FLORIDA DEPARTMENT OF EDUCATION
fldoe.org

Office of Inspector General
Vocational Rehabilitation Maintenance Fund Payments for Higher Education Room and Board

Report #A-2526DOE-008 **August 2026**

Executive Summary

In accordance with the Department of Education's fiscal year 2025-26 audit plan, the Office of Inspector General conducted an audit of the Division of Vocational Rehabilitation's (DVR) management of maintenance expenses as established under Code of Federal Regulations Title 34 Section 361.5, specifically related to the payment of room and board for students attending colleges and universities.

During this audit we noted that DVR made payments for higher education room and board expenses for consumers with no associated vocational rehabilitation service or with vocational rehabilitation services that do not appear to be provided in accordance with federal law, and DVR did not follow their policies and procedures related to requesting, approving, and properly documenting the provision of maintenance services.

Scope, Objectives, and Methodology

The scope of the engagement included an examination of housing and meal plan purchases made using the maintenance service codes from January 1, 2020, through November 4, 2025. The purpose of the engagement was to determine whether DVR sufficiently managed these activities and payments. The objectives of this engagement were to:
1. Determine if DVR management activities related to maintenance fund payments for higher education room and board complied with applicable laws, policies, and procedures;
2. Determine if DVR's internal controls ensured effective delivery of program services to eligible consumers; and
3. Determine if DVR maintained fiscal accountability to ensure proper disbursement and accounting of funds.

In order to achieve these objectives, our methodology included:

- Reviewing applicable laws, rules, and regulations;
- Interviewing appropriate department personnel;
- Reviewing policies and procedures;
- Reviewing a sample of consumer service records to determine whether DVR staff maintained required documentation that the applicant met the basic eligibility requirements;
- Ensuring that eligibility determinations and Individualized Plans for Employment (IPEs) contain all required elements;

- Ensuring that consumer budget/expense analysis documentation is complete and contains all required elements;
- Ensuring that DVR staff perform timely reviews of required documentation;
- Reviewing a sample of payments and supporting documentation to ensure the required documents were submitted in accordance with the maintenance payment criteria and prior to the distribution of payment;
- Reviewing a sample of payments and related documentation to ensure DVR distributes payments to eligible consumers; and
- Ensuring that maintenance payments distributed were appropriate and did not exceed the eligible amounts.

Background

DVR is a federal-state program committed to helping people who have physical or mental disabilities find and maintain meaningful employment and enhance their independence. DVR accomplishes this by providing employment support and job placement assistance to eligible individuals with disabilities. The Vocational Rehabilitation State Plan is DVR's contract with the federal government which also explains how DVR helps people with disabilities find employment. The State Plan requires DVR to provide services throughout the state.

Code of Federal Regulations Title 34 Section 361.5 (34 CFR 361.5) establishes services that DVR can provide to consumers. The maintenance support service is defined as "monetary support provided to individual expenses, such as food, shelter, and clothing, that are in excess of the normal expenses of the individual and that are necessitated by the individual's participation in an assessment for determining eligibility and vocational rehabilitation needs or the individual's receipt of vocational rehabilitation services under an individualized plan for employment." This support category has been historically used by DVR to supplement tuition coverage by paying for continuous meal plans and housing costs associated with consumers attending college or university. Following are the total room and board maintenance support payments for the review period:

Total Spent on Room and Board

Service Description	Count of Service Description	Sum of Amount
F10001 - Housing/rental payment to customer	1239	$ 976,812.46
F10002 - Housing/rental payment to taxable vendor	755	$ 2,217,573.56
F10004 - Housing/rental payment to non-taxable vendor	1265	$ 3,213,394.52 [1]
F10005 - Meal Plan payment to customer	9	$ 14,143.15
F10006 - Meal Plan payment to taxable vendor	525	$ 1,198,072.37
F10007 - Meal Plan payment to non-taxable vendor	726	$ 1,348,416.72
Grand Total	**4519**	**$ 8,968,412.78**

[1] The total cost for Service Code F10004 was actually $3,348,894.52 with a count of 1268, but that included three non-student recipient rental payments that we removed from this category for the table above.

Audit Results

Finding 1: DVR made payments for higher education room and board expenses for consumers with no associated vocational rehabilitation service or with vocational rehabilitation services that do not appear to be provided in accordance with federal law.

Under 34 CFR 361.5, *Maintenance* is defined as, "monetary support provided to an individual for expenses, such as food, shelter, and clothing, that are in excess of the normal expenses of the individual and that are necessitated by the individual's participation in an assessment for determining eligibility and vocational rehabilitation needs or the individual's receipt of vocational rehabilitation services under an individualized plan for employment."

