

**Rhode Island Part B 2008 Verification Visit Letter
Enclosure**

I. General Supervision

Critical Element 1: Identification of Noncompliance

Does the State have a general supervision system that is reasonably designed to identify noncompliance in a timely manner using its different components?

Verification Visit Details and Analysis

The Rhode Island Department of Education (hereinafter “RIDE” or “State”) uses its School Support System (SSS) to monitor local educational agencies (LEAs) on a five year cycle. For monitoring purposes, Rhode Island has 49 LEAs (36 traditional LEAs, eight charter LEAs, and five State schools). The State monitored eight LEAs in FFY 2005 and nine LEAs in FFY 2006. District liaisons are assigned from the State office to lead visits with the support of other State staff, and the State recruits and trains volunteer members for the SSS onsite visit team, which includes technical assistance providers and parents. The preparation for the onsite SSS visit involves a review of the LEA’s self-assessment and data. During the visit, the State reviews records, conducts interviews, and verifies data submitted by the LEA. After the SSS visit, the State provides a preliminary report of findings of noncompliance to the LEA. Within two to three months after the visit, the Commissioner of RIDE sends the LEA a letter formally notifying the LEA of findings of noncompliance and including an SSS support plan or corrective action plan.

The State has access to information from other components of the SSS that could be used to identify noncompliance. For example, as a part of the SSS process, self-assessment data are collected yearly from LEAs for progress monitoring from those LEAs that were not visited during the reporting period. However, RIDE only makes findings of noncompliance in SSS reports issued to LEAs for which it has conducted on-site monitoring visits. The local funding application called the consolidated resource plan (CRP) and the State’s database system also include data that could potentially indicate noncompliance; however, it is unclear to OSEP the extent to which the State uses these other components to identify noncompliance.

RIDE issued a letter, dated February 15, 2008, notifying LEAs “of their status with respect to disproportionality data and data on State Performance Plan (SPP) targets.”¹ The letter noted that an analyses of statewide data for 2006-2007 “revealed that a number of our districts have rates that are significantly higher than the rest of the State.” The letter indicated whether the specific LEA was “discrepant” in the area of significant disproportionality, pursuant to 34 CFR §300.646(a), and in the following SPP indicators: Indicators 9 and 10 (disproportionate representation), Indicator 12 (transition from Part C to Part B), and Indicator 5 (percentage of children with disabilities removed from the regular education environment less than 21% of the school day and percentage of children with disabilities in separate placements). The letter does not specifically state that the LEA is in noncompliance with regard to significant disproportionality, but it does cite the appropriate regulatory requirement (34 CFR §300.646(a)) and notes the LEA’s obligation to reserve 15% of IDEA Part B funds for comprehensive coordinated early intervening services (CEIS) if significant disproportionality is determined “with respect to identification of children as

¹ It is OSEP’s understanding that RIDE only issued these letters to LEAs with “discrepant” data.

children with disabilities, or in the placement in particular educational settings.” The letter does not make a finding of noncompliance with respect to the SPP indicators, but instead, only points out that the data are “discrepant” from other State data. Furthermore, the letter does not inform LEAs that noncompliance must be corrected as soon as possible, and in no case later than one year from the date of notification. The letter instructs LEAs to describe through the CRP application process “current policies or programs or plans to develop new policies, procedures and practices in response to this data” and to align the plan with other district plans. In an LEA panel discussion conducted by OSEP during the verification visit, some of the directors interpreted the letter as a notification of noncompliance while others did not. During onsite interviews State staff mentioned that corrective action plans were required for those LEAs identified with significant disproportionality in the February 15, 2008 letter.

