July 1, 2017

Honorable Deirdra T. Singleton,
Acting Director
South Carolina Department of Health and Human Services
P.O. Box 8206
Columbia, South Carolina 29202

Dear Director Singleton:

We have conditionally approved South Carolina's application for Federal fiscal year (FFY) 2017 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 the new lead agency effective July 1, 2017, the South Carolina Department of Health and Human Services (SCDHHS) to the U.S. Department of Education (Department), Office of Special Education Programs (OSEP), on June 20, 2017.

Our conditional approval of the SCDHHS’s FFY 2017 IDEA Part C grant is also based on the State's policies, procedures, methods, descriptions, assurances, and certifications identified in Section II.A, 11.B, and II.C, which is incorporated by reference to this grant award letter as Enclosure A. OSEP's conditional approval of the State’s FFY 2017 IDEA Part C application is also based on our approval of the State’s new lead agency designation under Section 11.A.1 (lead agency) submitted by the State on June 20, 2017.

Our conditional approval is also based on the SCDHHS’ certification in Section 11.D of its FFY 2017 IDEA Part C application, in which the State certifies under 34 CFR §76.104 that it will:

1. Operate throughout the period of the FFY 2017 grant award consistently with the requirements of the IDEA Part C as found in 20 U.S.C. §§1431 through 1443 and the regulations in 34 CFR Part 303; 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, 2018 whichever is earlier.

South Carolina’s IDEA Part C FFY 2017 grant award is being released subject to Special Conditions to ensure that the State is in compliance with a number of specific IDEA Part C requirements described below and in Enclosure B. The Special Conditions are set forth in Enclosure B, which is incorporated by this reference into this grant award letter. The Special Conditions are imposed pursuant to the Department's authority in IDEA sections 616(g) and 642 and 2 CFR §§ 200.207 and 3474.10. By accepting this grant award, South Carolina expressly agrees to comply with the Special Conditions identified in Enclosure B throughout the period
South Carolina uses its IDEA Part C FFY 2017 funds and these Special Conditions also apply to any outstanding IDEA Part C funds available for obligation from FFYs 2015 and 2016. These Special Conditions require the State to make three submissions. By August 1, 2017, the State must submit its State Systemic Improvement Plan (SSIP) that was due on April 3, 2017. By October 1, 2017, the State must submit additional information regarding its SSIP. By February 1, 2018 (with the submission of the State Performance Plan/Annual Performance Report), SCDHHS must submit data demonstrating compliance with the: (1) timely correction requirements in IDEA section 635(a)(10)(A) and 34 CFR §§303.120 and 303.700(e); (2) 45-day timeline requirements in IDEA section 636(c) and 34 CFR §§303.310(a) and (b) and 303.342(a); and (3) the timely service provision requirements in 34 CFR §303.342(c).

Enclosed is the State’s FFY 2017 grant award for funds currently available under the Consolidated Appropriations Act, 2017, P.L. 115-31 for the IDEA Part C program. These funds are available for obligation by States from the effective date of the grant award, July 1, 2017 through September 30, 2019 in accordance with 34 CFR §76.709.

Under IDEA section 605, 2 CFR Part 200, and 34 CFR §303.104, the State must obtain prior approval to charge the following expenses as direct costs: (1) equipment (2 CFR §200.33 and 34 CFR §303.104); (2) participant support costs (2 CFR §200.75); (3) construction/renovation (2 CFR §200.12(b) and 34 CFR §303.104); and (4) rent (2 CFR §200.465 and 34 CFR §303.225(d)). OSEP’s approval of the FFY 2017 IDEA Part C grant application does not constitute approval for any costs that fall into these categories that are listed in Section III of the grant application. For any direct costs the State proposes under these categories in Section III of its FFY 2017 IDEA Part C grant application, OSEP will review and respond after July 1, 2017 through a separate approval process.

Section IV.B of the IDEA Part C FFY 2017 application requested updated information about how your lead agency implements the restricted indirect cost rate requirements in 34 CFR §303.225(c). Your State indicated in Section IV.B that SCDHHS is not charging and will not charge indirect costs to its IDEA Part C FFY 2017 grant funds. This letter confirms that, under 2 CFR §200.210(a)(15) and by accepting this IDEA Part C FFY 2017 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 2017 IDEA 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 2017 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 your State adopts a new or revised IDEA Part C policy or procedure that is required under Part C of the IDEA or under the 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,

/s/
Ruth E. Ryder
Acting Director
Office of Special Education Programs

Enclosure
   Enclosure A
   Enclosure B

cc: Part C Coordinator