



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

**JUL 16 2012**

Honorable Douglas A. Racine  
Secretary  
Vermont Agency of Human Services  
208 Hurricane Lane, Suite 103  
Williston, Vermont 05495

Dear Secretary Racine:

We have conditionally approved Vermont's application for Federal Fiscal Year (FFY) 2012 funds under Part C of the Individuals with Disabilities Education Act (IDEA Part C). The effective date of this grant is July 11, 2012. Our conditional approval is based on our review of the application, submitted by the Vermont Agency of Human Services (AHS) to the U.S. Department of Education, Office of Special Education Programs (OSEP), on April 13, May 4, June 29, and July 11, 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. As noted in OSEP's July 2, 2012 Memorandum, the State has not yet revised its policies to address the issues OSEP identified in that Memorandum under II.A.3.a (System of payments), and II.A.10 (Transition); however, as noted in the attached Section II, which is incorporated by reference to this grant award letter as Enclosure A, the State has indicated it will revise its policies under Section II.A.3 and II.A.10 to meet all applicable requirements by June 30, 2013.

In addition, our approval is 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.

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

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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 the grant effective date 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 restricted indirect cost rate. Your State indicated that AHS has a cost allocation plan that identifies restricted indirect costs and the plan has been approved by AHS' cognizant Federal agency and is effective until at such time as the basis and methods for allocating costs in the plan become outdated due to organizational changes within AHS, changes to the Federal law or Regulations, or there is significant change in program composition that would affect the validity of the approved cost allocation procedures. In Section IV.B, AHS (as the lead agency designated under Part C) indicated that it will continue to apply its cost allocation plan to its IDEA Part C FFY 2012 grant funds until a new cost allocation plan is negotiated and approved by AHS' cognizant Federal agency. Please forward a copy of the new or revised cost allocation plan to our Indirect Cost Unit and to your OSEP State Contact once it is approved by AHS' cognizant Federal agency.

Section 604 of the IDEA provides that "[a] State shall not be immune under the 11<sup>th</sup> 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.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Melody Musgrove". The signature is fluid and cursive, with the first name "Melody" and last name "Musgrove" clearly distinguishable.

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

Enclosure

Enclosure A

cc: Part C Coordinator