

Florida Part C Verification Visit Letter Enclosure

Background: The Florida Department of Health (FDOH) is the State lead agency responsible for administering Part C of the IDEA in Florida and the Children's Medical Services, Early Steps (ES) State Office is the entity within FDOH that administers Part C. Early intervention services in Florida are provided through 15 early intervention service (EIS) programs, which are referred to by FDOH as Local Early Steps (LES). FDOH reported in its Part C FFY 2006 annual performance report (APR) that it served 11,468 infants and toddlers with disabilities as of October 1, 2006, which represents 1.68% of Florida's birth-to-age-three population. FDOH has adopted a State system of payments under Part C of the IDEA and has adopted the Part C due process hearing procedures under 34 CFR §303.420 to resolve individual child disputes.

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

FDOH staff indicated that findings of noncompliance are made by FDOH through its quality assurance monitoring process, which includes a desk review (based on a review of the annual LES self-assessments), and through dispute resolution procedures, primarily complaints.

Self-Assessment Process: FDOH reported that during the spring of each year, FDOH and its stakeholders review the previous year's monitoring policies to make modifications based on new priorities and feedback from the LESs. OSEP reviewed the self-assessment tool, which measures performance on OSEP's required indicators, as well as other indicators selected by FDOH and its stakeholders. FDOH staff reported that LESs must submit their completed self-assessments on a staggered schedule, by size of program, from the end of August through mid-September.

Desk Reviews: Following submission of the completed self-assessments, FDOH staff completes desk reviews of all self-assessments in the fall. FDOH requires the LESs to submit supportive documentation with the self-assessments. The desk review includes a comparison of the completed self-assessment against supportive documentation and data submitted through FDOH's data system, a real-time online database system. FDOH staff works with the University of Florida to identify parameters for record reviews. FDOH staff reviewed 930 records during its 2007 desk review and 930 records during its 2008 desk review. Records include individualized family service plans (IFSPs), service coordinator notes, or other documentation from the child's record. OSEP staff reviewed a sample of supportive documentation submitted with two self-assessments. If FDOH identifies inconsistencies among the self-assessments, data submissions, and other data or documents, it may request additional documents or records for review. OSEP staff reviewed correspondence in which FDOH requested additional documentation from

LESs to confirm the information provided in the self-assessment. As part of the desk review, FDOH scores the data from the self-assessment to identify noncompliance.

Identification of Noncompliance: Quality Assurance Report: Once the desk review is completed, FDOH staff reported that FDOH issues a quality assurance report, which is the mechanism for notification of noncompliance. FDOH staff indicated that FDOH issues the quality assurance monitoring reports in November. OSEP reviewed some quality assurance reports issued by FDOH in FFY 2006 and FFY 2007 and confirmed that they were issued in November. FDOH reported that if a finding of noncompliance is made, FDOH reviews past findings to determine if the issue is an isolated instance of noncompliance or a long-standing problem.

Prior to August 2008, when guidance was issued at the National Accountability Conference, FDOH staff reported that it had only issued desk review findings of IDEA noncompliance when an LES did not achieve "substantial compliance." FDOH defined in its quality assurance reports substantial compliance as 90% or greater performance on a compliance indicator. FDOH told OSEP that as of its 2008 desk review, which reviewed documentation and data from 2007-2008, it identifies as findings any instances of noncompliance with IDEA requirements. OSEP confirmed during the verification visit that FDOH's current procedures and self-assessment tools require issuance of findings when any noncompliance with IDEA requirements is identified regardless of the level of noncompliance.

OSEP Conclusions

Based on review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that FDOH has a general supervision system that is reasonably designed to identify noncompliance. Without collecting data at the local level, OSEP cannot determine whether the State's procedures are fully effective in identifying noncompliance.

Required Actions/Next Steps

No further action is required.

