



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

July 1, 2015

Honorable Ana Rius Armendariz, M.D.  
Secretary  
Puerto Rico Department of Health  
P.O. Box 70184  
San Juan, Puerto Rico 00936-8184

Dear Secretary Rius Armendariz:

We have conditionally approved the Commonwealth of Puerto Rico's application for Federal fiscal year (FFY) 2015 funds under Part C of the Individuals with Disabilities Education Act (IDEA Part C). Our conditional approval is based on our review of the IDEA Part C application, submitted by Puerto Rico Department of Health (PRDH) to the U.S. Department of Education, Office of Special Education Programs (OSEP), on April 20 and June 5, 2015.

Our conditional approval of the Commonwealth's FFY 2015 IDEA Part C grant is also based on the Commonwealth's policies, procedures, methods, descriptions, assurances, and certifications identified in Section II.A, II.B, and II.C, which is incorporated by reference to this grant award letter as Enclosure A. OSEP's conditional approval of the Commonwealth's FFY 2015 IDEA Part C application is based on our approval of the Section II.A.3.a (System of Payments) and II.A.10 (Transition Policies) submitted by PRDH on June 25, 2015 under Section II.A.3.a and II.A.10 and approved in OSEP's memo dated June 26, 2015.

Our conditional approval is also based on the Commonwealth's certification in Section II.D of its FFY 2015 IDEA Part C application, in which section the PRDH certifies under 34 CFR §76.104 that it will:

1. Operate throughout the period of the FFY 2015 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 either the date indicated by the State in Section II.A or B of its application or June 30, 2016, whichever is earlier.

As part of your Commonwealth's application for FFY 2015, the Commonwealth's has provided a certification, under Section II.D of its FFY 2015 application and pursuant to 34 CFR §76.104, that it will comply with all applicable Federal statutes and regulations in effect during the FFY 2015 grant period.

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The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

Enclosed is the Commonwealth's FFY 2015 grant award for funds currently available under the Consolidated and Further Continuing Appropriations Act, 2015, P.L. 113-235 for the IDEA Part C program. These funds are available for obligation by PRDH from the effective date of the grant award, July 1, 2015 through September 30, 2017 in accordance with 34 CFR §76.709.

Please note that effective with this IDEA Part C FFY 2015 grant award, IDEA Part C funds are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, codified in 2 CFR Part 200 and commonly referred to as the Uniform Guidance. The Uniform Guidance provisions in 2 CFR Part 200 replace provisions previously found in the Education Department General Administrative Regulations or EDGAR in 34 CFR Parts 74 and 80 and prior OMB Circulars A-87 and A-133. Under 2 CFR §200.308(e), a State must obtain the prior approval of OSEP, by submitting a revised Section III (Use of Funds), for a transfer of funds among direct cost categories, programs, or activities that exceed 10% of the total grant award or are expected to exceed 10% of that total, and the Federal share in the grant exceeds the Simplified Acquisition Threshold (currently set at \$150,000). This replaces a similar provision previously found in 34 CFR §80.30(c)(1). Please review the Department's technical assistance resources on the Uniform Guidance at <http://www2.ed.gov/policy/fund/guid/uniform-guidance/index.html>.

Section IV.B of the IDEA Part C FFY 2015 application requested updated information about how your lead agency implements the restricted indirect cost requirements in 34 CFR §303.225(c). PRDH indicated in Section IV.B that PRDH is not charging and will not charge indirect costs to its IDEA Part C FFY 2015 grant funds. This letter confirms that, under 2 CFR §200.210(a)(15) (effective July 1, 2015) and by accepting this IDEA Part C FFY 2015 grant, your agency (as the lead agency designated under Part C) is agreeing not to charge indirect costs for the period that the State uses any funds awarded under this FFY 2015 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, PRDH and the Commonwealth 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 2015 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. If PRDH adopts a new or revised IDEA Part C policy or procedure that is required under Part C of the IDEA or under the final regulations in 34 CFR Part 303, it must subject those policies and procedures to the public participation requirements in 34 CFR §303.208 and, for those policies and procedures specifically referenced in 34 CFR §303.101(c), receive OSEP approval prior to their implementation.

As a reminder, all prime recipients of IDEA Part C funds, must report subaward information as required by the Federal Funding Accountability and Transparency Act of 2006 (FFATA), as amended in 2008. First-tier subaward information must be reported by the end of the following

month from when the award was made or obligated. FFATA guidance is found at <http://www2.ed.gov/policy/gen/leg/recovery/rms-web-conferences.html>. Please contact your State's Fiscal Accountability 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,

A handwritten signature in black ink, appearing to read "Melody Musgrove". The signature is fluid and cursive, with a long horizontal line extending to the right.

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

Enclosure

Enclosure A

cc: Part C Coordinator