



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

OCT 13 2004

Honorable D. Kent King  
Commissioner  
Missouri Department of Elementary and Secondary Education  
P.O. Box 480  
Jefferson City, Missouri 65102-0480

Dear Commissioner King:

The purpose of this letter is to respond to the Missouri Department of Elementary and Secondary Education's (DESE's) April 20, 2004 submission of its Federal Fiscal Year (FFY) 2002 Annual Performance Report (APR) for the Individuals with Disabilities Education Act (IDEA) Part C funds used during the grant period July 1, 2002 through June 30, 2003. The APR reflects actual accomplishments made by the State during the reporting period, compared to established objectives. The APR for IDEA is designed to provide uniform reporting from States and result in high-quality information across States.

The APR is a significant data source utilized in the Continuous Improvement and Focused Monitoring System (CIFMS) implemented by the Office of Special Education Programs (OSEP), within the U.S. Department of Education. The APR falls within the third component of OSEP's four-part accountability strategy (i.e., supporting States in assessing their performance and compliance, and in planning, implementing, and evaluating improvement strategies) and consolidates the self-assessing and improvement planning functions of the CIFMS into one document. OSEP's Memorandum regarding the submission of Part C APRs directed States to address: General Supervision; Comprehensive Public Awareness and Child Find System; Family Centered Services; Early Intervention Services in Natural Environments; and Early Childhood Transition.

### ***Background***

As stated in OSEP's March 20, 2003 letter responding to the State's October 2002 Self-Assessment, data in the Self-Assessment indicated noncompliance with the following Part C requirements: (1) identifying, locating, and evaluating all eligible infants and toddlers with disabilities (34 CFR §303.321(b)(1)); (2) ensuring the correction of identified noncompliance (34 CFR §303.501(b)(1) and (4)); and (3) completing an initial evaluation and assessment and conducting an initial meeting to develop an initial individualized family service plan (IFSP) within 45 days from referral (34 CFR §§303.321(e), 303.322(e), and 303.342(a)).

OSEP conducted a visit to Missouri during the week of December 8, 2003 to verify the effectiveness of the State's systems for general supervision and data collection under section 618

of IDEA. OSEP provided the results of this visit to the State in a letter dated May 7, 2004. In that letter, OSEP found that DESE was not meeting its responsibility under 34 CFR §303.501 to monitor all agencies that provided Part C services for compliance with all Part C requirements and to ensure correction of the previously identified noncompliance in a timely manner.

In its May 7, 2004 response to the State's FFY 2001 APR, OSEP informed the State that: (1) it accepted the State's Improvement Plan (IP), submitted as part of its FFY 2001 APR, to address the areas of noncompliance identified in OSEP's March 2003 response to the Self-Assessment; (2) DESE must, within a reasonable period of time, not to exceed one year from the date of the May 2004 APR response letter, correct the areas of identified noncompliance and provide documentation to OSEP, no later than 30 days after one year from the date of that letter, demonstrating that: (a) DESE was implementing effective monitoring procedures to ensure the identification and correction of noncompliance regarding all Part C requirements and in all agencies that carry out Part C; (b) all eligible infants and toddlers were identified, located, and evaluated; and (c) within 45 days of an initial referral, an evaluation and assessment was completed and an initial IFSP meeting held; and (3) DESE must submit an interim Progress Report, on October 31, 2004, and a final Progress Report showing correction, no later than 30 days after one year from the date of OSEP's May 7, 2004 letter.

The State's APR should reflect the collection, analysis and reporting of relevant data, and document data-based determinations regarding performance and compliance in each of the cluster areas (as well as any other areas identified by the State to ensure improvement). OSEP's comments are listed by cluster area.

### ***General Supervision***

As noted above, OSEP's March 2003 letter identified one area of noncompliance in this cluster: the State was not ensuring the correction of identified noncompliance (34 CFR §303.501(b)(1) and (4)). In its May 2004 verification letter, OSEP found that the prior uncorrected noncompliance persisted, and found an additional area of noncompliance: the State was not meeting its responsibility under 34 CFR §303.501 to monitor all agencies that provided Part C services for compliance. In its May 2004 response to the State's FFY 2001 APR, OSEP accepted the State's improvement strategies and directed the State to correct these areas of noncompliance within a reasonable period of time, not to exceed one year from the date of the letter, and to provide: (1) documentation of progress to OSEP, in an interim Progress Report, by October 31, 2004; and (2) documentation of compliance no later than 30 days after one year from the date of that letter.