Even if the February 15, 2008 letter had included proper findings of noncompliance, because the data referenced in the letter were collected from LEAs’ June 2007 CRPs, RIDE would not have met its responsibility to timely notify LEAs of noncompliance. The State should refer to guidance issued by OSEP regarding identification and correction of noncompliance.²

The State also acknowledged during the visit that for Indicator 15, it had not reported on the identification and timely correction of noncompliance identified through the State complaint system or on related requirements in its FFY 2006 APR.³ This is inconsistent with the requirements in Part B at 20 U.S.C. §§1412(a)(1) and 1416, the Part B implementing regulations at 34 CFR §§300.149 and 300.600 and the General Education Provisions Act at 20 U.S.C. 1232d(b)(3)(E).

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP believes the State has not demonstrated that it has a general supervision system that is reasonably designed to identify noncompliance in a timely manner using its different components.

Required Actions/Next Steps

The State must report on identification and timely correction of all findings of noncompliance (indicating number of findings and number of LEAs monitored) and disaggregate findings identified and corrected by component of the State’s general supervision system (i.e., monitoring, dispute resolution) and by indicator in its FFY 2007 APR, due February 2, 2009. Thereafter, pursuant to the requirements of the APR, the State must report in its APR on timely identification and correction of all findings of noncompliance utilizing information from all components of its general supervision system, including its CRP, SSS process, State complaints, and due process hearings.

² OSEP Memorandum 09-02, dated October 17, 2008 and the OSEP FAQ regarding Identification and Correction of Noncompliance and Reporting on Correction in the State Performance Plan (SPP)/Annual Performance Report (APR), dated September 3, 2008.

³ Related requirements are those additional IDEA requirements related to the compliance requirement directly addressed by an SPP indicator. In Indicator 15, States are instructed to address the percentage of all findings of noncompliance that were corrected within one year.

Critical Element 2: Correction of Noncompliance

Does the State have a general supervision system that is reasonably designed to ensure correction of identified noncompliance in a timely manner?

Verification Visit Details and Analysis

The State develops SSS support plans or corrective action plans for LEAs it monitors through its focused monitoring process. The SSS support plans include information on findings of noncompliance related to performance and compliance areas, a timeline for correction, and follow up actions that must be taken by the LEA to correct noncompliance. District liaisons are assigned from the State office to provide technical assistance and to continuously monitor correction to ensure that noncompliance is corrected as soon as possible, but in no case later than one year after notification. During the verification visit, OSEP reviewed the final SSS reports for four LEAs that were monitored within the FFY 2005 and FFY 2006 reporting periods and correspondence issued by the State to LEAs documenting timely correction of noncompliance.

The State has access to data from the CRP, self-assessments from the SSS process, and the statewide database that could potentially be used to identify noncompliance. As mentioned in GS 1, a February 15, 2008 letter notified LEAs that had significant disproportionality or discrepant SPP/APR data and instructed the LEAs to submit plans to develop new policies, procedures or practices through the CRP, in response to the letter. As explained above under GS 1, however, OSEP could not determine whether the State intended to use this letter as a mechanism to formally identify and correct noncompliance.

In the FFY 2005 and FFY 2006 APRs, the State's reported data for Indicator 15 were 100%. In the FFY 2006 APR, the State reported that of the 65 findings of noncompliance related to monitoring made in FFY 2006-2007, 55 of those findings had been corrected: the State reported that the remaining 10 findings were from spring 2007 and would be corrected within the one year timeline or by September 2008. The State also reported that all 7 of the outstanding findings of noncompliance identified in FFY 2005 were corrected by June 2007 and were within the one year timeline.

Revised State regulations, reflecting the amendments in the 2004 IDEA regulations, became effective July 1, 2008. These regulations mirror the Federal regulations including 34 CFR §300.604 regarding enforcement activities ranging from targeted technical assistance, to corrective action plans, to directed expenditure of funds, and withholding of funds.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP believes the State has demonstrated that it has a general supervision system that is reasonably designed to ensure correction of identified noncompliance in a timely manner. OSEP cannot, however, without also collecting data at the local level, determine whether the State's procedures are fully effective in ensuring correction of identified noncompliance in a timely manner.

Required Actions/Next Steps

No further action is required.

