

Board of Vocational Rehabilitation (BVR)
Tuesday, September 15, 2026 - 9:00 AM Central Time

Quarterly Meeting Held Via Zoom and DHS Hillview Plaza/Conference Room

MEMBERS PRESENT: Chris Olson, Betsy Drew, Tana Zwart, Sherry Van Liere, Eric Weiss, Michael Kokesh, Shawn Lyons, Sylvia Buboltz, Heidi Mecham, Kara Palmer, and Bonnie Gusso. **MEMBERS ABSENT:** Cole Uecker, Julie Johnson and Kara Schweitzer. **OTHERS PRESENT:** Bernie Grimme, Katie Gran, Kim Ludwig, Jessica Sehnert, Laura Stoltenburg, and Colette Wagoner. The interpreter was Julie Paluch.

OPENING ACTIONS: Shawn Lyons, Chairperson, called the meeting to order and invited everyone to introduce themselves. A quorum was present. Review & Approval of Agenda: **MOTION TO APPROVE THE AGENDA AS DISSEMINATED – MADE (M), SECONDED (S), AND CARRIED (C).** YEAS: Chris, Tana, Sherry, Heidi, Bonnie, Kara P, Betsy, and Michael. NAYS: None. Review & Approval of Meeting Minutes: Shawn asked for changes/additions to the Board's June 3, 2026, meeting minutes and the Executive Committee meeting minutes from August 17, 2026, hearing none, **MOTION TO APPROVE THE BVR'S JUNE MINUTES AND THE EXECUTIVE COMMITTEE MEETING MINUTES AS DISSEMINATED, MSC.** YEAS: Chris, Tana, Sherry, Heidi, Bonnie, Kara P, Betsy, and Michael. NAYS: None.

PUBLIC COMMENT: There was none.

ANNOUNCEMENTS: There were none.

ANNUAL REVIEW OF THE STATE'S OPEN MEETINGS LAWS: Board staff presented the annual Open Meetings Laws review, covering meeting requirements, public notice and agenda standards, executive session procedures, public participation, and compliance responsibilities. The review emphasized transparency and public participation. The Board acknowledged completion of the annual Open Meetings Law review as required by state law and directed that this acknowledgment be reflected in the meeting minutes.

DIVISION OF REHABILITATION SERVICES (DRS) DIRECTOR'S COMMENTS & UPDATES: Eric welcomed everyone and acknowledged the new members. He referenced the New Member Orientation held the previous week and encouraged members to ask questions as they become more familiar with the Board and its work.

Program Year Quarterly Report: Eric provided an overview of Vocational Rehabilitation (VR) program case service activities for Program Year 2025, Quarter 4 (April 1, 2026, through June 30, 2026), including application, eligibility, service, and closure trends.

The report reflected 486 applications, 464 eligibility determinations, 3,368 total individuals served, and 258 successful employment closures during the quarter. He noted a decline in applications during the most recent full quarter and indicated the need to continue monitoring data to determine whether application numbers are plateauing or leveling off.

In response to a question, Eric explained that a successful employment closure occurs when a VR consumer obtains employment, maintains employment for at least 90 days, and agrees that the case can be successfully closed.

A question was asked regarding whether the numbers of applicants, individuals served, and employment closures were comparable to historical trends. Eric responded that the figures are comparable to pre-COVID levels. Discussion also focused on the Division's increase in providing services to youth with disabilities. Factors contributing to this trend include the reauthorization of the Workforce Innovation and Opportunity Act (WIOA), which emphasized the provision of Pre-Employment Transition Services (Pre-ETS); a stronger focus on engaging youth with disabilities; and the requirement that VR agencies allocate at least 15% of their federal allotment to students with disabilities who are eligible or potentially eligible for VR services.

Budget: Eric reported that the Division has experienced increased expenditures, consistent with growth in applications, the number of individuals served, and the rising cost of services. He stated that the Division remains in a strong position financially and has sufficient resources to serve all eligible individuals.

