and opened for proposals on June 29, 2022. The application process was closed on August 24, 2022. One hundred twenty-eight applications were received with over $54 million dollars in requested funding. Applications were reviewed by a panel of representatives that included DOR, Disability Rights of California (DRC), and internal DDS staff from multiple sections including Federal Programs, Office of Community Development, Office of Community Operations, and the Work Services Section. The review process concluded in October 2022, and 45 projects were awarded. Projects began in January 2023.

The distribution of grants among the project types are represented in the table below:

|  |  |
| --- | --- |
| **Project Type** | **Number of Projects Awarded**  |
| Business-Focused Practices | 10 |
| Employment Preparation Services and Supports | 14 |
| Service Models for Individuals with High Support Needs | 3 |
| Service Model Transformations | 5 |
| Training & Implementation: Family, Adult, and Youth | 3 |
| Training & Implementation: Professional and Staff | 10 |
| **TOTAL** | 45 |

Grantees completed their first quarterly report on April 30, 2023. DDS is currently reviewing the first quarter reports and will meet with grantees to discuss their progress. A full list of the grantees, including descriptions of the selected projects, can be found on the DDS website, [Employment Grants – CA Department of Developmental Services](https://www.dds.ca.gov/initiatives/employment-grants/).

The DDS Employment Workgroup continues to meet regularly to discuss employment-related topics, including grant updates, transition-age youth, collaborative employment partnerships between agencies, discussions regarding the DDS pilot project “Career Pathways to Competitive Integrated Employment,” and the elimination of sub-minimum wage.