Critical Element 3: Dispute Resolution

Does the State have procedures and practices that are reasonably designed to implement the dispute resolution requirements of IDEA?

Verification Visit Details and Analysis

State Complaints

The State has a model State complaint form in several languages available online and through outside agencies. The State also established a call center for potential complainants to discuss issues, and, if necessary, to obtain assistance in completing and filing a State complaint. The State reported that 85% of complaints are received on the model form. The State does not have an appeals process.

During review of the State complaint log, OSEP discovered missing end dates and five cases that exceeded the 60-day timeline (more than the two cases the State reported on Table 7 and the FFY 2006 APR). In a follow up conversation with the State, the State provided the missing end dates, which were within the required timelines, and reported that it was originally counting two months instead of 60 calendar days to calculate the 60-day time limit for its complaint procedures pursuant to 34 CFR §300.152. The State reported that it had corrected this practice and had recalculated the dates for the November 1, 2008 618 data submission. In addition, the State reported that one case was granted an extension because the district attorney, who requested the extension to respond to the complaint, had another court case. This reason is inconsistent with 34 CFR §300.152(b) as an exceptional circumstance. During the verification visit, OSEP reviewed 10 complaint files of the 64 complaints filed in 2005-2006 and 10 complaint files of the 59 complaints filed in 2006-2007.

Due Process Hearings

Although the State's reported data for Indicator 17 was 100% in both the FFY 2005 and FFY 2006 APRs, the State reported during interviews with OSEP that it does not have a mechanism in place to track when the 45-day timeline begins for issuing due process hearing decisions. Presently, the State holds a pre-hearing conference within 30 days of the date the due process complaint is filed; however, there are no procedures for recording whether the parties have chosen to shorten or extend the 30-day resolution period that would trigger commencement of the 45-day timeline in accordance with 34 CFR §300.515(a). As a result, the State cannot with certainty, determine the date on which the 45-day timeline begins.

In some of the hearing decisions OSEP reviewed onsite, the hearing officer documented an extension of the 45-day timeline, but did not indicate that the extension was granted at the request of either party in accordance with 34 CFR §300.515(c). Additionally, those decisions did not state the specific period of time for the extension. In the FFY 2006 APR, the State reported that it had successfully implemented a number of improvements, including requiring hearing officers "to adhere to a hearing schedule set to conclude all hearings within 45 days unless an extension is issued as permitted by regulation."

The State reported it has not developed a formal mechanism to ensure that final hearing decisions are fully implemented in accordance with the State's general supervisory responsibilities under 34 CFR §300.149. Although the redacted copies of the hearing decisions are available on the State's

website, the State reported that it does not have a procedure in place to ensure that due process hearing decisions are transmitted to the State Advisory Panel as required by 34 CFR §300.513(d)(1). The State did not report data for Indicator 18 related to resolution meetings in its FFY 2005 or FFY 2006 APRs. The State staff assured OSEP that steps were being taken to collect data for Indicator 18 for the FFY 2007 APR, due February 2, 2009.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP determined the State has not demonstrated that it has procedures and practices that are reasonably designed to implement the dispute resolution requirements of IDEA.

Required Actions/Next Steps

With its FFY 2007 APR, due February 2, 2009, the State must:

- 1) report accurate, valid and reliable data for Indicator 18;
- 2) include information and data in Indicator 17 demonstrating that due process hearing decisions are issued (not that the hearing is concluded) within the timelines set forth in 34 CFR §300.515;
- 3) include information demonstrating that the State furnished copies of hearing decisions to the State Advisory Panel; and
- 4) include a copy of the State complaint log from 2007-2008 with Indicator 16.

To the extent that the State cannot, in the FFY 2007 APR, comply with Required Actions 2 and 3 above, it must provide, within 60 days of receipt of this letter:

- 1) a written assurance that it has established procedures to ensure compliance with the timelines for issuing due process hearing decisions set forth in 34 CFR §300.515; and
- 2) a written assurance that it has established procedures to ensure that final hearing decisions are fully implemented in accordance with the State's general supervisory responsibilities under 34 CFR §300.149.

