

UNITED STATES DEPARTMENT OF EDUCATION OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

May 10, 2017

The Honorable Michael W. Kirst President California State Board of Education 1430 N Street, Suite 5602 Sacramento, California 95814-5901

The Honorable Tom Torlakson State Superintendent of Public Instruction California Department of Education 1430 N Street Sacramento, California 95814

Dear President Kirst and Superintendent Torlakson:

In a letter dated January 11, 2017, the U.S. Department of Education (Department) issued a proposed determination that California is not eligible for a portion of its grant under section 611 of Part B of the Individuals with Disabilities Education Act (IDEA) because California has failed to meet the IDEA's maintenance of State financial support (MFS) requirement in State fiscal year (SFY) 2013. The purpose of this letter is to inform you that this is now a final determination and that the Department will reduce California's section 611 award in Federal fiscal year (FFY) 2017 due to California's failure to maintain State financial support for special education and related services in SFY 2013.

As indicated in the January 11, 2017 letter, the IDEA provides that, when a State fails to maintain State financial support at the level required by law, the Department "shall" reduce the allocation of funds to the State under section 611 "for any fiscal year following the fiscal year in which the State fails to comply with the requirement" to maintain State financial support "by the same amount by which the State fails to meet the requirement." 20 U.S.C. §1412(a)(18)(B). In that letter, we notified you that we made a proposed determination that California is not eligible for a portion of its section 611 grant under the IDEA in the amount of \$11,173,426 because of its failure to maintain State financial support for special education and related services by that amount in SFY 2013. 20 U.S.C. §1412(d)(2). California had 30 days from the date of the receipt of the letter to request a hearing pursuant to the procedures in 34 CFR §§300.179 through 300.183 regarding the Department's proposed determination.

More than 30 days from the date of your receipt of our January 11, 2017 letter have passed. In an email letter dated February 24, 2017, Kristin Wright, the California State Special Education Director, wrote that "California does not intend to appeal the determination." As a result, the Department now considers the proposed determination final, and will reduce California's FFY2017 IDEA Part B section 611 grant award (specifically, the section 611 funds distributed to California on October 1, 2017) by a total of \$11,173,426. We will contact you under separate cover with more details regarding the reduction in the section 611 grant award.

California must post this letter on the State educational agency's Web site no later than July 7, 2017. We look forward to our continued collaboration to ensure that children with disabilities receive the special education and related services they need to reach their full potential. If you have questions about this action, please contact Matthew Schneer at 202-245-6755, or matthew.schneer@ed.gov.

Sincerely,

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Ruth E. Ryder Delegated the duties of the Assistant Secretary for Special Education and Rehabilitative Services

cc: California IDEA State Advisory Panel