Enclosure B

South Carolina IDEA Part C FFY 2017 Special Conditions

1. Basis for Requiring Special Conditions

Pursuant to IDEA sections 616(g) and 642 and 2 CFR §200.207 and 3474.10, the Office of Special Education Programs (OSEP) is designating South Carolina as a “high risk” grantee and imposing Special Conditions on South Carolina’s Federal Fiscal Year (FFY) 2017 grant award under Part C of the Individuals with Disabilities Education Act (IDEA Part C).

These FFY 2017 Special Conditions are imposed to ensure that the South Carolina Department of Health and Human Services (SCDHHS), the State’s new lead agency under IDEA Part C effective July 1, 2017 is in compliance with the: (1) timely correction requirements in IDEA section 635(a)(10)(A) and 34 CFR §§303.120 and 303.700(e) (correction); (2) the timely evaluation, assessment, and initial Individualized Family Service Plan meeting requirements within 45 days of referral that are in IDEA section 636(c) and 34 CFR §§303.310(a) and (b) and 303.342(a) (45-day timeline); and (3) timely service provision requirements in 34 CFR §303.342(e) (timely service provision).

OSEP imposed Special Conditions on South Carolina’s IDEA Part C grant for the last nine years (for FFYs 2008 through 2016) and in that time South Carolina had two different State lead agencies. Special Conditions were imposed for FFYs 2013 through 2016 due to the State’s “needs intervention” determination for those years under IDEA sections 616 and 642. For its FFY 2016 Special Conditions, the State’s former lead agency, South Carolina First Steps for School Readiness (FSSR) was required to submit a corrective action plan (CAP) to OSEP by August 1, 2016 to address three areas that contributed significantly to the State’s 2016 determination: (1) the lack of valid and reliable data regarding timely service; (2) low compliance data on the 45-day timeline; and (3) failure to correct findings. The State was also required by February 1, 2017, to report on the status of correction of the State’s remaining FFYs 2013 and 2014 findings.

OSEP's January 25, 2017 letter responded to the State's August 9, 2016 CAP. The 2016 CAP is now incorporated into these Special Conditions. In its FFY 2015 SPP/APR (submitted on February 1, 2017), South Carolina reported:

- 32.2% compliance with timely service provision under Indicator 1;
- 72.4% compliance with 45-day timeline under Indicator 7; and
- No data on the 13 FFY 2014 findings that it had reported in its FFY 2015 SPP/APR (in which the State reported under Indicator 1, timely service provision, correction of 52 of its 65 FFY 2014 findings of noncompliance).
- No data or any other information required under Indicator 11, the State Systemic Improvement Plan (SSIP), which required the State to report on the results of its ongoing evaluation, and the extent of progress in the implementation of its SSIP.
For the reasons mentioned above, OSEP is imposing the following Special Conditions on South Carolina’s FFY 2017 IDEA Part C grant award.

2. **Nature of the Special Conditions**

South Carolina must submit—

**By August 1, 2017**, all data and other elements of the State’s SSIP for FFY 2015 (which were due on April 3, 2017).

**By October 1, 2017**

- Its root-cause analysis describing why the State failed to submit the SSIP; and
- Its plan to ensure the timely submission of the State’s FFY 2016 SSIP, due April 1, 2018.

**By February 1, 2018** (with its FFY 2016 IDEA Part C APR) data demonstrating:

- Compliance with the timely service provision requirements and if the data do not demonstrate compliance, SCDHHS’s plan to ensure compliance;
- Compliance with the 45-day timeline requirements and if the data do not demonstrate compliance, SCDHHS’s plan to ensure compliance;
- Correction of the State’s 13 remaining FFY 2014 findings reported as uncorrected in the State’s FFY 2015 APR;
- Correction of the State’s FFY 2015 findings of noncompliance; and
- For any 2014 and 2015 findings not corrected, the State’s plan for ensuring full correction of those findings.

3. **Evidence Necessary for Conditions to Be Removed**

The Department will remove the Special Conditions if, at any time prior to the expiration of the grant year, SCDHHS provides documentation, satisfactory to the Department, that it has fully met the requirements and conditions set forth above. These Special Conditions require SCDHHS to submit: (1) data demonstrating: (a) compliance with the timely service provision requirements; (b) compliance with the 45-day timeline requirements; and (c) correction of its 13 remaining FFY 2014 findings of noncompliance and full correction of its FFY 2015 findings of noncompliance; (2) the State’s SSIP for FFY 2015 as soon as possible, but no later than August 1, 2017; and (3) its FFY 2016 SSIP by April 1, 2018.

4. **Method of Requesting Reconsideration**

The State can write to OSEP’s Acting Director, Ruth Ryder, at the address below, if it wishes the Department to reconsider any aspect of these Special Conditions. The request must describe in detail the changes to the Special Conditions sought by the State and the reasons for those requested changes.

5. **Submission of Reports**

All reports that are required to be submitted by South Carolina to the Department under the Special Conditions must be submitted to: