

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

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OSEP 11-6

MEMORANDUM

TO: Chief State School Officers and Lead Agency Directors

FROM: Melody Musgrove, Ed.D. 
Director
Office of Special Education Programs (OSEP)

SUBJECT: Notification of new OSEP monitoring activities of funds provided through the Individuals with Disabilities Education Act (IDEA) under the American Recovery and Reinvestment Act of 2009 (ARRA)

The American Recovery and Reinvestment Act of 2009 (ARRA) provided an unprecedented amount of funds to save and create jobs and stimulate the economy. The U.S. Department of Education's Office of Special Education Programs (OSEP) provided ARRA funds to States under three Individuals with Disabilities Education Act (IDEA) programs. These programs are: (1) Part B of IDEA Section 611; (2) Part B of IDEA Section 619 (Preschool); and (3) Part C of IDEA (Infants and Toddlers). These one-time resources should be spent in ways most likely to lead to improved outcomes for children with disabilities and their families and to enhance statewide service delivery systems. The ARRA IDEA funds must be used consistently with the current IDEA to expand and improve the State's capacity to provide sustainable high quality services to children with disabilities and their families. Additionally, these funds provide support for innovative strategies to improve outcomes for infants, toddlers, children and youth with disabilities.

The ARRA funds were provided to States with high expectations for accountability and transparency in the use of funds. The Office of Management and Budget (OMB) set out its expectations for Federal agencies' oversight of the ARRA funds in OMB Memo M 09-10. This memo states the following:

5.4 Are Federal agencies expected to initiate additional oversight requirements for grants, such as mandatory field visits or additional case examinations for error measurements, to comply with grant rules and regulations?

Yes. Agencies must take steps, beyond standard practice, to initiate additional oversight mechanisms in order to mitigate the unique implementation risks of the Recovery Act. At a minimum, agencies should be prepared to evaluate and demonstrate the effectiveness of standard monitoring and oversight practices.

http://www.recovery.gov/About/Documents/InitialRecoveryActImplementingGuidance_Feb18.pdf

Since the winter of 2009, OSEP has been monitoring ARRA IDEA implementation by States through OSEP's quarterly review of the ARRA Section 1512 reports and the ARRA Desk Reviews. OSEP will continue its quarterly reviews of Section 1512 reports through the final required report. In addition, beginning in the winter of 2011, OSEP will use the ARRA Monitoring Inventory (AMI) to guide OSEP's review of State systems to oversee the use of ARRA IDEA funds. OSEP will complete the AMI for all IDEA Part B and C State agencies that have received ARRA IDEA funds by December of 2011. For your information, the AMI is available at: <http://tadnet.org/arra>. Note that there is no expectation that States fill out the AMI. Rather, OSEP's Recovery Act Facilitators will gather information in a variety of ways to complete the AMI and evaluate your systems for ensuring accountability for ARRA IDEA funds.

OSEP will use the following four monitoring principles to assess the distribution and use of ARRA IDEA funds:

1. State procedures are reasonably designed to ensure accountability and transparency of ARRA IDEA funds;
2. State controls are reasonably designed to ensure such funds are used in accordance with IDEA and ARRA requirements;
3. ARRA IDEA funds reach intended recipients and achieve results; and
4. State procedures are reasonably designed to ensure that instances of fraud, waste, or abuse of ARRA IDEA funds are promptly identified and mitigated.

In implementing the AMI, OSEP will gather information through: (1) review of existing information (i.e. State's websites, information collected during recent verification or focused monitoring visits, and information from the first ARRA desk audits conducted in the winter of 2009); (2) review of additional documentation requested by OSEP; (3) phone interviews; and/or (4) some on-site visits. Although all State agencies that received ARRA IDEA funds will be monitored, not all States will receive an on-site visit.

Following the ARRA IDEA monitoring of a State, OSEP will provide the State with a response that describes the results of our review. If the analysis of the data indicates noncompliance or potential noncompliance, OSEP will describe the noncompliance or potential noncompliance in the letter and require the State to take appropriate action. However, an equally important goal of OSEP's ARRA IDEA monitoring using the AMI is to identify areas to provide further technical assistance to States, as appropriate.

The appropriate OSEP Recovery Act Facilitator will notify States individually of the schedule for ARRA IDEA monitoring and provide additional details on the process. Thank you for your cooperation and continued work to improve results for infants, toddlers, and children with disabilities and their families.