Eric also discussed budget matters, grant management, and the federal reallocation process. He explained that the Division has been unable to expend all supported employment grant funds due to newer restrictions governing the use of those funds. In addition, he reported that the Division will undergo an on-site monitoring review by the Rehabilitation Services Administration (RSA) during Federal Fiscal Year (FFY) 2027, the first such review since 2012.

Eric also discussed the announcement made in June that the U.S. Department of Education's Office of Special Education Programs (OSEP) and the Rehabilitation Services Administration (RSA) will move to the Administration on Disabilities, a sub-agency within the U.S. Department of Health and Human Services (HHS). The changes will take effect in FFY 2027, and grants will thereafter be managed by HHS.

DIVISION OF REHABILITATION SERVICES (DRS) PROGRAM INITIATIVES: Bernie explained that this agenda item provides an opportunity for Division staff to share updates and information on new activities and initiatives. He encouraged members to contact him with suggestions for future agenda topics.

Youth Leadership Forum (YLF): Katie Gran, DRS Transition Specialist, provided an update on the Youth Leadership Forum (YLF), which was held in June on the campus of Northern State University in Aberdeen. A total of 76 applications were received from high school students with disabilities. Fifty students were invited to participate, and 31 students attended. Katie shared the YLF video (available at <https://www.youtube.com/watch?v=KU7pHKmaLlc>), which highlighted guest speakers, student delegates, training sessions, and social activities. Feedback from participants indicated that the event was highly successful, with suggestions for incorporating more hands-on activities in future forums.

Pre-Employment Transition Services (Pre-ETS): Based on reports received to date, 96 students with disabilities participated in summer Pre-ETS programs held throughout the state. Approximately 69% of participants were VR clients, while the remaining participants were served as potentially eligible individuals. More than \$61,000 has been expended to date, helping the Division meet the federal requirement that at least 15% of VR funds be spent on Pre-Employment Transition Services. A variety of organizations received approval to conduct Pre-ETS activities, including SD DROP, Black Hills Special Services Cooperative (BHSSC), Independent Living Choices, Educational Cooperatives, Douglas School District, the USD Center for Disabilities, and Oyate Circle.

Business Engagement Activities: Kim Ludwig, Business Specialist, provided updates on several initiatives.

2026 Fall Conference: The 2026 Fall Conference will be held October 13-15 in Deadwood. As of the meeting date, 195 individuals have registered to attend. Conference information is available via SDRehabACTion's website. Board members interested in attending were encouraged to contact staff for additional information.

Quarterly Statewide Virtual Training Opportunities for Businesses: DRS, Employment Disability Resources (EDR), and the Workplace Disability Network of the Black Hills (WDNBH) continue to offer training opportunities for businesses to promote employment opportunities for individuals with disabilities. In recognition of National Disability Employment Awareness Month, these partners will host a statewide virtual

training event on October 6 from 10:00 to 11:30 a.m. CT. Emily Shuman, representing the Rocky Mountain ADA Center, will present “Artificial Intelligence and the ADA in Employment.” The training will address how the Americans with Disabilities Act (ADA) applies to the use of artificial intelligence in recruiting, applications, interviews, onboarding, training, employee support, and performance evaluations. Participants will also review practical examples, assistive technology considerations, and best practices for the responsible use of AI in employment settings.

DRS Performance Indicators and Consumer Satisfaction Survey: Jessica Sehnert, DRS Policy and Quality Assurance Specialist, reviewed the Division's Workforce Innovation and Opportunity Act (WIOA) performance indicators. She discussed five of the six federal performance measures, noting that retention with the same employer is jointly reported with the Department of Labor.

Jessica provided an overview of the following indicators:

- Employment Rate – 2nd Quarter After Exit and 4th Quarter After Exit: Measures the percentage of individuals employed during the second and fourth quarters after exiting the VR program.
- Median Earnings – 2nd Quarter After Exit: Measures the median earnings of individuals employed during the second quarter after program exit, meaning that half earned more than the median amount and half earned less.
- Measurable Skills Gain (MSG) Rate: Measures the percentage of participants engaged in education or training who demonstrate measurable progress toward educational or training goals during the program year.
- Credential Attainment Rate: Measures the percentage of individuals who obtain a recognized post-secondary credential or a secondary school diploma/equivalent within the required timeframe.