On page 18 of its FFY 2002 APR, the State reported that: (1) when the State submitted the APR in April 2004, it had not yet conducted any monitoring of service providers; (2) such monitoring was scheduled to begin in July 2004 and would focus on the provision of services in accordance with the IFSPs and in natural environments; (3) as the entities responsible for overseeing all service coordination responsibilities under the State's redesigned "First Steps" Part C system, the System Points of Entry (SPOEs) would monitor progress notes; (4) the State's peer review process would provide additional oversight for the system; and (5) DESE would work with the National Center on Special Education

Accountability Monitoring to develop a focused monitoring system during the summer 2004.

On pages 19-21, the State reported that: (1) beginning in November 2002, DESE conducted monitoring reviews in the first five (Phase I) SPOEs covering, in part, monitoring findings dating back to 1996-2000, under the State's previous First Steps Part C system; (2) follow-up monitoring in one Phase I SPOE (St. Louis) in November 2003 showed that many of the same issues of noncompliance persisted; (3) preliminary results from follow-up monitoring in the remaining Phase I SPOEs and initial monitoring in Phase II SPOEs suggested that there were still areas of noncompliance, especially regarding the application of eligibility criteria and meeting timelines; (4) DESE responded by publishing a new request for proposals (RFP) for the Phase I SPOEs, implementing SPOE changes beginning in July 2004, and this RFP addressed the lack of oversight and monitoring of service coordinators and providers; and (5) the State's new web-based SPOE software was compliance-driven and would ensure compliance proactively, rather than after the fact. On page 25, DESE stated that noncompliance in all Phase I SPOEs indicated that these were systemic issues of noncompliance, but that DESE was addressing these issues through training and monitoring. On pages 22-24 and 26, DESE outlined future activities for monitoring the provision of early intervention services and ongoing IFSP, transition meeting and other Part C requirements.

OSEP looks forward to reviewing the State's October 31, 2004 Progress Report and final Progress Report, due no later than June 6, 2005, documenting that the State is meeting its responsibility under 34 CFR §303.501 to monitor all agencies that provide Part C services, for compliance with all Part C requirements, and to ensure the correction of identified noncompliance, as required by 34 CFR §303.501(b)(1) and (4). In the interim Progress Report, the State must report on its progress in ensuring that the areas of noncompliance in the St. Louis SPOE and other SPOEs are corrected within one year from identification. In the final Progress Report, the State must submit data and analysis demonstrating that its monitoring procedures and follow-up corrective actions have been successful in ensuring that SPOEs, including St. Louis, correct noncompliance within one year from identification.

On page 27, DESE reported that it: (1) received 16 Part C complaints during the reporting period, three of which were subsequently withdrawn; (2) made findings of noncompliance in ten of the remaining 13 complaints; (3) issued decisions for all 13 complaints within the 60-day timeline; and (4) received only one due process hearing request that was subsequently withdrawn.

On pages 28-29, the State reported data regarding service coordinator caseloads. On page 30, the State reported that: (1) some SPOEs were not adequately staffed to handle all referrals in a timely manner; (2) there were provider shortages, particularly in rural areas and for some provider types; (3) provider recruitment was a priority since implementation of the First Steps redesign in April 2002, and continued efforts were needed to identify areas with shortages and target recruitment efforts in these areas; and (4) the State was adding a "no provider available" element to its web-based data system, so that it could collect and analyze current data on provider shortages, in order to focus provider recruitment efforts. On pages 31 and 32, DESE

included activities to achieve targets and results with regard to recruitment and credentialing of qualified personnel to ensure sufficient numbers of service coordinators and service providers to meet the needs of eligible infants and toddlers and their families in the State. OSEP looks forward to reviewing the impact of the State's strategies in the next APR.

On pages 12-15 and 33, DESE provided background information regarding the State's new Central Finance Office (CFO) database and its web-SPOE software changes that were designed to significantly impact the quality and quantity of available data to enhance program and monitoring efforts. OSEP looks forward to reviewing the impact of the new system in the next APR.

