

Vermont Part C 2009 Verification Visit Letter Enclosure

The Vermont Agency of Human Services (AHS) and the Vermont Department of Education (VTDOE) are designated as co-lead agencies under Part C of the Individuals with Disabilities Education Act (IDEA). Within AHS, the Department for Children and Families administers the Children's Integrated Services Program (CIS),¹ through which Part C services, known as the Family Infant Toddler Program (FITP), are implemented. Under the interagency agreement between the two co-lead agencies, VTDOE takes responsibility for dispute resolution and for child find (identifying, locating and evaluating all infants and toddlers in the State who are eligible under Part C of IDEA). VTDOE also provides State dollars to support the infrastructure of the early intervention (EI) system.

AHS is the agency responsible for general supervision of Part C requirements in Vermont. AHS provides funds to 11 "host agencies" that are the State's early intervention service (EIS) programs for reporting purposes under the Annual Performance Report (APR) and that cover the 12 different regions in the State.² In the Federal Fiscal Year (FFY) 2007 APR, Vermont reported serving 762 infants and toddlers with disabilities; and, during the verification visit, AHS staff reported that, for FFY 2008, Vermont served 892 infants and toddlers with disabilities. The 11 EIS programs work cooperatively with the 62 Supervisory Unions (local education agencies or LEAs) and other early childhood, health and family support services to provide EI services. The work specifications for each EIS program contain expectations and requirements to ensure compliance with Part C of IDEA and describe the process of general supervision and monitoring of the programs.

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

Components: AHS identified the following general supervision components that help it to identify noncompliance with Part C requirements:

- Monitoring of EIS programs using on-site reviews on a cyclical basis to identify and correct noncompliance;

¹ The newly formed Children's Integrated Services Program (CIS) is the new name for child development and family support services formerly provided by three programs: Healthy Babies Kids and Families, Children's Upstream Services, and Family Infant Toddler. Information obtained from <http://dcf.vermont.gov/cdd/cis>.

² In its FFY 2006 APR, the State reported that it went from 12 to 11 EIS programs due to persistent noncompliance in one of the programs, and the region covered by that agency was now being served by a then-existing agency.

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- A system of data collection and analysis that focuses on compliance and performance, including a review of ongoing wellness plans (improvement plans/corrective action plans) and State Performance Plan (SPP)/APR reporting, which is the primary accountability mechanism for EIS programs and other data and information; and
- Policies and procedures; interagency agreements or other methods for coordinating early intervention services; and targeted technical assistance.

Since the last Verification Visit by the Office of Special Education Programs (OSEP) in July 2004, AHS reported that it had revised its general supervision system to review and integrate data from various system components in order to identify noncompliance and issue findings to EIS programs. The system components include: (1) on-site reviews conducted on a cyclical basis; (2) a review of Wellness plans submitted by EIS programs; (3) APR data submissions; and (4) other available State data.

Issuance of Findings Prior to FFY 2008: Prior to FFY 2008, AHS staff issued findings based on the child count data and formal complaints or on an analysis of other information the State had gathered about a region, such as family surveys or informal complaints. The 11 EIS programs collect the child count data manually and submit the data on a form to the State, from which the State enters the data into an ACCESS database. The child count data forms include child-specific data for IDEA section 618 tables and for the SPP/APR, as well as other information required by the State. After FFY 2008, AHS staff reported that, to make findings and aid in making determinations, the State also has included on-site file reviews, results of focus group interviews, a review of EIS programs' wellness plans in which EIS programs self-identify noncompliance, and other information gathered during technical assistance (TA) visits.

Threshold for Identification of Noncompliance: AHS staff reported that in FFYs 2006 and 2007, AHS issued a finding of noncompliance when 85% or fewer files reviewed were in compliance with Part C requirements. In September 2008, AHS changed the threshold for issuing findings of noncompliance to 90% or below. Staff reported that the EIS programs were required to demonstrate that, even when the EIS program met the compliance threshold, any individual instances of noncompliance had to be corrected as soon as possible and that AHS staff would follow up with the EIS program staff to verify correction for these individual instances even when the EIS program compliance data were above 90%.

Monitoring data reviewed by OSEP on-site confirmed that the State makes a finding of noncompliance if, overall: (1) the file review and/or the data from the child database are above 90%; and (2) in instances where individual children are affected, those child-specific instances of noncompliance are not corrected prior to AHS issuing a written notification of noncompliance to the EIS program.