Performance Results:

- South Dakota met or exceeded four of the five RSA-negotiated performance targets.
- Performance targets exceeded included:
 - 4th Quarter Employment Rate
 - Median Earnings
 - Measurable Skills Gain (MSG)
 - Credential Attainment Rate
- The only measure below target was the 2nd Quarter Employment Rate, which achieved 59.4% compared to a target of 62%.

- Overall results indicate strong employment outcomes and positive progress in skills development and credential attainment.

Jessica also reviewed the results of the Division's Consumer Satisfaction Survey. The survey was developed with involvement from the Board through the Consumer Services Committee and Board members may recommend future revisions to survey questions.

Survey 3.1: Initial Plan Development

- Administered six months after development of a client's employment plan.
- Positive responses ranged from 90% to 95% across survey questions.
- Respondents reported clear communication, an understanding of services, and involvement in planning and decision-making.
- Continued monitoring is needed regarding awareness of the Client Assistance Program (CAP) and appeal rights.
- Response rate: 120 responses from 1,463 surveys distributed (8.2%).

Survey 3.2: Ongoing Services

- Evaluated satisfaction with services received and interactions with staff and service providers.
- Positive responses ranged from 93% to 95%.
- Respondents expressed confidence in the quality, accessibility, timeliness, and effectiveness of services.
- Ninety-six percent of respondents indicated they would recommend VR services to others.
- Areas identified for continued monitoring included accessibility and service effectiveness in helping individuals achieve employment goals.
- Response rate: 90 responses from 806 surveys distributed (11.2%).

Survey 3.3: Successful Closures

- Focused on employment outcomes and overall satisfaction among individuals whose cases were successfully closed.
- Results indicated positive employment outcomes and overall satisfaction with VR services.
- Strongest feedback related to workplace environment and the role of VR services in securing employment.
- Areas for continued review included wages, benefits, and alignment of employment outcomes with individuals' employment goals.
- Response rate: 48 responses from 484 surveys distributed (9.9%).

Survey 3.4: Unsuccessful Closures

- Assessed the experiences of individuals whose services ended without achieving an employment outcome.
- Results reflected moderate satisfaction overall.
- Respondents were most positive about counselors' understanding of their needs and challenges.
- Areas identified for improvement included:
 - Connections to community programs and resources
 - Awareness of the Client Assistance Program (CAP)
 - Overall client experience
 - Communication and follow-up
 - Timeliness of services
 - Employment assistance and job placement support
- Response rate: 52 responses from 956 surveys distributed (5.4%).

Next Steps:

- Continue efforts to improve performance on the 2nd Quarter Employment Rate indicator.
- Enhance client awareness of the Client Assistance Program (CAP) and appeal rights.
- Focus on improving communication, follow-up, service timeliness, and connections to community resources.
- Continue evaluating the accessibility and effectiveness of services in supporting employment outcomes.
- Use client feedback to strengthen training opportunities, employment supports, and overall service delivery.

Section 511 Review History: Bernie Grimme provided information on the Division's Section 511 review history and highlighted the significant progress made in reducing the number of individuals employed at subminimum wages in South Dakota. Since SFY 2017, the number of individuals working under Section 511 arrangements has decreased from 916 to 32, representing a 96.5% reduction. The report demonstrated continued efforts to promote competitive integrated employment, with most participating agencies eliminating the use of subminimum wage employment since SFY 2017.

Bernie explained that a community support provider must obtain a 14(c) certificate from the U.S. Department of Labor to pay individuals with disabilities less than the federal minimum wage. The Division recently received notification that Black Hills Works had

resumed the use of subminimum wage employment. As a result, 54 individuals are currently employed at wages below the federal minimum wage.