Critical Element 4: Improving Educational Results

Does the State have procedures and practices that are reasonably designed to improve educational results and functional outcomes for all children with disabilities?

Verification Visit Details and Analysis

The State's comprehensive local funding application, the CRP, focuses on utilizing resources to enhance existing State and local improvement efforts. Statewide initiatives include high school reform, Response to Intervention (RtI), Reading First, pre-K-12 literacy initiative, Personal Literacy Plans (PLP), progress monitoring, and ongoing professional development. The State requires LEAs to submit plans through the CRP process to improve performance on some SPP/APR indicators that are directly aligned to some statewide initiatives.

The State's high school reform initiative focuses on increasing graduation rates and decreasing dropout rates. LEAs must submit plans to improve graduation rates and reduce dropout rates in their CRPs. The State reported implementation of a new individualized education program (IEP)

form on July 1, 2008, designed to collect more valid and reliable data, especially with regard to secondary transition requirements. RtI is also being utilized at the secondary level in the State in conjunction with the literacy initiative and PLP.

The State previously used its State Personnel Development Grant (SPDG) to implement positive behavior intervention strategies and to train special education teachers to effectively provide instruction in inclusive settings. The State is currently leveraging resources through the SPDG to encompass the changing role of secondary school educators, create a professional development system based on the Rhode Island Early Learning Standards, decrease behavioral incidents through implementation of a statewide system of School Wide Positive Behavioral Interventions and Supports, increase the number of highly qualified leadership personnel, and increase the number of highly qualified new teachers to provide effective instruction for students with disabilities. Through discretionary grant funding, the State collaborates with institutions of higher education and other agencies on activities such as the Inclusion Grant which focuses on supporting inclusion, developing universal design for learning principles, and providing appropriate support in the classroom for students with disabilities including the use of assistive technology.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP determined the State has procedures and practices that are reasonably designed to improve educational results and functional outcomes for all children with disabilities.

Required Actions/Next Steps

No further action is required.

Critical Element 5: Implementation of Grant Assurances

Does the State have procedures and practices that are reasonably designed to implement selected grant assurances (i.e., monitoring and enforcement, significant disproportionality, private schools, CEIS, NIMAS and assessment)?

Verification Visit Details and Analysis

The State reported that the CRP process is used to monitor multiple grant assurances. During the verification visit, the State provided an electronic demonstration of the process through the online interface called AcceleGrant.

Public Reporting and Determinations

As a requirement under section 616(b)(2)(C) of Part B of the IDEA and 34 CFR §§300.600(a) and 300.602, States must annually report to the public on the performance of each LEA on the State's SPP/APR targets and make annual determinations for each LEA. The State reported all the required information on the performance of each LEA on the SPP/APR targets on its website. The State reported that the Rhode Island Special Education Advisory Panel (RISEAP) and the Parent Training and Information Center (PTI) provided input during the determination process and subsequently developed workgroups and task forces to focus on issues for specific SPP/APR indicators. During the verification visit, the State reported that although LEAs are aware of their performance on the State's SPP/APR targets and the State publicly reports on determinations, LEAs may not be aware of those determinations. OSEP's interview with LEA directors confirmed

this information; the directors did not know what their respective determinations were or that this information had been publicly reported. Though the information was publicly reported on the State's website, LEA directors were not provided with specific notification of their respective determinations.

Significant Disproportionality and CEIS

The State annually collects data on significant disproportionality based on race and ethnicity identified in specific disability categories in special education and related services, specific disability category, placement, and discipline, pursuant to 34 CFR §300.646. The State reported through interviews that it identified seven LEAs for FFY 2006 and 29 LEAs for FFY 2007 as having significant disproportionality. The State required those LEAs to reserve 15% of their IDEA Part B funds for comprehensive CEIS, to complete self-assessments to identify areas of concern and review policies, procedures, and practices. LEAs were also required to report in the CRP on improvement planning and how the LEA publicly reported on revisions to policies, practices, or procedures described under 34 CFR §300.646(b)(1). District liaisons reviewed and verified revisions of policies and procedures.