Issuance of Findings beginning in FFY 2008: Currently, early intervention staff analyzes the data from all of the components of general supervision, makes findings of

noncompliance, and will report these findings in the FFY 2008 APR due February 1, 2010.

AHS staff reported that the current process includes the following steps and procedures:

- In May, the template for Wellness plans is sent to the EIS programs (OSEP reviewed the template and two completed Wellness plans);
- In June, EIS programs enclose completed Wellness plans with their proposed budgets to AHS, and approval for both the budget and plans is sent from AHS to the EIS programs in July;
- EIS programs must submit data monthly on all new enrollees and any children who have exited;
- From August to December, AHS staff conducts file reviews, verifies data that were included in the Wellness plans and provides TA as appropriate;
- In January, AHS staff assigned to each of the EIS programs analyzes the data submitted in the fall by the EIS programs to identify noncompliance, and EIS programs are given three months to make correction or provide clarification before formal findings and determinations are made in April;
- After January, EIS programs continue to report quarterly (or in some cases monthly) on progress on the Wellness plans and corrective actions;
- AHS staff continuously reviews the data as it is submitted to assure consistency among data collected from file reviews, corrective actions, and the database; and
- In April, determinations are sent to the EIS programs; the letter includes findings of noncompliance that have been substantiated, and this letter informs the EIS program that it has a one-year timeline for correction. AHS staff verifies the correction before the one-year timeline is over.

OSEP Conclusions

Based on the review of documents, analysis of data and interviews with the State personnel, OSEP finds that the State has identified noncompliance through its on-site record reviews, interviews with EIS providers and families, review of SPP/APR data, data from Wellness plans, and other available State data. However, AHS staff reported that AHS has been making findings of noncompliance through these methods when AHS staff identifies a threshold level of less than 90% compliance with a specific requirement. The use of a 90% threshold for compliance is not consistent with Part C requirements for identifying noncompliance in IDEA sections 616, 635(a)(10)(A) and 642 and 34 CFR §303.501. While the State may determine the specific corrective action that is needed to ensure correction of noncompliance, and may take into account a number of factors (including the number of children, reasons for noncompliance, systemic or other nature of the noncompliance, etc.) when identifying noncompliance, the State may not establish as absolute a 90% threshold for identifying noncompliance.

Without collecting data at the local level, OSEP cannot determine whether the State's procedures are fully effective in identifying compliance in a timely manner.

Required Actions/Next Steps

The State must submit, with its FFY 2008 APR due February 1, 2010, an assurance that it has changed its practice to ensure the identification of all noncompliance without establishing as absolute a 90% threshold for identifying noncompliance.

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

Timeline for Correction: AHS notifies EIS programs that timely correction is correction of a finding of noncompliance within 12 months of AHS's written notification to the EIS program of the finding of noncompliance. Each notification of a finding of noncompliance to the EIS program includes a request for the EIS program to submit within three months a corrective action plan to AHS that will be added to that EIS program's Wellness Plan.

Plans for Correction: OSEP reviewed corrective action plans in two such Wellness Plan regions (Orange Windsor and Chittenden) while on-site and noted that the plans contained details of the findings (citation to the specific legal requirement(s), the noncompliance, and the basis for determining noncompliance), strategies to address each finding, progress notes and the State's response to the EIS program's strategies. AHS staff must approve the corrective action plans and do so at the same time determination letters are sent to the EIS programs. OSEP noted that AHS staff reviewed final Wellness reports and documented closure, where appropriate. AHS staff reported that these final correction data are also entered into the ACCESS database. AHS staff told OSEP that a "real time" online data system will not only eliminate the EIS programs' paperwork burden, but also will help the EIS programs positively affect improvement planning and timely correction of noncompliance.

Verification of Correction: AHS staff reported that, for the FFY 2007 APR reporting period (July 1, 2007 – June 30, 2008), they manually tracked correction through use of a "question grid." The "question grid" is compiled by AHS staff based on a monthly review of each child data form submission. OSEP reviewed the "question grid" while on-site and noted that for each child data form submitted, AHS staff documented any identified noncompliance, the actions taken to correct the noncompliance, and the date those actions were completed. For example, if the form shows that the initial evaluation for a child was not completed within 45 days of referral, AHS staff documents whether the service coordinator was called to verify the accuracy of the dates recorded, the reasons for the noncompliance, and whether the required action was completed. If all required actions are complete, AHS staff documents the date of correction and initials the form. AHS staff enters correction data into the ACCESS database to be compiled for the APR.