Additionally, 29 USC 723(a)(5) outlines vocational rehabilitation financial involvement in training services as "personal and vocational adjustment services, books, tools, and other training materials except that no training services provided at an institution of higher education shall be paid for with funds under this subchapter unless maximum efforts have been made by the designated State unit and the individual to secure grant assistance, in whole or in part, from other sources to pay for such training.". Further, the Workforce Innovation and Opportunity Act (WIOA) amended 29 USC 723(b)(9)[2] to outline vocational rehabilitation's provision of services to a group of individuals as it relates to tuition expenses as; "Support (including, as appropriate, tuition) for advanced training in a science, technology, engineering, or mathematics (including computer science) field, medicine, law, or business, provided after an individual eligible to receive services under this title, demonstrates—
(A) such eligibility;
(B) previous completion of a bachelor's degree program at an institution of higher education or scheduled completion of such degree program prior to matriculating in the program for which the individual proposes to use the support; and
(C) acceptance by a program at an institution of higher education in the United States that confers a master's degree in a science, technology, engineering, or mathematics (including computer science) field, a juris doctor degree, a master of business administration degree, or a doctor of medicine degree".

Under 34 CFR 361.48 (6), the scope of DVR services is defined as "vocational and other training services, including personal and vocational adjustment training, advanced training in, but not limited to, a field of science, technology, engineering, mathematics (including computer science), medicine, law, or business); books, tools, and other training materials, except that no training or training services in an institution of higher education (universities, colleges, community or junior colleges, vocational schools, technical institutes, or hospital schools of nursing or any other postsecondary education institution) may be paid for with funds under this part unless maximum efforts have been made by the State unit and the individual to secure grant assistance in whole or in part from other sources to pay for that training."

[2] 29 USC 723(b) is an optional program for groups of individuals with disabilities that Florida has opted out of participating in. The language was included because this was the only explicit mention of tuition assistance, and the CFR and subsequent DVR policy include similar language regarding fields of study.

Section 13.00 of the DVR Counselor Policy Manual defines vocational and other training services to include "personal and vocational adjustment training, advanced training in, but not limited to, a field of science, technology, engineering, mathematics (including computer science), medicine, law or business; books, tools, and other training materials."

Section 13.02 includes similar language to the federal requirements mandating that no training services provided at a public postsecondary educational institution can be paid for with VR funds unless maximum efforts have been made by the counselor/contractor and the individual to secure grant assistance, in whole or in part, from other sources to pay for such training. Those efforts must be documented in the individual's case records.

Finally, Section 13.05, 13.06, and 13.07 strongly advise that individuals receiving training at colleges or universities attend Florida local public postsecondary institutions with the first two years at a local state college level. These sections also state, if an individual chooses a private or out of state institution, that VR will only pay the amount charged by Florida's public postsecondary institutions less the amount the individual is eligible to receive in grants. The rationale for use of private or out of state education institutions must be documented by the counselor in the individual's case record, and the out of state education or vocational training must be approved by the area office.

We identified 538 consumers with at least one maintenance support payment associated with room and board during our review period. We identified 31 (6%) consumers where DVR paid room and board totaling $398,766.14 for those consumers while providing no other associated service for the consumer. During our preliminary research we also noted that three consumers who had received the largest sum of money through maintenance support attended out of state universities, totaling over $200,000 in room and board alone for the three consumers. One consumer is still actively receiving maintenance support as they attend a master's program out of state living in off-campus housing.

We reviewed supporting documentation for maintenance support payments for a sample of 15 consumers, totaling 114 individual expenses. We determined that 12 of the 15 consumers (80%) were not pursuing degrees in any of the fields specifically stated in the aforementioned 29 USC 723(b)(9) or 34 CFR 361.48 (6). Additionally, none of the consumers in our sample were pursuing a post graduate degree. Finally, we found no documentation demonstrating that DVR exhausted any and all other paths for the consumer to gain scholarships or other financial support before providing the maintenance support payments as required in law.

Our review of the IPEs for the sampled consumers disclosed that the assessments for determining eligibility, vocational rehabilitation needs, and other sources of financial support are lacking, and no other vocational rehabilitation services are listed in the IPEs. Planned services are generally listed with a description of "Four-Year College/University Training Tuition Coll/Univ - Degree" as the vocational rehabilitation service, which is not in alignment with short-term support expenses as defined in law.

DVR management indicated in preliminary interviews that assessments for eligibility without sufficient documentation is a known professional development/training issue that is actively being worked on throughout the entire division. Management also indicated that, post WIOA, there was a large shift toward prioritizing trainings for VR consumers which has been interpreted to include higher education.