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

Correction of Noncompliance: Continuous Improvement Plans (CIPs): FDOH staff confirmed that, within 30 or 60 days after receipt of the quality assurance monitoring report, LESs must develop and submit a Continuous Improvement Plan (CIP). LESs with historical noncompliance have 30 days to submit the CIP, while other LESs have 60 days to submit the CIP. The CIP contains details about the activities the LES will implement to correct noncompliance and achieve compliance, including requests for technical assistance, as well as a timeline for achievement. Depending upon the level of noncompliance and other factors, FDOH may require specific strategies be included in

the CIP. Each LES with findings of noncompliance must submit CIP updates on a quarterly basis. These updated reports identify the LES's activities to achieve compliance as soon as possible, but in no case later than one year from the date of receipt of the quality assurance report. The updates may also include supportive documentation, for example, from internal quality assurance monitoring, such as file reviews.

FDOH provides technical assistance to LESs through on-site visits, review and feedback on documentation, conference calls with LESs, facilitation of training, policy clarification, and directing LESs to other resources and TA providers.

Verification of Noncompliance: FDOH verifies within one year from its quality assurance report to the LES the LES's correction of noncompliance. FDOH staff review LES data, including updated samples of child records, other CIP submissions, and data in the quarterly performance matrix, a document compiling working data from the LESs. If needed, FDOH will also conduct on-site reviews or other follow-up activities. FDOH staff reported that if an LES has not corrected noncompliance within nine months after notification of noncompliance, then FDOH requires additional reporting requirements and/or specific correction activities, including due dates and additional supportive documentation to increase the likelihood that full correction will be achieved within one year.

Enforcement Actions/Sanctions: The State has procedures in place to use enforcement actions and sanctions when noncompliance is not fully corrected within one year. Sanctions include additional self-assessment; additional reporting requirements including monthly reporting; increased, program specific activities included in the CIP; delivery of determinations letters to supervisors; root cause analyses; targeted corrective action plans within the CIP; and contract termination. OSEP verified that the State took such actions on at least two occasions. In one instance, FDOH staff reported that it had terminated a contract with the LES.

FDOH identified personnel shortages as a key barrier to correcting noncompliance in a timely manner. To address this barrier, FDOH reported strategies to alleviate personnel shortages, including modification of its provider enrollment system to expedite provider enrollment.

OSEP Conclusions

FDOH reported in the FFY 2006 APR the timely correction of findings of noncompliance related to Indicators 7 and 8C. In the FFY 2006 APR, FDOH reported correction of all FFY 2005 findings related to Indicators 8A and 8B, but such correction was not timely. Additionally, FDOH did not fully correct findings related to Indicator 1 and the State's FFY 2006 data for Indicator 9 (timely correction of all FFY 2005 findings) was 67%. Following the on-site verification visit, FDOH provided additional information that demonstrated all findings from FFY 2005 had been corrected and 94% of findings from FFY 2006 had been corrected.

In order to effectively monitor the implementation of Part C of the IDEA by LES programs in the State under IDEA sections 616(a), 635(a)(10)(A) and 642 and 34 CFR §303.501(b), FDOH must ensure that identified noncompliance is corrected in a timely manner. Based on review of documents, analysis of data, and interviews with State and local personnel, OSEP finds that FDOH has components of its general supervision system that can timely correct some findings of noncompliance and that the State has corrected all of its FFY 2005 findings of noncompliance, but that FDOH continues to identify and implement strategies to ensure timely correction.

Required Actions/Next Steps

The State must provide data in the FFY 2008 APR, due February 1, 2010, that demonstrate correction of all findings of noncompliance within one year from the date of written notification.

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

FDOH has adopted procedures for dispute resolution under IDEA section 639 and 34 CFR §§303.420 and 303.510 through 303.512, including mediation, complaint resolution and due process hearing requests. FDOH has adopted under 34 CFR §303.420, the Part C due process hearings procedures. FDOH staff reported that service coordinators inform parents of their rights to dispute resolution through mediation, complaint and impartial hearing and that FDOH maintains a summary on FDOH's website and a brochure of parent's dispute resolution and due process rights.