AHS staff reported monitoring corrective action through quarterly Wellness plan progress reports submitted by the EIS programs. These corrective actions included staff training, reviewing records and submitting documents. AHS staff reported that corrective action is difficult to track because the data submitted by the EIS programs are not current due to the paper and pencil system of collecting that data from EIS programs. In addition, this manner of collecting the data impedes improvement planning because the State and the EIS programs are making decisions based on these older data and are reactive, rather than proactive, in responding to the need for improving services for individual children and families.

APR Data: The State's FFY 2007 APR data for Indicator 9 (correction of noncompliance) was 85%, which was progress from the State's FFY 2006 data of 63% for that indicator. In the FFY 2007 APR, the State reported correction of all FFY 2004 and 2006 remaining findings but indicated three uncorrected FFY 2005 findings for the 45-day timeline requirement and one uncorrected FFY 2005 finding for the requirement to convene timely transition conferences. As of October 21, 2009, during a technical assistance call with OSEP, AHS staff reported that only one program still has uncorrected noncompliance stemming from findings made in FFY 2005. This finding is for the 45-day timeline. AHS staff reported the program went from 72% compliance in FFY 2005 to 91% compliance in FFY 2008.

Additional corrective action taken by the State:

AHS completed a root cause analysis determining that those programs that continued to have persistent noncompliance report significant personnel shortages. Therefore, in collaboration with VTDOE, AHS spearheaded several activities to address personnel shortages, including support to the University of Vermont special education program to recruit personnel certified in serving children with disabilities birth to three, using private contractors in those regions with shortages, and national advertising campaigns to attract personnel. AHS staff indicated, and the subsequent APRs submitted to OSEP verified, improved compliance for these indicators in the affected EIS programs.

AHS also determined that disagreements between LEAs and EIS providers over who is responsible for conducting initial evaluations under Part C of IDEA are delaying the initial evaluations. This delay is causing continuing noncompliance with the 45-day timeline requirement under Part C of IDEA. During the verification visit, AHS and VTDOE staff reported to OSEP staff that the two State agencies recently became aware that the delays in conducting initial evaluations is impeding implementation of the Interagency Agreement between AHS and VTDOE. The co-lead agencies have collaborated on joint guidance to the local programs and will be issuing a child find memorandum. This memorandum will clarify the roles and responsibilities of the LEAs and the EI programs under the Interagency Agreement, as their roles relate to evaluations for determining initial eligibility for Part C services.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State personnel, OSEP finds that, although the State has components of its general supervision system that

are reasonably designed to ensure correction of identified noncompliance in a timely manner, the State has not ensured timely correction.

The State has four outstanding FFY 2005 findings of noncompliance, three related to the 45-day timeline (34 CFR §§303.321(e)(2), 303.322(e)(1), and 303.342(a)) and one related to timely transition conferences (34 CFR §303.148(b)(2), as modified by IDEA section 637(a)(9)(A)(II)). Additionally, without collecting data at the local level, OSEP cannot determine whether the Lead Agency's procedures are fully effective in ensuring the correction of identified noncompliance in a timely manner.

Required Actions/Next Steps

With the FFY 2009 APR, due on February 1, 2011, the State must provide updated information regarding the enforcement actions it has taken to ensure correction of the four outstanding FFY 2005 findings and clarify, consistent with OSEP Memorandum 09-02, dated October 17, 2008, that it has corrected the individual instances of noncompliance, where feasible from FFY 2005.

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

Vermont has adopted the Part B dispute resolution procedures under 34 CFR §303.420(a) to resolve disputes under the Part C EI program. Under the interagency agreement between VTDOE and AHS, VTDOE is responsible for dispute resolution (i.e., State complaints, due process hearings and mediation). AHS is responsible for monitoring and reporting the dispute resolution data. In its FFY 2007 APR, the State reported that the one request for mediation resulted in a settlement agreement in FFY 2007. The State reported receiving no complaints or requests for due process hearings in FFY 2007. During the verification visit, AHS staff reported that they did not receive any complaints, requests for mediations or requests for due process hearings in FFY 2008 and have received only one complaint in FFY 2009.

