



Division of Rehabilitative Services

Employment Service Organization Steering Committee (ESOSC)

Tuesday, October 14, 2025

10:30 a.m. – 2:00 p.m.

In-Person Meeting Location: 8004 Franklin Farms Drive Henrico, VA 23229

Minutes

Members Present: Shanna Boutchyard, Chris Martin, Greta Harrison, Stephanie Porter-Lopez, Adair Jensen-Smith, Christopher Hicks (electronically), Michelle Lotrecchiano, David Gusler, Shannon Shaffer, Grady “Skip” Phillips

Members Absent: Madeline Fitzgerald (personal)

DARS Staff Attending: Commissioner Kathy Hayfield, Deputy Commissioner Dale Batten, Anita Mundy, Donna Bonessi, Dionca Coleman

Full Committee Call to Order and Introductions

Chris Martin, Committee Vice- Chair

Chris Martin called the meeting to order at 10:30 a.m. and welcomed members and guests.

Approve Meeting Minutes from July 08, 2025, and Current Agenda

Chris Martin

The Committee reviewed the draft meeting minutes from July 8, 2025, along with the agenda for the current meeting. A motion to approve the minutes as written was made by Shannon Shaffer and seconded by Greta Harrison. All members present voted in favor, and the motion carried.

A motion to approve the agenda as presented was made by Shannon Shaffer and seconded by Stephanie Porter-Lopez. All members present voted in favor, and the motion carried.

Public Comment

Chris Martin

The ESOSC provided three opportunities during the meeting for public comment. Public notice was posted in advance, allowing individuals to submit written comments through various channels by October 13, 2025. Two members of the public attended the meeting and offered remarks; no additional comments were received prior to the meeting.

Jason Harper, President of RSVP, expressed that he would have appreciated the establishment of an ESO workgroup to discuss potential changes to Pre-ETS prior to their implementation. Donna Bonessi, Director of Employment Services and Special Programs acknowledged Mr. Harper’s comment and explained that the immediate changes were necessary to ensure compliance with the Rehabilitation Services Administration (RSA). The adjustments were prompted by an internal error related to student coaching that had been

identified by the National Technical Assistance Center on Transition: The Collaborative (NTACT-C).

Chris Lavach, President and CEO of The Choice Group also provided public comment. Mr. Lavach expressed appreciation to the ESOSC and DARS for advocating for the approved SFY26 state budget changes that allow for the combination of LTESS and EES funds. Mr. Lavach stated that this change provides greater flexibility and promotes more efficient use of resources by ESOs.

Selection of Officers

Chris Martin

As stated in the ESOSC Code of Virginia, annually the ESOSC must elect new officers at the second meeting of the state fiscal year which began July 1, 2025. Mr. Martin, current Vice-Chair, explained the duties of these officers and called for a motion for nominees. A motion was made by Adair Jensen-Smith and seconded by Grady “Skip” Phillips to nominate Chris Martin to serve as Committee Chair. All members present voted in favor and Mr. Martin accepted the nomination. A motion was made by Shanna Boutchyard and seconded by Greta Harrison to nominate Stephanie Porter-Lopez as Vice-Chair. All members present voted in favor of this and Ms. Porter-Lopez accepted the nomination. Officers will assume their roles at the close of the meeting and will serve for one year.

Status Update on Recommendations Previously Made by the Committee & ESO Updates

Anita Mundy

At the request of the ESOSC during the July 2025 meeting, Anita Mundy and Donna Bonessi presented data related to service codes E1200, E1201, E6030, and EWISA. The data was shared live with the Committee, allowing members to review and discuss various data points in real time.

In addition to the data presentation, Anita Mundy provided an update on the ongoing CARF cost reimbursement recommendation. To date, three organizations have submitted requests for CARF cost reimbursement, which are scheduled to be processed in December. Ms. Mundy also reported that CARF surveys have been delayed by at least six months for many organizations due to a shortage of surveyors. She encouraged the Committee to consider extending reimbursement opportunities into SFY27 to accommodate organizations affected by these delays.

LTESS-EES Data Reports, System Access, and Timeliness of Report Submissions

Anita Mundy

Anita Mundy reported that some organizations continue to miss their deadlines for submitting monthly billing requisitions in the LTESS/EES system. These delays hinder the timely development of data reports for Committee review. Additionally, some system users allow their system access to lapse, creating extra work for DARS staff and further delaying requisition submissions.

Ms. Mundy reported that the annual cybersecurity training notice has been sent to all system users, with a completion deadline of October 31, 2025. Users who do not complete the required training will have their account access deactivated on November 1, 2025.

Ms. Mundy emphasized the importance of submitting requisitions on time to ensure timely bill payments and accurate data reporting to the Committee.

PreETS/WE Programming**Donna Bonessi, DARS Director for ESSP**

Per the request of Shannon Shaffer to add this agenda item, Donna Bonessi fielded questions pertaining to PreETS and WE Programming. Ms. Bonessi provided clarification regarding the new directives regarding PreETS services as they apply to coaching. Ms. Bonessi was clear in her response that if an individual has a need for coaching, A VR case must be opened and an individual plan for employment (IPE) developed.