Mediation: OSEP reviewed documentation that confirmed that as soon as a complaint is filed, FDOH's parent consultant contacts the complainant to inform him or her of the right to request mediation. In addition, OSEP confirmed from the information on FDOH's website and the brochure that contained Florida's procedural safeguards notice that FDOH informs parents of their right to request mediation at any time. The State receives very few requests for mediation. When requests for mediation are received, FDOH reported that it uses a subset of Florida Department of Education's (FDE) trained Part B mediators. FDOH participates in the mediators' training to ensure the mediators understand the difference in requirements between Part B and Part C of the IDEA.

Complaints: FDOH staff reported that FDOH contracts with complaint investigators to resolve complaints under 34 CFR §§303.510 through 303.512. When FDOH receives a complaint, it provides the complaint information to a complaint investigator, who conducts the investigation, and a staff parent consultant, who tracks the complaint in an Excel spreadsheet to ensure its timely completion and implementation of the corrective actions, when applicable. Once complete, FDOH reviews the complaint decision and the Bureau Chief signs the decision. Two complaints were filed during FFY 2006. While neither had written decisions issued within the 60-day timeline, both were extended appropriately and had written decisions issued within the extended timelines. Three

complaints were filed during FFY 2007. Two had written decisions issued within the 60-day timeline, and one was withdrawn after the complainant consulted with the Staff Parent Consultant about mediation. For dispute resolution, specifically complaints, FDOH staff reported that it sends reports out within timelines (60 days) that include findings, corrective actions and timelines for correction. To the extent FDOH identifies noncompliance from its dispute resolution system, such noncompliance is usually identified through complaints.

Due Process: FDOH contracts with hearing officers from the Office of Administrative Hearings in the Department of Management Services to conduct all impartial hearings. FDOH staff indicated that, due to the low number of hearing requests, hearing officers are not very familiar with Part C requirements. As a result, FDOH has included additional training related specifically to Part C for hearing officers and has an attorney who is involved in training the hearing officers. The State receives very few requests for impartial due process hearings related to Part C, most of which are resolved prior to the hearing. To date, only one impartial hearing request has resulted in a hearing decision. FDOH has posted this redacted due process hearing decision on its website.

When hearings are requested, FDOH staff track the timeline in an Excel spreadsheet to ensure its timely completion and implementation of the corrective actions, when applicable. In addition to providing training to hearing officers, the State reported that it continues to provide trainings to service providers and LES directors, as well as additional information to parents to ensure that all parties understand the due process procedures.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that FDOH has procedures and practices that are reasonably designed to implement mediation, complaint and due process hearing dispute resolution procedures. The procedures and practices appear to be reasonably designed to implement mediation and due process hearing requests, but because there have only been two mediation requests and one completed due process hearing, OSEP cannot determine whether the mediation and due process procedures are effective in the timely resolution of disputes.

Required Actions/Next Steps

No further action is required.

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

In 2004, FDOH received a general supervision enhancement grant that enabled FDOH to develop trainings with Early Childhood Outcomes (ECO) on the Batelle (BDI-2), an early childhood assessment tool, for participants in a pilot program pairing LES and LEA

programs. Through use of the BDI-2, the pilot enables LEAs to use the LESs exit data as their entry data, reducing the amount of testing needed to determine eligibility for Part B. During the focused monitoring component of the verification visit, additional information was collected regarding the perceived effectiveness of the use of the BDI-2 and is described in the final section of this Report.

FDOH provides materials to parents to help educate them about how to advocate for their children and about their rights. FDOH employs a parent advocate in its main office, as well as in each LES. These family resource specialists provide educational opportunities for families and develop family support activities. FDOH has developed a training curriculum, "A New Star," to assist families in understanding their rights and learn to advocate for their children and family's needs. Additionally, FDOH's website contains numerous resources for families, including a family newsletter. In addition, FDOH holds an Annual Family Café conference, where families come together with State and local staff.