The State's CRP has embedded business rules that automatically calculate the 15% set aside for CEIS, as required by 34 CFR §300.646, for LEAs identified with significant disproportionality. The State reported that one LEA is voluntarily using CEIS funds under 34 CFR §300.226. The In\$ite program, an online database for tracking financial expenditures, monitors fiscal spending coded for CEIS, while program and financial staff meet weekly to discuss LEAs' financial issues to ensure that Federal funds are being used to supplement and not supplant any initiatives. In an interview with OSEP, the State indicated that the LEA that is voluntarily using the CEIS funds is monitored using the same process as LEAs that were required to reserve 15% of their Part B funds. The State provides technical assistance to LEAs to ensure that funds are spent appropriately for students who are not identified as children with disabilities, but who are in need of additional support to succeed in the general education environment.

Private Schools

Rhode Island has 171 private schools. The State's regulations require a free appropriate public education (FAPE) be provided to all students with disabilities parentally-placed in private schools. The CRP process monitors LEAs' compliance with the requirements in IDEA regarding students parentally-placed in private schools. Approval for local funding is contingent upon LEAs assuring that proper consultation processes are in place in accordance with 34 CFR §300.134.

NIMAS

The State adopted the National Instructional Materials Accessibility Standards (NIMAS) and developed a technical assistance center called the Rhode Island Material Access Center (RIMAC) in accordance with NIMAS principles. LEAs are required to provide an assurance in the CRP documenting compliance with NIMAS requirements.

Assessments

The State monitors LEA compliance with the Part B IDEA requirements for statewide assessments through the onsite review process and by reviewing district assessment results. The State does not have districtwide assessments. Rhode Island, Vermont, and New Hampshire have collaboratively

developed an assessment called the New England Common Assessment Program (NECAP). Though the State does not currently provide a modified assessment, it is collaborating with Vermont, New Hampshire, Maine, and Montana to explore the possibility of establishing one. During the verification visit, the State reported to OSEP that although it publicly reported on its website the number of students with disabilities who participated on the NECAP, the information was not disaggregated by the number of students administered the NECAP with and without accommodations. States must make available to the public, and report to the public with the same frequency and detail as it reports on the assessment of nondisabled children, the number of children participating in regular assessments, and the number of those children who were provided accommodations in accordance with 34 CFR §300.160(f)(1). The State assured OSEP during the verification visit that it had collected this data and would report accurately on all required information for the next public reporting period. The State also required LEAs to submit plans to address improvement on performance for assessment for students with disabilities through the CRP.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP believes the State has procedures and practices reasonably designed to implement selected grant assurances (i.e., monitoring and enforcement, significant disproportionality, private schools, CEIS, NIMAS). OSEP cannot, however, without collecting data at the State and local levels, determine whether these procedures and practices are sufficient to ensure that LEAs in the State effectively implement these selected grant assurances.

With respect to assessments, however, the State has failed to comply with the IDEA Part B requirement at 20 U.S.C. §1412(a)(16)(D)(i) and 34 CFR §300.160(f)(1), to make available to the public, and report to the public with the same frequency and detail as it reports on the assessment of nondisabled children, the number of children participating on regular assessments, and the number of those children who were provided accommodations.

Required Actions/Next Steps

Within 60 days of receipt of this letter, the State must provide a plan to OSEP describing when and the manner in which the State will publicly report data on student participation on assessments pursuant to 34 CFR §300.160(f)(1).

II. Data

Critical Element 1: Collecting and Reporting Valid and Reliable Data

Does the State have a data system that is reasonably designed to collect and report valid and reliable data and information to the Department and the public in a timely manner?

