



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

JUL - 1 2009

Honorable Terrell I. Murphy
Commissioner
Texas Department of Assistive and Rehabilitative Services
4800 North Lamar Boulevard, 3rd Floor
Austin, Texas 78756

Dear Commissioner Murphy:

We have determined that your State's application for Federal Fiscal Year (FFY) 2009 funds, under Part C of the Individuals with Disabilities Education Act (IDEA or Part C), can be approved. The approval is based upon our review of the application, submitted by the Texas Department of Assistive and Rehabilitative Services (DARS) to the U.S. Department of Education Office of Special Education Programs (OSEP) on May 15, 2009, including the policies, procedures, methods, descriptions, assurances, certifications and submission statement provided in Section II, which is incorporated by reference to this letter as noted in Enclosure A. This includes the assurance from DARS that the Statewide system of early intervention services required by Part C under 20 U.S.C. 1431 through 1444 and applicable regulations in 34 CFR Part 303 is, and will remain, in effect throughout the FFY 2009 grant period.

Please note that as part of your State's application for FFY 2009, your State has made an assurance, pursuant to 34 CFR §80.11(c), that it will comply with all applicable Federal statutes and regulations in effect with respect to the FFY 2009 grant period. Any changes made by the State to its FFY 2009 application or Part C policies or procedures that are application requirements, after OSEP approval, must meet the applicable public participation requirements under Part C in 34 CFR §§303.110 through 303.113 and, if they are requirements under Section II.A, must also be submitted to, and approved by, OSEP prior to the State's implementation of its new or revised application, policies and procedures.

Enclosed is the State's regular grant award for funds currently available under the Omnibus Appropriations Act, 2009 for the Part C program. These funds are for use primarily in 2009-2010 and are available for obligation by States from July 1, 2009 through September 30, 2011 in accordance with 34 CFR §76.709.

In addition to these regular FFY 2009 Part C funds, the American Recovery and Reinvestment Act of 2009 (ARRA) provided a one-time large increment in IDEA Part C funding. The ARRA IDEA Part C grants are a supplemental appropriation to the regular IDEA Part C appropriation. The first 50 percent of the ARRA IDEA Part C funds were awarded to States on April 1, 2009 and the second 50 percent will be available to States by September 30, 2009. Please note that each State will be required to submit additional information that addresses how the State will meet the accountability and reporting requirements in section 1512 of the ARRA before it will be considered eligible to receive the second 50 percent of the ARRA funds. Together, a State's regular FFY 2009 IDEA funds and a State's ARRA IDEA Part C funds constitute a State's total FFY 2009 Part C allocation. Given the increased IDEA Part C FFY 2009 allocation to each State, States may wish to review carefully the guidance on the ARRA IDEA Part C grant awards, available at <http://www.ed.gov/fund/data/award/idea/arra/index.html>.

Section IV.B of the FFY 2009 application for Part C funds requested updated information about each State's restricted indirect cost rate. Your State indicated that DARS had a cost allocation plan approved by its cognizant federal agency, which approval expired on August 31, 2008 and that DARS is in the process of negotiating a new cost allocation plan that will be in effect for the period September 01, 2008 to August 31, 2009. In Section IV.B of the Application, DARS indicated it will continue to bill IDEA Part C FFY 2009 grant funds based on this previously approved cost allocation plan until a final cost allocation plan is approved for FFY 2009, which may result in an adjustment of the final audited expenditures allowed to the Part C FFY 2009 grant funds. As noted in the Department's guidance to States, applying the proposed restricted indirect cost rate to the increased FFY 2009 Part C funds due to the ARRA (which may not have been considered in the proposed cost allocation plan) could result in an over-recovery of indirect costs in the current period. Please carefully review the responses to questions B-1 and B-2 in the guidance available at <http://www.ed.gov/fund/data/award/idea/arra/index.html> and direct questions regarding any proposed adjustments to your cognizant agency or our Indirect Cost Unit. When a final indirect cost plan or rate is approved for FFY 2009, please forward to our Indirect Cost Unit and to your OSEP State Contact: (1) a copy of the final cost allocation plan or restricted rate agreement and (2) details of adjustments made to GAPS liquidations from the provisional or prior billing rate after approval of the final rate.

Section 604 of the IDEA provides that "[a] State shall not be immune under the eleventh amendment to the Constitution of the United States from suit in Federal court for a violation of this Act." Section 606 provides that each recipient of assistance under IDEA make positive efforts to employ and advance in employment qualified individuals with disabilities in programs assisted under the IDEA. Therefore, by accepting this grant a State is expressly agreeing as a condition of IDEA funding to a waiver of Eleventh Amendment immunity and to ensuring that positive efforts are made to employ and advance employment of qualified individuals with disabilities in programs assisted under the IDEA.

The enclosed grant award for FFY 2009 is made with the continued understanding that this Office may, from time to time, require clarification of information within your application, if necessary. These inquiries are needed to allow us to appropriately carry out our administrative responsibilities related to Part C.

We appreciate your ongoing commitment to the provision of quality early intervention services to infants and toddlers with disabilities and their families.

Sincerely,



Patricia J. Guard
Acting Director
Office of Special Education Programs

Enclosure A

cc: Part C Coordinator