FDOH administers the NCSEAM family survey annually to eligible families. FDOH then disaggregates the results by LES. The data are shared and analyzed extensively to drive systems change; they are provided to family resource specialists in each LES, program administrators, and service coordinators; and the data are discussed at annual meetings. The State Interagency Coordinating Council (SICC) has a family leadership committee that reviews the survey results and advises LESs on how to improve. In addition, the SICC meets separately with families and providers to gather their feedback on the survey results, which is then disseminated to the LESs.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that FDOH has procedures and practices that are reasonably designed to improve early intervention results and functional outcomes. Without collecting data at the local level, OSEP cannot determine whether the system is fully effective in improving 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 application requirements (i.e., monitoring and enforcement, CSPD, and interagency agreements, contracts or other arrangements)?

Verification Visit Details and Analysis

Local Determination and Public Reporting of Local Performance: As part of its responsibilities under IDEA sections 616 and 642, each State lead agency must annually report to the public on the performance of each EIS program against the State's SPP/APR targets and must make an annual determination for each early intervention program. FDOH meets its reporting requirement by publishing a profile for each EIS program or

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LES on FDOH's website, on which the State reports each LES's performance. FDOH has also issued local determinations for each LES in 2007 and 2008. When FDOH determines that a local program needs assistance, it requires the LES to report data on a quarterly basis and to participate in additional technical assistance to assist the LES to address low performance areas.

Comprehensive System of Personnel Development (CSPD)/Personnel Training: FDOH is working to ensure that it has adequate personnel to provide Part C services. Specifically, FDOH has worked to increase provider capacity by developing a waiver process for Part C providers that need the Infant/Toddler Developmental Specialists certificate. FDOH has worked with Institutions of Higher Education to establish virtual online classrooms so that providers with the appropriate credentials can apply for an online certificate, rather than having to wait to complete a university-based certificate.

FDOH has developed and implemented a CSPD plan that includes a variety of training opportunities for staff based on short- and long-term goals. For example, FDOH has provided training on how to develop appropriate functional outcomes. In addition, FDOH provides train-the-trainer opportunities and targeted technical assistance as needed. FDOH reported that it conducts a survey at the conclusion of each training held in order to gauge the effectiveness of the trainings. To support local training, each LES has a training coordinator on staff. The training coordinators participate in monthly calls with FDOH to discuss training needs in their LESs, conduct training, and submit quarterly logs of what training is conducted at the local level.

Interagency Coordination: Under IDEA sections 635(a)(10), 637(a)(2), (6) and (9), and 640, each State lead agency must include in its Part C application: (1) a certification that its methods to ensure service provision and fiscal responsibility for services are current; (2) its policies and procedures for transition (including an interagency agreement if the lead agency is not the SEA); and (3) potential interagency agreements regarding referrals of children under CAPTA.

FDOH has interagency agreements in place with FDE, the Department of Children and Families, the Division of Blind Services (an agency within FDE), and the Florida School for the Deaf and the Blind. Early intervention services are provided under a contract between FDOH and each LES. Through these contracts, the LESs are responsible for ensuring timely service provision. In addition, LESs have interagency agreements with other organizations based on their community structure.

Service Provision: FDOH provides all Part C services to eligible infants and toddlers with disabilities and their families, either directly through LESs or through contracts with EIS providers, with the exception of services provided by the Florida School for the Deaf and Blind (FSDB). FDOH has an interagency agreement with FSDB, which includes provisions regarding service provision, financial responsibility, the role of the Parent Advocate, and dispute resolution.

