

**The Legislature intends the Utah State Office of Rehabilitation (USOR), in conjunction with the Utah State Office of Education (USOE) and the Utah State Board of Education (USBE), provide to the Office of the Legislative Fiscal Analyst no later than September 1, 2015: 9) The history and current status of the individuals with Visual Impairment Fund:**

According to an internal audit completed by USOE in February of 2015, DSBVI, in order to fulfill its mission, receives funds from federal grants, state appropriations, fees, and donations from generous entities and individuals. For financial purposes, all donations are tracked in one fund called the Visually Impaired Fund (VIF). Within that fund there are several units that are used to track donations based on various donor or division criteria. The largest of these Funds is called the General Trust, also known as the Visually Impaired Trust Fund (VITF). This fund was created in the 1980s from financial gifts of many individuals over several previous years. As of 8/12/15, the balance of the VIF was \$ 514,563.61.

In 1980 when the General Trust was created, DSBVI outlined the first priority use of funds as “to supplement or implement the programs and services of the Division through financial grants or through the purchase of equipment or renovations.” However, the funds “may be used totally or as a part of additional local, state, and federal money to create new programs and services ...to assist visually handicapped persons in Utah to live a richer, fuller, more constructive life.”

Expenditures of less than \$1,000 from the Fund may be approved by the trust committee; expenditures of greater than \$1,000 from the Fund must be approved by the Utah State Board of Education. There is no restriction on the use of funds

According to the immediate-past Executive Director of USOR, in approximately late September to early October of 2014, he and the DSBVI Division Director began discussing using funds from the General Trust fund as an option to help USOR address the structural imbalance within USOR’s Vocational Rehabilitation Program (VR) which serves individuals in both the Division of Rehabilitation Services (DRS) and DSBVI. These funds were to be used to pay for the provision of services and equipment for Blind/Visually Impaired clientele of VR only. The balance of the General Trust Fund at that time was just over \$1,000,000 which was double the historical value of the fund over many years. The USOR Director and the DSBVI Director proposed utilizing approximately half of the General Trust Fund (\$500,000) with the intent that: 1) the trust fund which was becoming quite large in comparison to its historical value would be brought back to a historical level of value, 2) \$500,000 of one-time money would be available to the VR Program to purchase services/equipment for blind/visually impaired individuals, and 3) those expended funds could be used as match for the VR program to help draw down federal funds. The expense of the funds required approval from the Utah Board of Education. The proposal was heard in the Accountability and Finance Committee of the Utah State Board of Education and subsequently approved by the entire Utah State Board of Education in November of 2013.

USOR believes that the expense of these funds for vocational rehabilitation services and equipment specifically for blind and visually impaired clients is in line with the guidelines for use of the fund. Specifically, USOR maintains that these monies were used to “create new programs and services ...to assist visually handicapped persons in Utah to live a richer, fuller, more constructive life.” This view was supported by an internal audit conducted by USOE.

USOR now understands that some consumers believe that monies from the VIF should not be used to provide vocational rehabilitation services for blind/visually impaired clients and should only be used for other very

specific purposes. USOR believes that if the governing body for the VIF, which is the Utah State Board of Education, is in agreement with this opinion then additional written guidance and clarification must be added to the policies governing the use of these funds as current policy is very general and does not prohibit such use.

As indicated above the VIF has a balance of over \$500,000 which is consistent with a historical level. USOR is confident that there are sufficient funds remaining in the VIF to carry out all activities traditionally paid for by the Fund.