Verification Visit Details and Analysis

The State has three integrated data systems to collect and report timely, valid, and reliable data. LEA census clerks input census data through a web-based application called eRIDE, with the exception of data from three LEAs that utilize independent systems approved by the State. LEA data managers then transfer census data into the State Report Manager (SRM), a validation checking mechanism to ensure data are error free prior to submission to the State. The three

districts that do not use the eRIDE system to enter census data must manually enter data into the SRM for validation checks. The SRM includes more than 150 business rules aligned to State and Federal requirements and LEA data managers work with State staff to resolve errors through the SRM. Maintenance reports can be run regularly through the SRM at both the LEA and State level. Data cannot be submitted to the State until data are error free through the SRM system. Each LEA is also required to obtain a signature from its superintendent prior to data submission assuring validity and accuracy of data. The State reported no issues with LEAs timely submitting error free data utilizing these systems.

State staff compares current data submitted through the SRM from the previous year to identify differences, data anomalies, and ensure accuracy of data. The State reported that all data will eventually be stored in a data warehouse that is currently being developed. The State provided trainings, manuals with definitions at trainings, and technical assistance on data submission to both LEA census clerks and data managers.

OSEP specifically inquired about data relevant to Indicators 9, 10, 11, 13, and 18 during the verification visit because of the data reported in the FFY 2006 APR.⁴ Through an onsite electronic demonstration conducted for OSEP, the State verified that it has a system in place to collect data for the APR indicators. The State assured OSEP that it would report data for all indicators in the FFY 2007 APR, due February 2, 2009.

Specifically, for Indicator 11 on timely initial evaluations, the State demonstrated how it had redesigned the eRIDE system to collect the necessary timeline information and was able to automatically calculate how long this process took. If the timeline exceeds 60 days, there is a second field where information regarding the reason for the delay is inputted.

During the verification visit, the State provided evidence that it correctly identifies LEAs with disproportionate representation based on a risk ratio calculation and then determines whether the disproportionate representation is due to inappropriate identification in accordance with the requirements for Indicators 9 and 10. However, the State continues to use the same risk ratio threshold for identifying LEAs with disproportionate representation for Indicators 9 and 10 as it does for identifying LEAs with significant disproportionality in accordance with 34 CFR §300.646. OSEP addressed this issue with the State during the verification visit and recommended that the State consider using different risk ratios for disproportionate representation and significant disproportionality. The State said it will consider OSEP's recommendation, but for the FFY 2007 APR it would be using the same risk ratio thresholds.

The State reported that the CRP collects data from LEAs on performance relative to SPP/APR indicators. However, the application was due on June 1, 2008 for data collected from June 1, 2007 to May 31, 2008. This timeframe is not directly aligned to the FFY 2007 APR reporting period that spans from July 1, 2007 to June 30, 2008. The State needs to use caution when utilizing data from the CRP for Federal reporting purposes. During the visit, the State proposed a plan to

⁴ In the FFY 2006 APR, the State used the wrong measurement for Indicators 9 and 10, self-reported that the data for Indicator 13 was not valid and reliable because some districts were not recording the data required or were not recording it correctly, did not provide data for Indicator 11 for the second consecutive year, and did not report data for Indicator 18 because it was developing a new data system to collect valid and reliable data.

recalculate CRP data submitted by LEAs by subtracting the first month's data (from June 1, 2007 to June 30, 2007), and then requiring LEAs to submit additional data after the CRP is submitted (from June 1, 2008 to June 30, 2008) to accurately align the data relevant to the FFY reporting period. If the State chooses to utilize data from the CRP for reporting in the FFY 2007 APR, due February 2, 2009, for the specific indicators that the CRP data were used, the State must describe how the data were calculated to ensure that the State was accurately reporting data from the correct reporting period.