Early Childhood Transition: In December 2005, FDOH and FDE signed an interagency agreement for the purpose of defining and clarifying the responsibilities of each agency

to ensure the statewide provision of coordinated quality early intervention services, including transition and family-centered services in natural environments for children with disabilities from birth to three years of age and their families. In addition, FDOH staff reported that all communications relating to the birth-to-five system are developed collaboratively, including materials, support documents and a web-based reporting system. Implementation of this system will be phased in over time with select cadres of LEAs and the corresponding LESs.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that FDOH has procedures and practices that are reasonably designed to implement selected grant application requirements regarding local determinations and public reporting of local performance, CSPD, and interagency coordination.

Required Actions/Next Steps

No further action is required.

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

FDOH uses a quality assurance monitoring process, described in General Supervision Critical Element 1, as its primary vehicle for collecting data and information from the LESs. As part of this process, FDOH requires the LESs to submit self-assessments. FDOH reviews the self-assessments against supportive documentation submitted by the LESs to ensure the data collected are valid and accurate.

In addition, FDOH provides training and technical assistance to ensure appropriate LES staff understands how to accurately provide data in, and complete, the self-assessments. FDOH selects a few LESs each year to receive technical assistance in the form of a facilitated self-assessment to ensure valid and reliable data from the quality assurance monitoring process. The facilitated self-assessment is conducted on-site at the LES and provides an opportunity for FDOH staff to sit with LES staff and walk through completion of a self-assessment.

To ensure a common understanding of the data elements collected, FDOH provides training for data system users, and maintains documentation of important definitions and a data entry manual. In addition, there is a data users subgroup that identifies training needs and problems with the data system, and that provides feedback from users concerning issues and strategies to correct issues as appropriate. FDOH holds face-to-face data meetings semiannually with directors and annually with service coordinators, and conducts quarterly calls with data system users.

LESs are required to submit all APR data to FDOH by August 15th of each year to ensure that FDOH has sufficient time to analyze and verify the data and ensure accurate information is submitted to OSEP and the public. Child count, settings and exit data are obtained from FDOH's data system. FDOH reported that it conducts special data fix exercises to ensure that the child count, settings and exit data are consistent and reliable.

FDOH has both manual and automated procedures in place to review data from FDOH's data system for efficacy and accuracy that it demonstrated to OSEP during the verification visit. For example, the data system contains internal systems checks, including flags when inconsistent information is entered. On a quarterly basis, FDOH runs reports to identify outlier data that may be wrong or incomplete, and requests that the LES data system user fix the data. In addition, FDOH examines longitudinal trend data for each LES to identify deviations from the trend or deviations from statewide trends in order to uncover potential data anomalies. Furthermore, FDOH's contracts with the LESs include provisions that require entry of accurate data.

FDOH collects data for SPP/APR Indicator C-3 using a separate data collection system, the NCSEAM family outcomes survey. FDOH reported that it has procedures in place to analyze the survey data for potential anomalies. FDOH is currently in the process of changing to a web-based data collection system for Indicator C-3 and anticipates full implementation of the web-based system by the end of January 2009.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that FDOH has a data system that is reasonably designed to collect and report valid and reliable data and information to the Department and the public under IDEA sections 616, 618 and 642 in a timely manner.

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

FDOH reviews data from the quality assurance monitoring process and compares it against supportive documentation from child records to ensure the data are reflective of actual practice. In addition, Florida's SICC holds quarterly forums with families in different areas of the State to gain additional information about the services actually provided; during these forums, families talk about the services they are receiving and whether they are adequate and timely. The SICC also holds a forum with service providers about which policies and procedures are working and which are not. FDOH staff reported that they use this feedback to help confirm that the data received from the LESs reflect actual practice and performance.

