

Office of Special Education Programs (OSEP) Fiscal Monitoring Instrument (FMI): FFY 2016

California Department of Education (CDE)

Please note the following abbreviations may be used in the Fiscal Monitoring Instrument (FMI):

FFY – Federal fiscal year

IDEA – Individuals with Disabilities Education Act

LEA – local educational agency

MFS – maintenance of State financial support

OMB – Office of Management and Budget

OIG – Office of the Inspector General

SEA – State education agency

Uniform Guidance – Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards codified in 2 CFR Part 200

Scope of Monitoring:

OSEP's Fiscal Monitoring in 2017 examined LEA Allocations. In conducting the monitoring, OSEP reviewed information from FFYs 2014, 2015 and 2016, including State-submitted documentation and other available information. OSEP conducted interviews with State staff via phone and electronic media.

IDEA Part B
Summary of Monitoring Criteria

Monitoring Area 1, IDEA Part B: LEA ALLOCATIONS

The IDEA Part B 611 and 619 funds are to assist States, and through them, LEAs, in providing special education and related services to children with disabilities. States are required to distribute any section 611 and section 619 funds that the State does not reserve for State-level activities to eligible LEAs for use in accordance with the IDEA. States' correct allocation of IDEA funds to LEAs, consistent with statutory formulas, is critical in helping to ensure that IDEA Part B funds are used appropriately for the purposes for which they were intended.

Criterion Number	Description	Noncompliance identified?	Applicable Requirements
Criterion 1.1	The SEA distributes IDEA section 611 and section 619 allocations to eligible LEAs based upon the correct formula for calculating base payments.	No	34 CFR §§ 300.705(a)-(b)(1), 300.815-300.816(a)
Criterion 1.2	The SEA calculates LEA base payment adjustments consistent with IDEA requirements.	No	34 CFR §§ 300.705(b)(2), 300.815, 300.816(b); 34 CFR Part 76 Subpart H
Criterion 1.3	The SEA allocates remaining section 611 and/or section 619 funds to LEAs, including charter school LEAs, based on population and poverty consistent with IDEA requirements.	No	34 CFR §§300.705(b)(3), 300.816(c) and (d),
Criterion 1.4	The SEA ensures that IDEA funds are properly allocated to IDEA through subgrants to eligible charter school LEAs that open or significantly expand their enrollment.	No	34 CFR §§76.792 –76.793
Criterion 1.5	The SEA reallocates section 611 and/or section 619 funds to eligible LEAs, including charter school LEAs, consistent with IDEA requirements.	No	34 CFR §§300.705(c) and 300.817.
Criterion 1.6	The SEA ensures that FFY 2015 section 619 allocations were made consistent with IDEA requirements although the FFY 2015 allocations to States for section 619 grants were below the 1997 appropriation level.	No	34 CFR §300.816