Under Section 511 requirements, the Division must meet with these individuals within six months and conduct annual reviews thereafter. These reviews are intended to ensure that individuals are informed about Vocational Rehabilitation services and other available employment and support programs.

Benefits Specialists Contract - SFY 2026: Bernie provided a summary of the Benefits Specialists Contract for SFY 2026. The program funds 5.6 Benefits Specialist positions located throughout the state and continues to provide benefits counseling and work incentives education to VR consumers and stakeholders.

During the contract period, seven Work Incentives Training sessions were conducted statewide, with 131 individuals participating. Participant feedback was highly positive, with more than 98% of respondents indicating that they would recommend the training to others.

Bernie also reviewed results from satisfaction surveys completed by individuals who received services from Benefits Specialists. Survey topics included employment outcomes (such as obtaining employment, increasing work hours, maintaining current employment, or choosing not to work), the usefulness of benefits summaries provided, the clarity and understandability of information received, the responsiveness of Benefits Specialists, whether participants' questions were answered, and whether participants reported an improved understanding of their benefits.

Draft Program Guide: Provision of Out-of-State Services for Individuals with Disabilities: Bernie reported that the draft Program Guide for the Provision of Out-of-State Services for Individuals with Disabilities had not yet been shared with members because it was still under development.

He explained that the guide will primarily apply to VR consumers receiving post-secondary education services outside of South Dakota. While the Division has historically provided these services, the guide is being developed to formally document existing practices and establish consistent policy.

The guide will apply to both the Division of Rehabilitation Services (DRS) and the South Dakota Board of Services for the Blind and Visually Impaired (SBVI). Once completed, the draft guide will be shared with both boards for review and recommendations. Bernie stated that the draft would be distributed to members for feedback, with comments requested by October 30. The Program Guide will be included on the December meeting agenda for final consideration and approval.

ABERDEEN VR DISTRICT OFFICE OVERVIEW: Laura Stoltenburg, DRS District Supervisor, provided an overview of the Aberdeen/Pierre District Office operations and staff. This district serves 21 counties, 37 public schools, three reservations, and seven tribal schools. The Aberdeen office has seven VR counselors, while the Pierre office has two VR counselors. The Aberdeen office is co-located with SBVI staff, Transition Services Liaison Project staff, two Employment Specialist Coordinators, and a staff member from the Division of Developmental Disabilities. The Aberdeen and Pierre offices are supported by Benefits Specialists located in Brookings, Chamberlain, and Rapid City.

Laura highlighted service data from SFY 2025, noting that the district provided services to 1,032 individuals, including 275 transition-age youth.

District strengths identified by staff included creativity, a strong presence in schools, promotion of training and skill development opportunities, commitment to the counseling process, and resilience. Challenges identified by the district included shortages of employment service providers, limited long-term support services, complex systems that can be difficult to navigate, a lack of accessible and affordable housing, and the increasing complexity of disabilities and barriers experienced by individuals served.

Discussion highlighted the growing challenge of affordable housing for individuals served, as increasing financial pressures make it difficult for many to meet basic living expenses. It was noted that these challenges reinforce the importance of case management services and assistance in navigating available resources and support systems.

Discussion also addressed the ongoing need to balance direct client services with documentation and administrative responsibilities. While there is no simple solution, staff continue to explore strategies to improve efficiency, maximize client-facing time, and remain responsive to client needs.

In response to a question regarding staffing, Laura reported that the district experiences very little staff turnover.

STATEWIDE INDEPENDENT LIVING COUNCIL (SILC): Eric reported that the Division administers Independent Living (IL) funds provided through the Administration for Community Living (ACL). Federal requirements mandate that each state maintain a Statewide Independent Living Council (SILC) to develop and monitor the State Plan for Independent Living (SPIL). Key responsibilities of the SILC include developing the State Plan, monitoring its implementation, conducting regular meetings, coordinating activities with other entities, and submitting required reports.

Eric reported that the SILC last met on June 23. Updates included reports from the DRS Independent Living Program Specialist regarding Centers for Independent Living (CIL) activities, consumer satisfaction survey progress, contract status, program reviews, and quarterly performance highlights. CIL directors also provided updates on local activities, programs, and staffing.