To further validate the self-assessment data, FDOH compares the information to the data housed in FDOH's data system. FDOH's data system is an internet-based, real-time database system that allows LES data system users to enter information into the data system, including, among other information, child records and billing information. The University of Florida maintains and hosts the website, submits billing to Medicaid, and provides basic help desk services to data system users. To ensure that FDOH is aware of user questions, the University of Florida provides quarterly reports to FDOH regarding customer service inquiries. FDOH staff reported that LES data system users enter data into the data system and can generate reports of their data. FDOH demonstrated this process during the verification visit. In addition, FDOH generates the Quarterly Performance Matrix using this data so that LESs can monitor their progress in comparison to other LESs.

FDOH staff reported that although data in FDOH's data system is working data throughout most of the year, FDOH compiles data from the data system annually to compare against the data reported by LESs in their self-assessments. FDOH staff described the procedures in place to review data for efficacy and accuracy, and to correct practices that lead to data anomalies.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that FDOH has procedures that are reasonably designed to verify that the data collected and reported reflect 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

FDOH staff reported that they use the information obtained through FDOH's monitoring, dispute resolution system, and data systems to identify problematic areas and to implement improvement activities such as training and technical assistance on a statewide or local level. By requiring the LESs to conduct self-assessments, develop continuous improvement plans and report on the progress of their continuous improvement plans, FDOH forces the LESs to interact with their data, and use it to develop corrective plans and show correction. In addition, FDOH hosts quarterly data user group meetings on how LESs can use their data to inform decision-making at the local level.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that FDOH has procedures that are reasonably designed to compile and integrate data to inform and focus 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

FDOH staff presented to OSEP staff an overview of FDOH's procedures to ensure that Federal Part C funds are obligated and liquidated in a timely manner. FDOH uses a first-in, first-out policy so that Part C expenditures are reported against the oldest grants first. Once the funds are depleted from the oldest grant, FDOH staff changes the cost center against which Part C funds are obligated and liquidated to the next oldest grant to ensure that Federal funds are liquidated appropriately. FDOH's Division of Administration, Bureau of Revenue Management, then reports the expenditure of Part C funds to OSEP.

During OSEP's on-site visit, staff from the Division of Administration, Bureau of Revenue Management, described the flow of Part C funds through this process. In addition, FDOH staff described the manual checks in place to ensure that the grants are allocated appropriately. For example, FDOH staff demonstrated to OSEP how they review monthly reports, which identify expenditures made against funding sources.

Florida reported that Part C grants are typically liquidated within 18 months. OSEP confirmed through the U.S. Department of Education's Grants Administration and Payment System (GAPS) that Florida has expended all of its FFY 2004 and FFY 2005 Part C funds.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that the State has procedures that are reasonably designed to ensure the timely obligation and liquidation of IDEA funds at the State level.

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 use of IDEA funds at the State level?

Verification Visit Details and Analysis

Payor of Last Resort: Florida has adopted a system of payments policy under IDEA section 632, which is on file with OSEP. This policy identifies the use of public benefits and insurance and private insurance for Part C services. In addition to such funds, Part C services in Florida are paid through the use of Florida's appropriations bills. FDOH's contracts with LESs require that Part C funds be used as the payor of last resort.

Therefore, LESs are required to seek funds from Medicaid, private insurance and other community resources before accessing Part C funds. For example, if the funding source for a service was identified initially as a third party insurer that denied payment and the funding source was then switched to Part C, the LES would have to provide FDOH with documentation that it was a legitimate denial.

Nonsupplanting/Indirect Costs: FDOH staff described the procedures in place to track the level of State and local expenditures to ensure compliance with Part C's nonsupplanting/maintenance of effort requirements in IDEA section 637(b) and 34 CFR §303.124. Staff in FDOH's Division of Administration, Bureau of Revenue Management analyze the total expenditures for Part C to ensure that State and local funds expended for early intervention services are maintained or increased in each subsequent year to ensure maintenance of effort. Additionally, FDOH does not charge indirect costs to its Part C grant.

