Honorable Jim Rex  
State Superintendent of Education  
South Carolina Department of Education  
1006 Rutledge Building  
1429 Senate Street  
Columbia, SC 29201

Dear Superintendent Rex:

The purpose of this letter is to inform you of the results of the Office of Special Education Programs’ (OSEP’s) verification visit to the South Carolina Department of Education (SCDE) during the week of September 15, 2008. As indicated in my letter to you dated August 7, 2008, OSEP is conducting verification visits to a number of States as part of our Continuous Improvement and Focused Monitoring System (CIFMS) for ensuring compliance with, and improving performance under, Part B and Part C\(^1\) of the Individuals with Disabilities Education Act (IDEA). CIFMS is designed to ensure compliance and improve performance with Parts B and C of the IDEA. Sections 616 and 642 of the IDEA require the Department to monitor States with a focus on: (1) improving early intervention and educational results and functional outcomes for infants, toddlers, children, and youth with disabilities; and (2) ensuring that States meet the program requirements, particularly those most closely related to improving results for infants, toddlers, and children with disabilities.

The purpose of the verification visit is to verify the effectiveness of the State’s systems for general supervision, collection of State-reported data, and fiscal management, as well as the State’s systems for improving child and family outcomes and protecting child and family rights. During the verification visit, OSEP: (1) analyzed the components of the State’s general supervision, data and fiscal systems to determine whether they are reasonably designed to ensure compliance and improve performance; and (2) reviewed the accuracy of the data the State submitted for selected indicators in the State’s FFY 2006 Annual Performance Report (APR)/State Performance Plan (SPP).

As part of the verification visit to South Carolina, OSEP staff met with Susan DuRant, State Director of Special Education at the time of the visit, and State personnel responsible for implementing the general supervision, data or fiscal systems. Prior to and during the visit, OSEP staff reviewed a number of documents, including the following: (1) South Carolina’s Federal Fiscal Year (FFY) 2006 APR submitted to OSEP in February 2008; (2) South Carolina’s SPP submitted to OSEP in December 2005 and updated in 2007 and 2008; (3) South Carolina’s District Data Profiles

\(^1\) During the week of September 15, 2008, OSEP also conducted its Part C verification visit to the South Carolina Department of Health and Environmental Control, and will be issuing a letter describing the results of that visit under separate cover.
for FFY 2005; (4) OSEP’s Verification Visit letter to South Carolina dated May 7, 2004; (5) SCDE’s website; and (6) other pertinent information.²

OSEP developed critical elements that were used to guide its evaluation of South Carolina’s general supervision, data, and fiscal systems. OSEP’s analysis of each critical element is set out in the enclosure to this letter. If OSEP identifies noncompliance during the verification visit, the enclosure also includes an explanation of the noncompliance with applicable Part B or Part C requirements and the required actions that OSEP has determined the State must take to address the noncompliance. As further detailed in the enclosure to this letter, OSEP found noncompliance, and is requiring the State to take corrective action in the following areas: (1) requirements regarding the timely identification of noncompliance in IDEA sections 612(a)(11) and 616, 34 CFR §§300.149 and 300.600, and 20 U.S.C. 1232d(b)(3)(E); (2) requirements regarding timely correction of noncompliance in IDEA sections 612(a)(11) and 616, 34 CFR §§300.149 and 300.600, and 20 U.S.C. 1232d(b)(3)(E); (3) requirements regarding significant disproportionality and coordinated early intervening services in 34 CFR §§300.226 and 300.646; (4) requirements regarding public reporting on local performance in section 616(b)(2)(C)(ii)(I) of the IDEA; and (5) requirements regarding subgranting formula funds only to eligible LEAs, consistent with 34 CFR §300.815. The enclosure also identifies noncompliance in the following additional areas, but the enclosure does not require the State to take corrective action, because the State corrected the noncompliance between the time of OSEP’s September 2008 visit and the date of this letter: (1) requirements that a subgrantee not expend Part B funds before the State has approved the subgrantee’s application; and (2) requirements regarding local maintenance of effort in 34 CFR §300.203(b). Subsequent to our visit, the State also took steps to address the issues regarding timely identification and correction of noncompliance mentioned above, but has not yet fully resolved those findings.

We appreciate the cooperation and assistance provided by SCDE personnel during our visit. We look forward to collaborating with the State as you continue to work to improve results for infants, toddlers, and children with disabilities and their families. If you have any questions or wish to request technical assistance, please do not hesitate to call your OSEP State Contact, Perry Williams, at 202-245-7575.

Sincerely,

[Signature]
William W. Knudsen
Acting Director
Office of Special Education Programs

Enclosure
cc: Michelle Bishop
    Interim Director of Special Education

²Documents reviewed as part of the verification process were not reviewed for legal sufficiency, but rather to inform OSEP’s understanding of your State’s systems.