### ***Comprehensive Child Find System***

Based upon data and information in the State's October 2002 Self-Assessment, OSEP's March 2003 letter identified an area of noncompliance in this cluster: the State was not ensuring, as required at 34 CFR §303.321(b)(1), that all eligible infants and toddlers were identified, located, and evaluated. The State acknowledged in the Self-Assessment that, under its previous First Steps system, it was not identifying or evaluating all Part C eligible infants and toddlers and reported that the percentage of racial/ethnic minority population groups served was not consistent with Missouri demographics. In its May 2004 response to the State's FFY 2001 APR, OSEP accepted the State's improvement strategies and directed the State to correct this area of noncompliance within a reasonable period of time, not to exceed one year from the date of the letter and to provide documentation of progress to OSEP, in an interim Progress Report, by October 31, 2004, and documentation of compliance no later than 30 days after one year from the date of that letter.

Data on pages 36-42 and 44-47 of the APR showed that Missouri's Part C child count increased and that the State met its December 2003 benchmark of 1.55%. This was consistent with the State's 618 child count reports for December 1, 2001 and December 1, 2002 that showed an increase in the percentage of the State's: (1) birth-to-one population receiving Part C services, from .42% in 2001 to .55%; to 2002 and (2) birth-to-three population receiving Part C services, from 1.28 % to 1.33%. On page 36 of the APR, DESE stated that the State's regulations and interagency agreements set forth responsibilities for child find and referral and assured the timely referral of infants and toddlers with suspected disabilities to the State's Part C system for eligibility determinations. As directed in OSEP's May 2004 letter, the State must submit an interim Progress Report by October 31, 2004, correct that area of noncompliance by May 7, 2005, and provide documentation to OSEP, no later than 30 days after that date, demonstrating compliance.

On pages 41-42 and 46-47, the State reported that: (1) the percentage of children served in its First Steps program varied across SPOEs; (2) urban and suburban SPOEs tended to serve a higher percentage of children than rural areas; (3) there was a need for additional analysis of data regarding referral sources and application of eligibility criteria, especially for SPOEs serving the highest and lowest percentages of infants and toddlers; (4) the data suggested that a high percentage of referred children were not found eligible for services, (5) preliminary data for the FFY 2002 reporting period showed a large increase in the percentage of referrals by parents,

suggesting that more families were aware of the First Steps program; (6) there were some differences among SPOEs in the percentages of referred children in specific disability categories, and the State was addressing these issues through monitoring visits and ongoing reviews of data; (7) there appeared to be possible under-representation of Hispanic children in the State's Part C system that the State was addressing through increased SPOE responsibilities for public relations and child find through the new RFP; (8) the new SPOE RFP included requirements and performance standards around child find; and (9) the regional interagency coordinating councils would work with the SPOEs to determine child find targets appropriate to each SPOE region that would be used to evaluate the SPOEs regarding child find performance standards.

On pages 42 and 46-47, the State included: (1) targets for December 2003, of serving 1.55% of the birth-to-three population and 0.65% of the birth-to-one population; (2) a target to increase the birth-to-three percentage by 10% each year to 2.00% by December 2007; and (3) a target to increase the birth-to-one percentage by 0.05% each year to 0.90% by December 2007. While it is not inconsistent with Part C to include a numerical goal to increase the percentages of infants and toddlers with disabilities determined eligible for services, the State must continue to monitor to ensure that eligibility decisions for all infants and toddlers are made in conformity with the individual evaluation and assessment requirements of Part C (at 34 CFR §§303.320-.323), and not based upon a numerical goal.

### ***Family Centered Services***

On page 48 of the APR, DESE reported that: (1) its standard IFSP form included a statement of the family's resources, priorities and concerns related to enhancing the development of the child (34 CFR §303.344(b)); a statement of the major outcomes expected to be achieved for the child and the family (34 CFR §303.344(c)); and early intervention services to meet the unique needs of the family (34 CFR §303.344(d)(1)); (2) its revised monitoring procedures addressed all of those requirements; and (3) its initial monitoring of Phase I SPOEs, during FFY 2002-2003, did not find these issues to be an area of concern. On page 49, the State reported that it would develop and implement a follow-up survey to assess families' capacity to enhance outcomes, and that data from the survey, together with detailed child and IFSP data from the web-SPOE data-base, would provide much information for analysis to help: (1) ensure that all family needs are identified; (2) ensure all appropriate services are provided; and (3) encourage the provision of services that are family-centered, rather than directing services only towards the child. OSEP looks forward to reviewing the State's analysis of these data in the FFY 2003 APR, due March 31, 2005.