Fiscal Accountability: FDOH staff described the following procedures. All contractors are required to send to FDOH annual independent audit reports that meet OMB A-133 standards. The Contract Administrative Monitoring Unit reviews the audit reports for findings, and conducts on-site administrative monitoring as necessary to ensure FDOH's contracts with LESs are properly administered. FDOH staff ensure that Federal IDEA Part C funds are not commingled with State funds by coding the Federal Part C funds to a unique cost center within the State Automated Accounting Management System. This data system includes automated checks to ensure use of Part C funds is for allowable purposes only.

Audit: OSEP reviewed single audits for the period of July 1, 2005 through June 30, 2006 and July 1, 2006 through June 30, 2007. The State of Florida Auditor General's Office conducted the single audits pursuant to the requirements of the Single Audit Act of 1984, as amended, and the Office of Management and Budget (OMB) Circular A-133, as set forth in Education Department General Administrative Regulations (EDGAR) at 34 CFR §80.26. OSEP noted during the review of the audit findings for the above periods that: (1) the absence of reconciliations of amounts paid to subrecipients (for amounts expended by the subrecipients at the end of the contractual budget period) was an issue that was identified in the 2005-2006 fiscal year and continued to exist during the 2006-2007 fiscal year; (2) records of time worked were not maintained to support salary costs charged to the Part C program; and (3) FDOH did not competitively procure contractual services nor did it document the reasonableness of contract terms and price. The State is providing documentation to support corrective actions for these findings. OSEP's program determination letter, which will be provided to FDOH under separate cover, will address

the State's resolution or closure of these audit findings for the periods of July 1, 2005 through June 30, 2006 and July 1, 2006 through June 30, 2007.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that FDOH has procedures that are reasonably designed to ensure payor of last resort and nonsupplanting requirements for IDEA Part C funds at the State level but OSEP is unable to determine whether FDOH has procedures that are reasonably designed to ensure the general fiscal responsibility of IDEA Part C funds at the State level until the audit findings are resolved.

Required Actions/Next Steps

OSEP will respond to the pending audits in a separate letter.

IV. Focused Monitoring: Early Childhood Transition

Background

OSEP conducted focused monitoring due to Florida's APR data for Indicators C-8 and B-12, which represent a number of IDEA requirements to ensure that toddlers with disabilities and their families experience a smooth transition at age three when they exit the Part C program. FDOH is the State lead agency that is responsible for administering Part C in Florida. As required by 34 CFR §303.148(c), FDOH has an interagency agreement that addresses IDEA early childhood transition requirements with FDE, the State educational agency (SEA) responsible for administering the Part B preschool program in Florida for children with disabilities ages three through five.

Prior to OSEP's visit, Florida's FFYs 2005 and 2006 APR transition data indicated:

SPP/APR Indicator—Transition Requirement	FFY 2005 APR	FFY 2006 APR
C-8B – LEA notification	88%	82%
C-8C – Timely transition conferences	70%	78%
B-12 – IEP in place by 3 rd birthday (for children exiting Part C)	32%	68%

Focused Monitoring Visit Details and Analysis

Prior to the visit, OSEP staff reviewed 40 IFSPs (four from each of ten different LES programs). In reviewing these 40 IFSPs, OSEP found 12 IFSPs did not identify the LEA notification date and on four IFSPs the date for the transition conference was either missing or unclear. Some of the IFSPs that did not include the required transition information were from the three LESs that OSEP ultimately visited.

OSEP visited the following three LESs and three local educational agencies (LEAs) based on FDOH and FDE's monitoring rating (Successful, Minimal Progress or Moderate Progress) for early childhood transition for each LES and LEA.

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- North Central(NC)/Gainesville-C and Marion LEA-B (Pairing Part C Minimal Progress with Part B Successful)
- North Beaches(NB)/Daytona Area-C/Flagler LEA-B (Pairing Part C Successful with Part B Minimal Progress)
- Big Bend Tallahassee(BB)-C/Leon LEA-B (Pairing Part C Moderate Progress/Improving with same for Part B)

OSEP Part B and C staff jointly interviewed the staff from the LES (Family Steps director, family services supervisor, the Child Find coordinator and a family services provider) and from the LEA (Pre-K director and the staffing specialist). FDOH and FDE staff also attended the interviews as observers.