During the verification visit, two issues were identified: (1) VTDOE did not post Part C model forms for complaints and hearings and required use of the due process forms that were posted for Part B of IDEA; and (2) AHS staff was not aware that AHS is responsible for: (a) tracking the complaint and due process hearings decisions; and (b) making findings. AHS staff provided OSEP with model forms for Part C of IDEA for complaints and hearings. As of October 19, 2009, VTDOE now posts these forms on its website and distributes a paper copy throughout the State.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State personnel, OSEP determined the State has procedures and practices that are reasonably designed to implement the complaint, due process hearing, and mediation procedures under Part C of the IDEA. However, because the State has received only one complaint (in FFY 2009)

and one mediation request (in FFY 2007), which resulted in a settlement agreement and has not received any requests for a due process hearing, OSEP cannot determine that the State is implementing these procedures in a manner consistent with the requirements in Part C.

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 interviews with OSEP during the verification visit, AHS staff described a number of activities designed to improve early intervention results and functional outcomes for all infants and toddlers with disabilities in the State. AHS staff has developed guidance for EIS program agreements that includes expectations for improved results and functional outcomes for all eligible infants and toddlers in the State. Through its monitoring and TA, AHS is able to assess the status of both compliance and performance measures and to provide needed support to the EIS programs.

Service provider contracts include assurances that all services are individualized and provided in the natural environment. In two of the EIS programs there were issues with natural environment due to limits on the therapists who work in clinics or hospitals there. Even if they provided services in the home, the amount of service was limited so families came to the clinics and were on waiting lists for home services. AHS staff reported that they met with the primary referral agents and providers to address the requirement for natural environment and helped the EIS programs identify private providers who will provide services in families' homes or other natural environments in the affected EIS programs.

There are agreements in place at the regional level among early intervention programs, LEAs and Head Start programs that guide the coordination and collaboration among these programs. Regional CIS teams provide consultation to the local EI teams. The EI team includes the family, the service coordinator, the early childhood special educator, the Part B preschool representative, the Head Start provider and often the other therapists, including health care providers. Community resource parents are housed in some of the agencies and typically serve as service coordinators. In addition, for children with autism, AHS contracts with autism specialists.

AHS has provided training and ongoing TA regarding the use of the Child Outcome Summary Form (COSF), a rating scale tool for early childhood outcomes, and specific training on social emotional skills and early literacy. Both the Vermont Family Network (VFN) and the SICC are involved in the process of improving results and outcomes for the eligible infants and toddlers in the State. The VFN provides training and outreach to families on early childhood development and literacy. The SICC reviews the parent

rights notices, complaints, and results of the family survey, and provides recommendations to AHS. AHS has provided training on procedural safeguards to EIS staff and provides all families with a notice of family rights. EIS programs across the State vary in the training activities provided to parents. The State administers the early childhood outcome family survey yearly. The VFN provides materials, training and individual support to families.

The results from the COSF for 2007 to 2008 were reported in the FFY 2008 APR. VTDOE and AHS staff presented at the OSEP Outcomes Conference in June 2009 on the State's procedures and results for early childhood outcomes. The VTDOE and AHS staff reported that they use the program evaluation to assess if the EIS programs are improving outcomes for the families and children served in the program, for whom they are making a difference, and in what circumstances they are making a difference. The VTDOE and AHS staff reported that the challenges are more paperwork, incomplete data and inability to determine positive data trends. In addition, the VTDOE and AHS staff reported that TA is focusing on consistency in the use and interpretation of the assessment. Use of the assessment requires working knowledge of child development. One solution the State is considering is the use of the same assessment and rating scale to have consistency in ratings across the State. In addition, the State intends to promote the use of the decision tree and a team approach.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State personnel, OSEP believes the State has policies and practices that are reasonably designed to improve early intervention results and functional outcomes for infants and toddlers with disabilities.

However, without collecting data at the local level, OSEP cannot determine whether the State's procedures and practices are reasonably designed to improve early intervention results and functional outcomes for all infants and toddlers with disabilities.

Required Actions/Next Steps

No 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, CSPD and interagency agreements, contracts or other arrangements)?

Verification Visit Details and Analysis

During OSEP's verification visit, the State reported on the implementation of Part C grant application assurances related to monitoring and enforcement (local determinations and public reporting), state interagency coordination, and the State's comprehensive system for professional development (CSPD). OSEP reviewed the State's determination process and letters of determination sent to two EIS programs.

The State described the following components designed to implement selected grant application requirements:

Public Reporting and Local Determinations: As part of its responsibilities under sections 616 and 642 of the IDEA, each State must annually report to the public on the performance of all of its EIS programs against the State's SPP/APR targets and must make an annual determination for each early intervention service provided. Vermont meets the reporting requirement by posting a profile for each of its 11 EIS programs on the AHS website in June of each year. The State reports the EIS program's performance against the targets in the State's SPP. AHS staff reported working with the SICC and other stakeholders in March 2009 to develop a plan to make determinations on the EIS programs.

