



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

Honorable Neal Young
Director
Arizona Department of Economic Security
1717 W. Jefferson - Site Code 010A
Phoenix, Arizona 85007

MAY 26 2010

Dear Director Young:

The purpose of this letter is to inform you of the results of the Office of Special Education Programs' (OSEP's) verification visit to the Arizona Department of Economic Security (ADES) during the week of November 16, 2009. As indicated in the letter to you dated July 2, 2009, OSEP is conducting verification visits to a number of States as part of our Continuous Improvement and Focused Monitoring System (CIFMS) for ensuring compliance with, and improving performance under Part C of the Individuals with Disabilities Education Act (IDEA). CIFMS is designed to ensure compliance and improve performance with Parts B and C of the IDEA in accordance with 20 U.S.C. 1416 and 1442. ¹Sections 616 and 642 of the IDEA require the Department to monitor States with a focus on: (1) improving early intervention and educational results and functional outcomes for infants, toddlers, children, and youth with disabilities; and (2) ensuring that States meet the program requirements, particularly those most closely related to improving early intervention and educational results for children with disabilities.

The purpose of the verification visit is to review the State's systems for general supervision, collection of State-reported data, and fiscal management, as well as the State's systems for improving child and family outcomes and protecting child and family rights. During the verification visit, OSEP: (1) analyzed the components of the State's general supervision, data and fiscal systems to determine whether they are reasonably designed to ensure compliance and improve performance; and (2) reviewed the State's procedures for collecting the data the State submitted for selected indicators in the State's Federal Fiscal Year (FFY) 2007 Annual Performance Report (APR)/State Performance Plan (SPP).

As part of the verification visit to Arizona, OSEP staff met with Molly Dries Bright, Part C Coordinator, and State personnel responsible for implementing the general supervision, data or fiscal systems, and local agency staff. Prior to and during the visit, OSEP staff reviewed a number of documents, including the following: (1) Arizona's FFY 2007 APR submitted to OSEP in February 2009; (2) Arizona's SPP submitted to OSEP in December 2005 and updated in 2007, 2008 and 2009; (3) Arizona's application submissions under Part C of the IDEA for FFY 2009; (4) OSEP's Verification Visit letter to Arizona dated March 15, 2004; (5) OSEP correspondence and ADES progress reports submitted under the December 16, 2004 three-year Compliance Agreement between the United States Department of Education and ADES to ensure compliance with certain IDEA Part C requirements; (6) ADES's website; and (7) other pertinent

¹ During the week of November 16, 2009, OSEP also conducted its IDEA Part B verification visit to the Arizona Department of Education (DOE). OSEP is issuing a separate letter regarding the IDEA Part B verification visit.

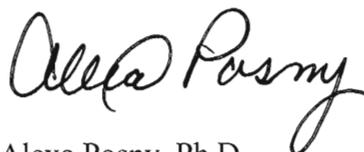
information.² OSEP also collected and reviewed stakeholder input from the State's Parent Training and Information Centers (PTIs) and the State Interagency Coordinating Council (SICC). OSEP developed critical elements that were used to evaluate Arizona's general supervision, data, and fiscal systems. OSEP's analysis of each critical element and any required actions, if noncompliance was identified during the verification visit, are provided in the Enclosure to this letter. As further detailed in that Enclosure, OSEP found noncompliance, and has required corrective action in the following areas:

- 1) ADES has not ensured compliance with the single line of responsibility requirements under IDEA section 635(a)(10)(A) and 34 CFR §303.501(b)(2). The ADES Division of Developmental Disabilities has not revised its service authorization policies and procedures to align with IDEA Part C requirements in IDEA section 636 and 34 CFR §§303.342, 303.343, 303.344, and 303.403.
- 2) ADES has not met the 30-day timeline for resolving due process hearing requests in 34 CFR §303.423(b).
- 3) Arizona's Revised Statute (ARS) 36-557, relative to the "*Qualified Vendor*," is inconsistent with the timely service provision requirements in 34 CFR §§303.340(c) and 303.342(e).

OSEP appreciates the cooperation and assistance provided by PTI staff, SICC members and parents in providing feedback and input on the State's systems for special education. We look forward to collaborating with all stakeholders and actively working with the State to improve results for infants, toddlers, and children with disabilities and their families.

If you have any questions or wish to request technical assistance, please do not hesitate to call your OSEP State Contact Debra Jennings at (202) 245-7389.

Sincerely,



Alexa Posny, Ph.D.
Acting Director
Office of Special Education Programs

Enclosure

cc: Part C Coordinator

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