OSEP Conclusions

With the exception of the data collection issue addressed in GS-3 with respect to tracking the dispute resolution timeline, based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP believes the State has a data system that is reasonably designed to collect and report valid and reliable data and information to the Department and the public in a timely manner. OSEP cannot, however, without also conducting a review of data collection and reporting practices at the local level, determine whether all public agencies in the State implement the State's data collection and reporting procedures in a manner that is consistent with Part B.

Required Actions/Next Steps

No further action is required.

Critical Element 2: Data Reflect Actual Practice and Performance

Does the State have procedures that are reasonably designed to verify that the data collected and reported reflect actual practice and performance?

Verification Visit Details and Analysis

To ensure that data are accurately reported in the system, the State trains LEA census clerks who enter data into the eRIDE system as well as LEA data managers who clean up the data in the SRM system. The State uses data from the eRIDE and SRM systems to analyze information about LEAs prior to onsite SSS visits. During the SSS visit, the State reviews records to verify that reported data reflect actual practice and performance.

Data managers in the State run regular maintenance reports through the SRM; data managers notify LEAs of any data discrepancies and corroborate data submitted by LEAs. District liaisons reported that they closely monitor LEA data and work with LEAs to resolve data issues, and also provide technical assistance on improving practice to meet established targets. During interviews with OSEP, the State reported that the identification of LEAs with significant disproportionality and the data validation process required to verify the data helped clean up data collection efforts in addition to helping both the State and LEAs realize the prevalence of the issue. The State has since partnered with TA providers to provide training to LEAs on the different components of disproportionality (i.e., identification and placement, discipline, etc.).

The State created an IEP form and publicly disseminated it on July 1, 2008. Although use of this form is not mandatory, the State reported that it has been adopted by most LEAs. The State reported that because LEAs report data directly from IEPs, those data best reflect actual practice.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP believes the State has procedures that are reasonably designed to verify that the data collected and reported reflect actual practice and performance. OSEP cannot, however, without conducting a review of data collection and reporting policies at the local level, determine whether all public agencies in the State implement the State's data collection and reporting procedures in a manner that reflects actual practice and performance.

Required Actions/Next Steps

No further action is required.

Critical Element 3: Integrating Data Across Systems to Improve Compliance and Results

Does the State compile and integrate data across systems and use the data to inform and focus its improvement activities?

Verification Visit Details and Analysis

In addition to the census data collected in the eRIDE system, the State uses information from the CRP to inform and focus its improvement activities. All data are used to inform the SSS visits and to develop the SSS support plans subsequent to visits. The State reported that it develops initiatives and task force teams to focus on issues identified through trends and themes the data reflect in response to LEA needs.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP believes the State compiles and integrates data across systems and uses the data to inform and focus its improvement activities.

Required Actions/Next Steps

No further action is required.

III. Fiscal

Critical Element 1: Timely Obligation and Liquidation of Funds

Does the State have procedures that are reasonably designed to ensure the timely obligation and liquidation of IDEA funds?

Verification Visit Details and Analysis

The annual budget for the State is based on the previous year's allocation and the CRP, which collects information from LEAs on programmatic goals, maintenance of effort (MOE), CEIS, and proportionate share for children with disabilities parentally-placed in private schools. Staff from the State financial office reported that money is distributed on a cyclical basis and that LEAs are required to submit quarterly financial status reports. By June 30 of each year, the State is aware of how much unexpended funds remain for LEAs through the In\$ite program, at which point LEAs are immediately notified to obligate funds.

The State expended all of its FFY 2003, FFY 2004, FFY 2005, and FFY 2006 Part B funds.

OSEP Conclusions

Based on the review of documents, analysis of data, and interview with the State and local personnel, OSEP believes the State has procedures that are reasonably designed to ensure the timely obligation and liquidation of IDEA funds. OSEP cannot, however, without collecting data at the State and local levels, determine whether all public agencies in the State implement fiscal procedures that ensure the timely obligation and liquidation of IDEA funds.