By not properly assessing the eligibility of consumers and expenses associated with maintenance support payments for short-term accommodations, there is a risk of DVR incurring expenses that are not in compliance with controlling laws.

Recommendation

We recommend that DVR ensure compliance with federal regulations and ensure that all expenses incurred for room and board using the maintenance service code are allowable per federal and state regulations.

DVR Management Response

Concur with clarification. As stated in the addendum of the initial report finding, DVR would like to note the reference regarding advanced training in group settings, 29 USC 723(b) does not apply to the preceding language in 29 USC 723(a)(5). 29 USC 723(b) is specifically related to the use of funds in a program that DVR does not currently participate in.

DVR concurs finding #1 is accurate and demonstrable, and that that OIG assertions regarding the requirement Section 13.02 of the DVR Policy Manual and within 34 CFR 361.48(b)(6): "maximum efforts have been made by the State unit and the individual to secure grant assistance in whole or in part from other sources to pay for that training" was not sufficiently documented in all cases examined. DVR also agrees with the OIG assertion that the requirements contained in DVR Policy Manual Sections 13.05, 13.06, and 13.07 were not sufficiently documented as being completed or validated in all cases examined. DVR has made concerted efforts to ensure federal regulations and DVR Policy is adhered to by staff and that administrative oversight is increased.

DVR Administration reinforced the requirements of federal regulation and DVR Policy to staff beginning 10/28/2025 and continuing since. Administrative leadership traveled to state area offices between November 2025 and June 2026 to provide additional direct guidance to all field staff regarding the use of all VR services with a focus on Maintenance, Training Services and Client-Vendors. DVR also increased existing internal controls in that one-time (non-recurring) maintenance authorizations between $200 and $750 require Area Level Approval, and one-time (non- recurring) maintenance authorizations over $750 and recurring maintenance authorizations between $200 and $750 require State Level Approval, with those approvals and relevant targeted guidance completed by the Field Services Bureau Chief. As such, since the revisitation of regulation/policy and implementation of targeted guidance, payments for housing/meal plans (F10001, F10002, F10004, F10005, F100006, F10007) have reduced from a high of 327 lines of payments for $ 635,729.18 in quarter 3 of SFY 24-25 (January 2025 – March 2025) to 159 lines of payments for $ 314,940.32 in quarter 4 of SFY 25-26 (April 2026 – June 2026), a reduction of 51.4% in lines of payments and 50.5% in spending.

Additionally, review of sample cases indicates appropriate use of training service policy guidance to ensure maximum efforts were made to secure available non-DVR funding for training, state rate is enforced and housing and meal plans are only considered when necessary and reasonable. This matter is considered to be completed as of July 23, 2026.

Finding 2: DVR did not follow their policies and procedures related to requesting, approving, and properly documenting the provision of maintenance support.

Section 9.00 of the DVR Counselor Policy Manual states that certain services require approval before they can be provided. Section 9.01 states that, "DVR shall not pay for goods or services unless such goods or services are listed in the IPE" and "the goods or services were authorized in writing by VR prior to the time they were provided." Section 9.01 also outlines the required information within an individual's record *prior* to payment authorization. "The individual's record must contain the following documentation prior to payment for services:

a) determination of the availability of comparable services and benefits;
b) a written statement reflecting the individual's agreement to pay the difference between DVR's maximum allowed amount and the cost of the service when the customer has chosen to use a vendor that will not accept DVR's maximum allowed amount;
c) the individual's contribution toward payment for a service;
d) the request for approval with the final approval signature [Reference Chapter 15, Section 15.00]"

Section 9.02 outlines the requirement for Financial Participation Determinations and states that DVR cannot authorize services if the individual or family member refuses to provide the information necessary to determine responsibility or refuses to accept responsibility for the expected contribution. The section defines the documentation required for a complete Financial Needs Assessment (FNA) as a "signed FNA form" and a "copy of all backup documentation/information provided to determine financial participation." The documentation must include "U.S. tax returns, employment security wage reports, employer generated pay stubs, proof of the impairment related work expenses (IRWEs), and any other information provided."

Section 11.06 of the DVR Counselor Policy Manual defines maintenance payments as "monetary support provided to customer or eligible individual for those expenses that are in excess of normal expenses and that are necessitated by the services offered by VR." The section outlines several requirements that must be met in order for VR to pay maintenance payments, including maintenance may not be provided as a single service, the costs to be defrayed by the provision of maintenance must be itemized on the Expense Analysis, a request for approval must be obtained from the area office director when the payment exceeds $750 per month, and if the maintenance amount is $200 or more and extends beyond six months another request for approval must be submitted.

Finally, section 15.02 of the DVR Counselor Policy Manual reiterates that any maintenance support expense $750 or over per month requires the VR counselor to complete a request for approval to be approved by the Area Office Director prior to initiating the service.