In making determinations, the State reported that it takes into consideration the degree of noncompliance and has developed criteria to measure the amount of progress needed to move from one determination level to the next (e.g., needs substantial intervention to needs intervention, or needs assistance to meets requirements). In April of each year, the State sends a formal notice to each program administrator regarding the program's determination and any required enforcement action. This notice also includes information regarding verified correction of findings of noncompliance. The State is in the process of developing a general supervision system manual that will also include information on the State's process for making determinations.

Interagency Coordination: Under IDEA sections 635(a)(10), 637(a)(2), (6) and (9), and 640(b), each State lead agency must include in its Part C Application: (1) a certification that it has in place methods to ensure service provision and fiscal responsibility for services that 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 or other policies and procedures regarding referrals of children under the Child Abuse and Prevention and Treatment Act (CAPTA) and other children.

Vermont has on file with OSEP a signed Interagency Agreement regarding transition and fiscal responsibility that is dated April 16, 2007, between AHS and VTDOE pursuant to Part C of IDEA 2004. This agreement was reviewed and approved by OSEP in the State's letter approving its FFY 2007 grant Application. This agreement: (1) defines the financial responsibility of both agencies for paying for early intervention services (consistent with State law); (2) includes procedures for resolving potential interagency disputes; and (3) includes provisions for the timely provision of EI services pending any potential interagency disputes. In addition, Vermont included in this agreement provisions regarding child find and other responsibilities to delineate the shared and separate functions of the co-lead agencies.

With its FFY 2007 application, the State submitted, and received approval from OSEP regarding, the protocol between the CAPTA program and the EI program in the State to address referral of children to Part C from CAPTA and from Part C to CAPTA. AHS staff reports that the two programs have maintained good working relationships, and staff

from the EI program meets regularly with staff in family services, which oversees the CAPTA regulations. In addition, Part C and the CAPTA district staff get together to build relationships.

Personnel Development: Through the University of Vermont, the AHS provides training to address noncompliance and performance issues identified in the APR. The State also holds each EIS program responsible for providing specific training and TA to the providers in their respective regions. The State determines training needs in three ways: (1) Based on performance on indicators, the State looks at the data to decide how to solve or prevent problems; (2) EIS programs complete a needs assessment; and (3) EIS programs can also request specific training. For new service coordinators, AHS mandates an introductory course. The SICCC has developed a booklet that is given to all service coordinators entitled "Standards for Service Coordination in Early Intervention." The SICCC co-sponsors regional trainings with AHS to assist service coordinators to achieve these standards.

Regional technical assistance teams collaborate on the provision of ongoing TA to the EIS programs. AHS established these TA teams through the Children's Integrated Services program. The TA teams also include VTDOE staff because the focus for Vermont's CIS is birth to six and most LEAs provide services under Part C of IDEA. Vermont has developed a "One Plan" that includes all the required contents of an IFSP for Part C, as well as components for the other programs in CIS, and has provided training to all EIS programs on the use of this "One Plan."

In FFY 2007, the State conducted a workshop on building bridges and overcoming stumbling blocks in Part C to Part B transition. The staff from the co-lead agencies clarified the regulations around transition, addressed the top five TA requests, presented a family success story to generate ideas for ways to overcome challenges, and answered questions about the challenges for providers in the field. Four months later, the two co-lead agencies developed a transition TA plan requiring that EI programs incorporate improvement procedures for transition into their Wellness plans. AHS staff involved in this project developed a survey to help them analyze the communication between EI programs and LEA preschool staff. As a result of the communication survey from EI programs and LEAs, AHS staff developed training modules with help from the University of Vermont at Montpelier, the SICCC, Vermont's Family Network and the North East Regional Resource Center. Not only does the State attribute improved Indicator 8 data to this activity, it also reported that this strategy has become a model for ensuring that personnel are appropriately and adequately trained. VTDOE and AHS staff has presented on their early childhood transition training model at OSEP's early childhood conference in December 2008 and OSEP's data manager's meeting in June 2009.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP finds that the State has policies and practices that are reasonably designed to implement selected grant application requirements regarding local determinations and public reporting, interagency coordination and CSPD. Without collecting data at the local level, OSEP cannot determine whether the Lead Agency's procedures are fully effective in implementing these selected grant application requirements.