Required Actions/Next Steps

No further action is required.

Critical Element 2: Appropriate Distribution of IDEA Funds

Does the State have procedures that are reasonably designed to ensure appropriate distribution of IDEA funds within the State?

Verification Visit Details and Analysis

The State correctly implements the Federal formula to calculate subgrant allocations to LEAs and State agencies.

For fiscal purposes, Rhode Island has 48 LEAs (37 traditional LEAs, eight charter LEAs, and three State schools). The State reported use of a comprehensive local funding application called the CRP, which LEAs use to apply for Federal funds under Part B of the IDEA and several Titles within the Elementary and Secondary Education Act (ESEA). Though the CRP process was established several years ago, an online application called the AcceleGrant was piloted this year for the 2008-2009 grant awards. LEAs are only granted approval for Federal funds when all programmatic components (IDEA, ESEA Title I, etc.) are correctly submitted and approved. This process potentially delays the distribution of IDEA Part B funds even when LEAs submit approvable applications for IDEA Part B funds. In an interview with OSEP, a RIDE official stated that only 12 of 48 subgrant applications had been approved at the time of the verification visit. RIDE officials expected to approve all applications by October 1.

In an LEA panel discussion conducted by OSEP during the verification visit, directors reported that they did not know why their local applications had not been approved. The State reported that with a substantially approvable application, LEAs can obtain a letter from the State granting them permission to obligate Part B funds while correcting the CRP for other Federal funds such as funds under ESEA Title I, etc., but that LEAs had to initiate the request before the State would grant substantial approval. The SEA's procedure, holding up an LEA's application for IDEA funds until the LEA's application for the other Federal funds is approved, is inconsistent with sections 611(f) and 613(a) of the IDEA, 34 CFR §300.200, and 34 CFR §76.400(b).

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP believes the State has not demonstrated it has procedures that are reasonably designed to ensure appropriate distribution of IDEA funds within the State.

Required Actions/Next Steps

Within 60 days from the date of this letter, the State must provide a written assurance that it approves local applications for IDEA funds once an LEA demonstrates compliance with the IDEA.

Critical Element 3: Appropriate Use of IDEA Funds

Does the State have procedures that are reasonably designed to ensure appropriate use of IDEA funds?

Verification Visit Details and Analysis

The State convenes weekly meetings with staff from the State financial office to discuss the use of IDEA funds. During these meetings, the State identifies potential supplanting issues regarding use of IDEA funds and reviews CRPs as appropriate. District liaisons also meet regularly to discuss information from the CRP to ensure that LEAs use the funds appropriately in accordance with Part B of the IDEA. The IDEA Part B funds have a separate accounting system allowing the State to clearly delineate the Part B funds from other Federal, State, and local funds.

The State reported that it ensures Federal funds are used to supplement and not supplant State and local funds by requiring assurances in the CRP process, reviewing and monitoring spending on a regular basis, and utilizing the single audit process. Similarly, the State ensures LEAs comply with the fiscal requirements of IDEA (i.e., LEA MOE calculations, CEIS spending, private school and charter school spending) by requiring assurances in the CRP process. The In\$ite program is used to regularly monitor expenditures and compare spending from year to year to identify issues with an LEA's compliance with IDEA's fiscal requirements.

The State's single audit for the period July 1, 2006 through June 30, 2007 includes two findings with respect to the State's IDEA Part B special education funds. Specifically, the auditors found: (1) that the State did not obtain certifications of each LEA's unduplicated and accurate child count; and (2) that the State did not obtain subrecipient audit reports in a timely manner and provide management decision letters to LEAs within required timeframes. The resolution of these findings will be addressed under separate cover.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP believes the State has procedures that are reasonably designed to ensure appropriate use of IDEA funds. OSEP cannot, however, without collecting data at the State and local levels, determine whether all public agencies in the State implement fiscal procedures that ensure appropriate use of IDEA funds.

Required Actions/Next Steps

No further action is required.