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

JUL - 1 2012

Honorable Loretta J. Fuddy, A.C.S.W., M.P.H.
Director of Health
Hawaii Department of Health
1250 Punchbowl Street, 3rd Floor
Honolulu, Hawaii 96813

Dear Director Fuddy:

We have conditionally approved Hawaii's application for Federal Fiscal Year (FFY) 2012 funds under Part C of the Individuals with Disabilities Education Act (IDEA Part C). Our conditional approval is based on our review of the application, submitted by the Hawaii Department of Health (HDOH) to the U.S. Department of Education, Office of Special Education Programs (OSEP), on April 13, 2012, May 31, 2012, and June 29, 2012.

Our conditional approval of the State's FFY 2012 IDEA Part C grant is also based on the State's policies, procedures, methods, descriptions, assurances, and certifications identified in Section II, which is incorporated by reference to this grant award letter as Enclosure A. Our approval is also based on the State's certification under Section II.D of its FFY 2012 application that the State will:

1. Operate throughout the period of the FFY 2012 grant award consistently with the requirements of the IDEA as found in 20 U.S.C. 1431 through 1443 and the final regulations in 34 CFR Part 303 (as published on September 28, 2011); and
2. Make such changes to existing policies, procedures, methods, and descriptions as are necessary to bring those policies, procedures, methods and descriptions into compliance with the requirements of IDEA Part C, as soon as possible, and not later than the earlier of the date indicated by the State in Section II of its application or June 30, 2013. *See,* 34 CFR §76.104.

OSEP's conditional approval is based on the State's revised application, submitted June 29, 2012, that indicated no and a date for Sections II.A.3a in response to OSEP's June 14, 2012 memo, which identified issues with the State's policy under that section. Although the State's June 27, 2012 letter indicated that a version of the policy was attached, the State did not submit a copy of its policy with that letter. In the June 29, 2012 revised application, the State indicated that it will provide its revised policy under Section II.A.3a no later than June 30, 2013.

As part of your State's application for FFY 2012, your State has made an assurance, under Section II.C.2 of its FFY 2012 application and pursuant to 34 CFR §80.11(c), that it will comply with all applicable Federal statutes and regulations in effect during the FFY 2012 grant period.

Before adopting a new or revised IDEA Part C policy or procedure that is required under Part C of the IDEA or the final regulations in 34 CFR Part 303, the State must subject those policies and procedures to the public participation requirements in 34 CFR §303.208 and receive OSEP approval for those policies and procedures referenced in 34 CFR §303.101(c) prior to their

implementation.

Enclosed is the State's FFY 2012 grant award for funds currently available under the Consolidated Appropriations Act, 2012 -- P.L. 112-74 for the IDEA Part C program. These funds are available for obligation by States from July 1, 2012 through September 30, 2014 in accordance with 34 CFR §76.709.

Section IV.B of the State FFY 2012 application for Part C funds requested updated information about each State's indirect costs. Your State indicated in Section IV.B that HDOH is not charging and will not charge indirect costs to its IDEA Part C FFY 2012 grant. By accepting this IDEA Part C FFY 2012 grant, your agency (as the lead agency designated under Part C) is agreeing not to charge indirect costs to any funds awarded under this FFY 2012 Part C grant.

Section 604 of the IDEA provides that "[a] State shall not be immune under the 11th 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, your 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 of FFY 2012 funds 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 may be necessary to allow us to appropriately carry out our administrative responsibilities related to IDEA Part C.

As a reminder, no later than August 31, 2012, all prime recipients of IDEA (Part B or Part C) funds, must report subaward information as required by the Federal Funding Accountability and Transparency Act of 2006 (FFATA), as amended in 2008. FFATA guidance is found at http://www2.ed.gov/policy/gen/leg/recovery/rms-web-conferences.html. Please contact your State's Recovery Act Facilitator if you have further questions.

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

Sincerely,

Melody Musgrove

Melody Musgrove, Ed.D.
Director
Office of Special Education Programs

Enclosure A

cc: Part C Coordinator