Required Actions/Next Steps

No action is required.

II. Data System

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 collects data manually to report valid and reliable data and information to OSEP, the EIS programs and the public in a timely manner to meet the requirements of Part C in IDEA sections 616, 618, 635(a)(14) and 642 and 34 CFR §303.540. The State ensures valid and reliable data through a multi-level review process, which includes the monthly active IFSP reporting form. The form also contains explicit directions, and technical assistance is available to the service coordinators from AHS. AHS staff reported the following procedures for collection of the data:

EIS programs monthly data procedures:

- The service coordinator completes and submits to AHS a monthly reporting form for all active IFSPs and exiting children. AHS also receives data from the State-funded agency for services to the deaf and hard of hearing and the State-funded agency for services to the blind and visually impaired throughout the State.
- The information on the first review is visually scanned by AHS staff assigned to each region. AHS staff completes missing data fields and uses a service grid to check off missing information on each child. If a discrepancy is found, AHS staff contacts the EIS program.
- The EIS program responds to AHS and AHS staff enters the corrected or missing data into the form. AHS staff then enters the data into an ACCESS database maintained by the data manager for Vermont's Part C program. As AHS staff enters the data into the database, the data manager identifies potential errors and anomalies in the data.
- After this process, the data manager generates queries and reports and reviews the data again to ensure accuracy. AHS sends a report to the EIS programs, and the EIS programs resubmit the form with updated data on each child. The data manager compares these data to IFSP data collected from the 618 child count form to ensure validity. Other AHS staff cross-references these data with the

billing form called the service grid, which is data collected by Children's Special Health Care Needs (CSHCN).

- When all data are aggregated for the 618 and APR reports, AHS staff completes the reports for submission to OSEP.
- In addition, for Indicator 3, AHS staff submits the child outcome summary form monthly for any child entering or exiting the system and compares the data from the child outcome summary with the data from the master list of data.

State level data procedures:

AHS staff explained they use the following process to ensure the data collected are valid and reliable:

- To ensure valid and reliable data are collected for APR indicators and 618 data, the State provides manual edit checks at both State and local levels;
- The State uses technical assistance to ensure valid, reliable, and timely data by including the identification and correction of practices that lead to data anomalies;
- If a data anomaly concerns a specific child, AHS staff follows up with the EIS program to discuss the anomaly and may ask to view the record prior to an on-site visit;
- If there is missing information, the assigned AHS staff person talks to the EIS program to obtain the data.
- EIS program staff reports information on every child and designated AHS staff places those data forms into data notebooks that AHS staff then sorts by EIS programs. While maintaining hard copy data notebooks is cumbersome, this practice does have benefits, such as the development of close relationships between AHS and the EIS programs.
- In addition to being entered into the monthly checklist, the data manager also enters data into a database, and the data staff uses queries to visually check for any additional anomalies. The data manager generates reports for each EIS program to keep the EIS programs apprised of their data. The data manager conducts queries annually for the APR reporting and biannually for the section 618 reporting.
- Before any report is submitted to OSEP, AHS staff checks the electronically stored data against the notebooks and then conduct an analysis and clearing of these data prior to reporting the data to OSEP.

AHS staff indicated that the use of this labor-intensive manual process for verifying its child count data affected Vermont's 2009 determination because the State could not report valid and reliable FFY 2007 child count data in a timely manner under SPP/APR Indicator 14. AHS staff individually validates and enters the data from the manual forms into the ACCESS data program. This program can generate reports but does not perform edit checks that must still be done manually by AHS staff. The current process for verifying child count data has resulted in multiple versions of the 618 data tables, as well as a lengthy process for correcting and verifying data in the different versions.

AHS staff reported that AHS intends to use its Part C ARRA funds to develop a web-based data system that will include a data handbook and ongoing data processing

training. AHS staff is currently reviewing some other States' data systems, but will most probably use their internal IT department to develop the system for CIS. The plan is to pilot the system in December 2010, with full implementation projected for January 2011.

OSEP Conclusions

Based on the review of documents, analysis of data, demonstration of the system capabilities and interviews with State personnel, OSEP concludes that 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 under IDEA sections 616, 618 and 642 in a timely manner. However, because of the problems described above, OSEP has concerns about the validity and reliability of the child count data reported under IDEA section 618.

Required Actions/Next Steps

With the State's next IDEA section 618 child count data submission, due February 1, 2010, the State must confirm the accuracy of its data and provide an update on the procedures it is using to ensure that these data are accurate.