**LTESS-EES SFY26 First Quarter Spending Report, Comparisons,
And Projected Balances**
Donna Bonessi, DRS Director ESSP

Donna Bonessi reviewed SFY 2026 first quarter and year-to-date LTESS/EES Statistics with the Committee. LTESS/EES expenditure percentages were slightly lower than what were projected, leaving a first quarter projected balance of \$88,401.98.

Through discussion with the Committee, members voiced that it would be helpful if DARS would also report on reserve funds. Moving forward, DARS will add a line to the report that notates reserved balances.

First Quarter Ending August 31, 2025			
	EES	LTESS	Total
Expected Expenditure	\$ 474,849.27	\$ 1,561,319.93	\$ 2,036,169.20
Actual Expenditure	\$ 424,225.24	\$ 1,523,541.98	\$ 1,947,767.22
Balance on 8/31/25	\$ 50,624.03	\$ 37,777.94	\$ 88,401.98
Final 1st Qtr Balance			\$ 88,401.98

Commissioner's Update**Kathy Hayfield, DARS Commissioner**

Commissioner Hayfield addressed the Committee and provided an overview of the Department for Aging and Rehabilitative Services (DARS), including the agency's mission and the range of services offered under its umbrella. The Commissioner noted that Vocational Rehabilitation (VR) is DARS's largest program, and the Division of Rehabilitative Services (DRS) is the agency's largest division, employing more than 500 staff members.

Commissioner Hayfield also discussed the impact of the ongoing federal government shutdown on VR services. There was a reduction in force (RIF) at the U.S Department of Education affecting its Office of Special Education and Rehabilitative Services (OSERS), leaving only a small number of staff to ensure that VR programs can continue to access available federal funds.

Despite these challenges, Commissioner Hayfield assured the Committee that the VR program operates on a biennial budget and currently has sufficient carryover funds to continue supporting Virginia's vocational rehabilitation program. The agency is meeting internally to explore how to best leverage existing resources to sustain employment for DARS staff and providers.

Commissioner Hayfield emphasized that the key message for providers and partners is to continue delivering services without hesitation. She encouraged everyone to take pride in their work, highlight the positive outcomes being achieved, and communicate that DARS's efforts are yielding strong returns on investment through successful employment outcomes.

The Commissioner explained that state agencies are currently working on SFY 2027-2028 biennial budget amendments that Governor Youngkin will present to the General Assembly in December. She explained that the Department of Planning and Budget is making edits to improve clarity and readability of the budget language for LTESS and EES by consolidating and simplifying language that had accumulated over the years. These changes will not affect the meaning of the section.

Additionally, Commissioner Hayfield reported that the allowable administrative cost rate supporting LTESS/EES is currently at 1.2% of the total LTESS/EES appropriation, or \$107,433. Actual costs allocated by DARS to LTESS/EES are \$144,040, which is 1.61% of the total. As a result, DARS has had to utilize funds from other areas to meet the administrative expenses. The allowable percentage has been insufficient for years in covering the true costs of administering the program. Commissioner Hayfield requested the Committee's support for DARS to advocate for an increase to 1.61% to more accurately reflect the agency's true administrative costs.

Below are the amounts for administrative LTESS/EES percentage calculations, which is based on the salary of the program specialist who administers the program.

Salary	\$ 95,481.00
Fringes	\$ 48,559.00
Total	\$ 144,040.00
LTESS/EES Appropriation	\$8,952,766.00
Administrative Percentage	1.61%

$$1.2\% = \$107,433$$

Committee Recommendations to DARS

Chris Martin

The Committee discussed Commissioner Hayfield's request to support an increase in allowable administrative costs. **A motion was made by Grady "Skip" Phillips and seconded by Greta Harrison "to raise DARS' allowable administrative cost rate for the LTESS/EES program from 1.2% to 1.61%, recognizing that the existing rate is significantly low." All members present voted in favor of the motion, and it was unanimously approved.**

SFY26 Future Meeting Dates, Upcoming Agenda Items and other Business

Committee

The next meeting of the Employment Service Organization Steering Committee is scheduled for January 13, 2026. The Committee will meet from 10:30 a.m. – 2:00 p.m. or until all business has been conducted. The meeting will be held at the new DARS Central Office located at 5620 Cox Road, Glen Allen, Virginia 23060.

The Committee requested that the January agenda include updates on CARF reimbursements, and Pre-ETS, along with continued discussion and review of data for service codes E1200, E1201, E6030, and EWISA,

including a quarterly usage breakdown for these services. As this is a newly formed Committee, the Chair also requested the attendance of a representative from the DARS Policy Division to provide an overview of the Committee's responsibilities, review the State Budget Bill as it relates to VR services, and discuss the relevant sections of the Virginia Code pertaining to the ESOSC and LTESS/EES programs.

Anita Mundy reminded members that the annual Conflict-of-Interest form will need to be completed early in the New Year. Members will receive formal notification closer to the date when these forms are due.

Adjournment

The meeting adjourned at 1:03 PM. The next ESOSC meeting is scheduled for January 13, 2026.