State Plan development has been a recurring agenda item and will continue to be discussed until the next State Plan for Independent Living is submitted to the Administration for Community Living before the end of June 2027.

Eric noted that the next SILC meeting is scheduled for September 29. He also reported that the SILC State Plan Committee will meet next week to continue work on development of the State Plan.

Eric demonstrated the State of South Dakota's Boards and Commissions Portal and reviewed how members can access information related to both the SILC and BVR. The State's Boards and Commissions Portal can be accessed at:

<https://boardsandcommissions.sd.gov/> .

BVR STAFF UPDATE: Colette provided an update on National Disability Employment Awareness Month (NDEAM), a national observance held each October to recognize the contributions of individuals with disabilities and promote their inclusion in the workforce. The 2026 NDEAM theme is **"Celebrating Value and Talent."**

NDEAM activities are supported by the Board of Vocational Rehabilitation (BVR), the Statewide Independent Living Council (SILC), the Board of Services for the Blind and Visually Impaired (B/SBVI), and the Division of Rehabilitation Services (DRS). Financial support for the initiative is shared among these entities. A Request for Proposals (RFP) was issued in December, with proposals due in February. A joint review committee evaluated submissions and made funding recommendations.

Eleven communities will host NDEAM-related activities and events, including training, radio interviews, advertising campaigns utilizing digital billboards, and presentations on disability-related topics at local Chamber of Commerce events. Participating communities include Aberdeen, Mobridge, Brookings, Madison, Mitchell, Yankton, Rapid City, Deadwood, Sioux Falls, Sisseton, and Watertown.

Colette reported that event details are still being finalized. Once complete, the information will be shared with Board members, who are encouraged to attend events in their local communities.

Governor's Awards Update: Colette provided an update on the Governor's Awards ceremony, which will be held October 1 in Pierre. The event will begin in the Capitol

Rotunda, with a reception immediately following at the Capitol Lake Visitor's Center. The awards presentation will begin at 11:00 a.m. Central Time.

The 2026 award recipients include:

- **Individual with a Disability:** Mark Koterwski, Sioux Falls
- **Employee with a Disability:** Anthony Monroe, Isabel
- **Small Private Employer:** Who's Toy House, Rapid City
- **Large Private Employer:** L & M Radiator, Inc., Yankton
- **Public Employer:** Fleet Management Division, City of Sioux Falls
- **Transition Services Award:** Denise Stiles, Rapid City
- **Distinguished Service Award:** Dan Rounds, Pierre

South Dakota Public Broadcasting (SDPB) will stream the ceremony live. A viewing link will be distributed to members when available. The livestream information will also be posted on the SDPB website closer to the event date.

Fall Conference: Colette reminded members that registration remains open for the Fall Conference. Members interested in attending were encouraged to contact staff. Current conference information, registration materials, and speaker information are available through the South Dakota RehabACTion's website.

Budget Update: Colette reported that support services for the BVR and SILC are provided through an agreement between the Division and Black Hills Special Services Cooperative. The current contract began January 1 and will expire December 31. The contract budget operates on a calendar-year cycle.

The budget reports distributed to members reflect expenditures through July and show only minimal spending to date. The majority of expenses are expected to occur during September, October, and November and are associated with key activities, including the Governor's Awards Ceremony, National Disability Employment Awareness Month events, BVR and SILC member participation in the Fall Conference, and attendance by Center for Independent Living (CIL) staff at the Fall Conference.

OTHER BUSINESS: There was no other business.

CLOSING ACTIONS: Future Agenda Items: a VR Office presentation, Program Guide/Out of State Services, and BVR Annual Report. Members were encouraged to share potential agenda items or topics of interest with the Chair or staff. Next Meeting: Staff will distribute a Doodle poll to determine a meeting date that accommodates the majority of members.

Adjournment: Shawn asked if there was any objection to ending the meeting, there was none, the meeting adjourned at 12:22 pm.