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

Each Lead Agency must have procedures that are reasonably designed to verify that the data collected and reported reflect actual practice and performance to meet requirements of Part C in IDEA sections 616, 618, 635(a)(14) and 642 and 34 CFR §303.540. AHS ensures that data it collects and reports reflect actual practice by using a system of checks and balances at the regional and State levels.

AHS staff reported that data entered into the system are provided by service coordinators and providers who are actually developing and implementing a child's IFSP and that, as a result, data pulled from the system are more likely to reflect actual practices and less prone to the type of corruption that can occur when data are recorded and then re-entered multiple times. However, AHS staff report that these current procedures are time intensive and place a paperwork burden on the EIS programs throughout the State.

AHS staff reports that all users are trained at the local agency level, and the State provides instructions for populating the data forms. Although there is no data manual, there is a service coordinators' booklet and tip sheet. AHS staff maintains ongoing communication with OSEP and DAC to ensure consistency of required data collection and reports. Both of the State's data managers attend the OSEP annual data managers' meeting. Finally, ongoing communication between the EIS programs and AHS staff ensures that the data collected reflects actual practice and performance.

OSEP Conclusions

Based on the review of documents, analysis of data, and reviews with State and early intervention program personnel, OSEP has determined that the State has procedures that are reasonably designed to verify that the data collected and reported reflect actual practice and performance.

Required Actions/Next Steps

No 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

The State reported that data from all components of the State’s general supervision system, including its data system, APR process, monitoring, professional development, policy audit, technical assistance, training, and dispute resolution processes, are used to determine appropriate improvement activities. Training is part of the supervision at the regional level and primarily focuses on coaching methods. Each EIS program has a Part C coordinator (supervisor) and an EIS program director. Weekly ongoing staff meetings keep service coordinators up-to-date. As they review the data forms, AHS staff identifies practice issues. AHS staff reports that the problem seems to be how to collect and report the data in a manner that ensures that the technical assistance is meaningful. For example, in one EIS program, AHS provided TA where help was needed in developing forms that were less cumbersome. In another EIS program, AHS staff met with hospital clinic staff regarding timely referrals and the need to offer services in the natural environment rather than in a clinical setting. In addition, AHS expanded the private provider network based on identified noncompliance in that EIS program so that the clinic was not the only option available to families. Another example of using the data for statewide systemic issues was in transition from Part C to Part B of IDEA programs where the data led them to develop a statewide plan for training and technical assistance and ongoing needs assessment. Based on persistent noncompliance issues around the 45-day timeline requirement, AHS, in collaboration with VTDOE, conducted a stakeholder meeting to discuss the issues, identify barriers and brainstorm strategies to improve compliance in several EIS programs.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and early intervention program personnel, OSEP finds that the State compiles and integrates the data across its systems and uses the data to inform and focus its improvement activities.

Required Actions/Next Steps

No action is required.

III. Fiscal System

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

Early intervention was formerly in the Office for Children with Special Health Care Needs (CSHCN) within the Vermont Department of Health. However, under a reorganization that occurred in FFY 2004, both programs were placed under the umbrella of AHS. The contracts and grants office within the AHS central finance office is responsible for overseeing all of the grants. This office is responsible for the obligation and liquidation of funds. Early intervention staff reviews and approves all expenditures of Part C of IDEA funds and prepares the yearly Part C Application.

Each Lead Agency must ensure that IDEA Part C funds are timely obligated and liquidated in accordance with the requirements in the Education Department General Administrative Regulations (EDGAR). During the verification visit, AHS staff presented OSEP staff with the procedures AHS uses for obligating and liquidating Federal IDEA Part C Funds in a timely manner.

AHS staff reported that the grant approval letter from OSEP initiates the obligation of the Part C of IDEA funds. AHS requires budgets for each program to be prepared and reviewed by July 1 each year. AHS uses a grant/contract routing sheet for submission of the budget. The budget shows all sources of funding and codes for each source. AHS attaches to the budget a summary describing the activities planned for the year. Then the Part C funds are fully obligated by use of purchase orders (which were viewed by OSEP on-site during the verification visit) that have been coded by the early intervention program staff. AHS staff uses purchase orders to track expenditures. When an invoice is received, AHS staff codes it and processes the purchase order. AHS staff assures that a purchase order cannot be overspent. There is a shared drive for all programs in AHS so that each program can view reports on expenditures and remaining funds.