During the visit, OSEP staff reviewed for compliance with transition requirements a total of 30 IFSPs and 30 individualized education programs (IEPs) from child records that were representative of the population served. For each LES and corresponding LEA, OSEP reviewed ten IFSPs and ten IEPs of children who had exited Part C and transitioned to Part B, five of whom transitioned in FFY 2006 and the remaining five in FFY 2007. OSEP had requested these child records be randomly selected and include one migrant child and one homeless child if feasible. OSEP staff also reviewed other transition-related documents such as the lead agency's early childhood transition policies, interagency agreement regarding transition, any complaint decisions related to transition, family resource documents, training schedules, and child tracking systems. OSEP's IFSP/IEP record review included a review of the child's IFSP, prior written notice for the transition conference, the letter from the Part C LES inviting the LEA representative to attend the 90-day transition conference, and the child's initial IEP.

OSEP's review of these records found that all 30 of the IFSPs included the LEA notification date and the transition conference date. In addition, all transition conferences in North Beaches and Big Bend were timely held. In North Central, four transition conferences were held within 90 days of the child's third birthday. Of these four, one transition conference was late due to a delayed evaluation. The other three were late due to reasons outside of the LES's control; one was late due to documented family exceptional circumstances (parent did not show up) and the other two were late because the child was referred to Part C less than 90 days before the child's third birthday.

Barriers and Practices: Florida's Part C staff identified a number of barriers including case loads, acceptance by the Part B program of Part C's evaluation results, and local interagency coordination. Staff from the LESs and LEAs reported that the high service coordination case loads and the high turnover rate in service coordinators were barriers to providing a seamless transition. FDOH indicated that some of its LESs are participating in a transition pilot that uses TA providers including the Regional Resource Centers.

Regarding addressing the barrier of the Part B program accepting the Part C evaluation results, as part of their efforts to streamline the transition process, FDOH and FDE staff reported that LESs and LEAs throughout the State are phasing in the use of the BDI-2 as part of the evaluation to determine eligibility under both Parts C and B of the IDEA in

Florida. Part B and Part C interviewees stated that Florida was able to better meet the timely evaluation requirements under Part B in those geographic areas of the State where the BDI-2 was used by both the Part C and Part B programs to evaluate the child. Two of the three local sites that OSEP visited used the BDI-2 for evaluations under both Parts B and C. In the LEA that OSEP visited that is not currently using the BDI-2 to evaluate children, the special education staff explained that the LEA will be using the BDI-2 and accepting Part C evaluations and assessments beginning in calendar year 2009. At the State level, FDOH and FDE staff both reported during OSEP's verification visit that, because an increased number of LESs and LEAs used the BDI-2 in 2008, the State anticipated improved compliance rates for its FFY 2007 APR data for Indicators C-8C and B-12. OSEP will respond to the State's FFY 2007 APR data under separate cover.

Finally, the LESs and LEAs have put local interagency agreements in place to articulate responsibilities for and streamline the transition process at the local level. LES and LEA staff also reported that they schedule the transition conferences approximately a year in advance to ensure that all parties, including parents, the Part C service coordinator and the LEA representative, are available for the conferences.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that the State has procedures and practices that are reasonably designed to improve the notification to LEAs and timely transition conference for children exiting the Part C program and eligible for the Part B preschool program in Florida and that it has identified strategies to address identified barriers to these transition requirements. However, without obtaining data from all LESs, OSEP is unable to conclude that such procedures and practices can ensure compliance with these transition requirements. OSEP looks forward to reviewing, and will respond separately to, the State's FFY 2007 and FFY 2008 APR data on Indicators C-8A, C-8B, and C-8C and Indicator B-12.