As part of the maintenance payment authorization process, the vocational rehabilitation counselor completes requests for payment approval documentation, and DVR policy requires that the counselor submit the request for approval to the area office director. Upon approval of the request, the counselor is required to include the final decision in case notes and upload the fully signed request with all required income documentation into the case management system. At that time, an authorization would be created for approval, and the money would then be disbursed accordingly. We selected a sample of 15 consumers and identified 114 total expenses for room and board. Of those, 111 (97%) met the threshold requiring area office director approval but did not have a formal Request for Approval form completed or attached within AWARE nor any of the required income documentation. There was evidence of a "supervisor approval" within the vendor authorization pages in AWARE, and the supervisor's signature is in the attached authorization document, but there are no attached Request for Approval documents within AWARE. Without the proper supporting documentation included within each consumer's file, DVR is unable to verify that the services were properly authorized, or the financial information reported by the consumer was correct. Additionally, according to the Counselor Policy Manual and the Field Services Operating Procedures, a request for approval requires the completion of either an expense analysis, if the recipient claims they are unable to contribute their estimated financial contribution, or a budget worksheet. All fifteen sampled cases met the threshold for requiring these documents, but none of the consumers' files had the required documentation.

In that same sample of 15 consumers, we determined that none of the FNAs included the required participant income documentation within DVR's case management system. Each recipient had an updated IPE attached to their case file but only included a basic Financial Needs Assessment document that had no supporting documentation attached or had incomplete supporting documentation. We also determined that the updated IPEs and FNAs did not contain the required signatures. This lack of required documentation renders these payments noncompliant with DVR's policy.

In preliminary meetings with DVR management, it was indicated that these documents are not routinely utilized and oversight was lacking. The lack of managerial oversight and documentation hinders DVRs' ability to determine if they are providing appropriate maintenance support payments to eligible consumers.

Recommendation

We recommend that DVR enhance their controls to ensure that all documentation requirements for the authorization of maintenance payments are completed and properly recorded in AWARE. We also recommend that DVR enhance their oversight of the process to ensure compliance with internal policies and procedures.

DVR Management Response

Concur. DVR Administration reinforced the requirements of federal regulation and DVR Policy to staff beginning 10/28/2025 and continuing since.

Administrative leadership traveled to state area offices between November 2025 and June 2026 to provide additional direct guidance to all field staff regarding the use of all VR services with a focus on Maintenance, Training Services, and Client-Vendors. DVR also increased existing internal controls in that one-time (non- recurring) maintenance authorizations between $200 and $750 require Area Level Approval, and one-time (non-recurring) maintenance authorizations over $750 and recurring maintenance authorizations between $200 and $750 require State Level Approval, with those approvals and relevant targeted guidance completed by the Field Services Bureau Chief. As such, since the revisitation of regulation/policy and implementation of targeted guidance, payments for housing/meal plans (F10001, F10002, F10004, F10005, F100006, F10007) have reduced from a high of 327 lines of payments for $ 635,729.18 in quarter 3 of SFY 24-25 (January 2025 – March 2025) to 159 lines of payments for $ 314,940.32 in quarter 4 of SFY 25-26 (April 2026 – June 2026), a reduction of 51.4% in lines of payments and 50.5% in spending. Additionally, review of sample cases indicates appropriate use of training service policy guidance to ensure maximum efforts were made to secure available non-DVR funding for training, state rate is enforced and housing and meal plans are only considered when necessary and reasonable. This matter is considered to be completed as of July 23, 2026.

Closing Comments

The Office of the Inspector General would like to recognize and acknowledge the Division of Vocational Rehabilitation staff for their assistance during the course of this audit. Our fieldwork was facilitated by the cooperation and assistance extended by all personnel involved.

To promote accountability, integrity, and efficiency in state government, the OIG completes audits and reviews of agency programs, activities, and functions. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Our audit was conducted under the authority of section 20.055, F.S., and in accordance with the Government Auditing Standards, published by the U.S. Government Accountability Office, and Principles and Standards for Offices of Inspector General, published by the Association of Inspectors General. The audit was conducted by Lauren Shepard and supervised by Bradley Rich, Audit Director.

Please address inquiries regarding this report to the OIG's Audit Director by telephone at 850-245-0403. Copies of final reports may be viewed and downloaded via the internet at https://www.fldoe.org/about-us/office-of-the-inspector-general/audit-reporting-products.stml. Copies may also be requested by telephone at 850-245-0403, by fax at 850-245-9419, and in person or by mail at the Department of Education, Office of the Inspector General, 325 West Gaines Street, Suite 1201, Tallahassee, FL 32399.