Each program office within AHS must submit a quarterly report of expenditures to the AHS business office. AHS also requires midyear reports of expenditures. AHS central finance office draws down the funds from the U.S. Department of Education's Grant Administration and Payment System (GAPS) based on purchase orders generated by the program staff. The unexpended funds report from the GAPS system shows that Vermont Part C has no unexpended funds. AHS's early intervention staff can run a report to see what funds have been liquidated.

EIS programs submit their proposed budgets in June so that early intervention staff can decide on allocation of all funds and prepare their budget for AHS. One AHS staff member in early intervention is responsible for documenting how much is obligated to each EIS program and tracks the expenditures from the EIS programs. Medicaid and the Vermont Global Commitment Fund (a blend of State funds) comprise two thirds of the EI

budget and are charged when there is a request for flexible spending outside the proposed budget by the EIS programs.

Staff from the central finance office reports that Part C has not been included in any single State audit. Due to receipt of ARRA funds, the single State audit for FFY 2009 will include the Part C EI program. AHS does not monitor or conduct fiscal reviews of the EIS programs but the EIS programs must turn in audits each year. AHS generates quarterly expenditure reports for each EIS program.

OSEP Conclusions

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

Required Actions/Next Steps

No 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

Procedures for Appropriate Use of IDEA Part C Funds at the State Level: Each Lead Agency must ensure that IDEA Part C funds are expended at the State level on appropriate uses, consistent with the requirements in IDEA section 638, the EDGAR, Office of Management and Budget (OMB) Circular A-87, and other applicable Federal requirements. In section III of the State's FFY 2009 Application for Part C of IDEA funds, the use of funds summary sheet indicates that the State's Part C funds are used mostly for administrative positions, the SICCN, maintenance and implementation activities, and for EIS programs to provide direct services. Within AHS, CSHCN continues to handle the billing for early intervention services. Bills have to be submitted within 90 days of the service date. The State reported during the verification visit that it uses Part C funds to pay for AHS staff, general supervision activities, the SICCN, direct services to the deaf and visually impaired, and Part C staff in the 11 EIS programs.

Indirect costs: AHS charges indirect costs to the Part C grant through a cost allocation plan (CAP). AHS staff reported that AHS has a CAP that has been approved by its cognizant Federal agency, the U.S. Department of Health and Human Services (HHS). OSEP will review the CAP as part of the State's 2010 grant application.

Maintenance of Effort Requirements: With respect to Part C's nonsupplanting requirements in IDEA section 637(b)(5)(B) and 34 CFR §303.124(b), AHS was able to ensure that the total amount of State and local funds for early intervention services in one year is maintained or increased in each subsequent year. AHS does have in place a specific method to calculate the amount of State and local funds actually expended for

early intervention services for Part C children and their families to comply with Part C's maintenance of effort requirements in IDEA. Central finance office staff reviewed this method with OSEP staff.

Payor of Last Resort: As part of the payor of last resort requirement under IDEA section 640, the State must ensure that Part C funds are not used to pay for Part C services that would have been paid for from another available funding source. Vermont has a policy that clarifies that Medicaid, private insurance, and the State allocations must be utilized before Federal IDEA Part C funds are accessed to pay for Part C services. AHS staff reported that training is provided to EIS programs on the State's payor of last resort policies and procedures. CSHCN maintains records regarding authorized services and sources of funding used. CSHCN assures that Part C is payor of last resort. State staff reported that approximately 40% of the children eligible under Vermont Part C are also eligible for services under CSHCN and that 60% of the children eligible under Vermont Part C are also Medicaid eligible. AHS staff reported that the direct services that Part C funds were used for are limited to two of the EI services that are not paid through other funding sources. These two services are service coordination and special instruction.

System of Payments: Vermont has a State system of payment on file as part of Vermont's Part C grant application. Vermont's system of payment includes use of Medicaid if a child is enrolled, private insurance if a parent consents to its use, State global commitment funds, local funds and finally, as payor of last resort, Part C funds. Staff from CSHCN reported that the system was established to ensure seamless procedures for the families of children eligible under Part C of IDEA. Vermont only has two private insurance companies that participate in the Part C program: Cigna and Blue Cross/Blue Shield (two insurance companies). AHS requires all EI providers to enroll as providers in these two insurance programs.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State personnel, OSEP concludes that AHS has procedures that are reasonably designed to ensure the appropriate use of IDEA Part C funds at the State level.

Required Actions/Next Steps

No required actions.