### ***Early Intervention Services in Natural Environments***

OSEP's March 2003 letter identified one area of noncompliance in the cluster. The State was not ensuring that, within 45 days of referral, the initial evaluation and assessment were completed and an initial IFSP meeting convened. In its May 2004 response to the State's FFY 2001 APR, OSEP accepted the State's improvement strategies and directed the State to correct this area of noncompliance within a reasonable period of time, not to exceed one year from the date of the letter, and to provide documentation of progress to OSEP, in an interim Progress Report, by October 31, 2004, and documentation of compliance no later than 30 days after one

year from the date of that letter. On pages 51-52 of the FFY 2002 APR, DESE reported that: (1) the State met the 45-day timeline for only 1,669 of 3,785 (44.10%) referrals received during the FFY 2002-2003 reporting period; (2) the average number of days from referral to the initial IFSP meeting was 69.3 days; (3) this problem was especially severe in the St. Louis SPOE; (4) the State's current data system did not capture the reasons for these delays, but the new data software would, so that specific noncompliance could be identified and corrected in a timely manner. On pages 54-58, DESE included an extensive list of activities regarding ensuring improvement in all aspects of service coordination and the provision of early intervention in natural environments, including monitoring and ensuring compliance with the 45-day timeline. OSEP looks forward to the State's interim Progress Report on October 31, 2004 and its final report, by June 6, 2005, showing compliance with the 45-day timeline by May 7, 2005.

In its May 7, 2004 response to the State's FFY 2001 APR, OSEP stated that the APR did not include data to support a determination whether service coordinators were fulfilling all of their roles and responsibilities under 34 CFR §303.23, and that it would be important, in the FFY 2003 APR, for the State to clearly address, with data and analysis, its levels of compliance and performance with regard to this issue. On page 51 of the FFY 2002 APR, DESE included data indicating that 25 children had no designated service coordinator and no authorized service coordination as of June 30, 2003. On pages 51-52, DESE indicated that the lack of a designated service coordinator in a child's electronic record did not mean that service coordination was not occurring and that SPOEs may be providing the ongoing service coordination that would not show up in the State's current data system. OSEP could not determine, from the data and information in the APR, whether the State was meeting its responsibility to ensure that a service coordinator is provided to each eligible child, as required by 34 CFR §303.23. In the next APR, the State must include data and analysis, along with a determination of compliance or noncompliance in this area. If the data demonstrate noncompliance, the State must include a plan (including strategies, proposed evidence of change, targets, and timelines) that will demonstrate compliance within a reasonable period of time, not to exceed one year from the date OSEP accepts the plan. If data are not available, the State should include a plan in the APR that describes how the State will collect data to enable it to determine compliance or noncompliance.

On page 59 of the APR, DESE stated that its monitoring procedures addressed whether evaluations and assessments covered the five development areas and included family assessments. DESE noted, on page 59, that these items were found not to be concerns in the initial Phase I SPOE monitoring.

The State indicated on page 60 of its FFY 2002 APR that "data were not currently available" on compliance issues as to whether: (1) IFSPs included all services necessary to meet the identified needs of the child and family; and (2) all services identified on IFSPs were provided. In the next APR, the State must include either data (if available), or its plan to collect and report such data no later than the FFY 2004 APR. If the data are available by the time that the State submits its FFY 2003 APR, please also include in that APR, the State's analysis, along with a determination of compliance or noncompliance in these areas. If the data demonstrate noncompliance, the State must include a plan (including strategies, proposed evidence of change, targets, and timelines) designed to ensure correction of the noncompliance within a reasonable period of time, not to exceed one year from the date when OSEP accepts the plan.

On pages 61-62, DESE reported that: (1) the home was the primary service setting for 77.36% of the children served in the First Steps program; (2) programs for typically developing children were the primary setting for 7.75%; (3) there were 151 children whose primary setting was unknown due to the conversion from the old First Steps system to the new system; and (4) there were an additional 103 children who were primarily receiving service coordination and for whom the primary setting was also unknown. DESE stated that it had not yet conducted monitoring regarding whether a justification was included on the IFSP when early intervention services were not provided in natural environments, but that the new web-SPOE software would require a justification statement if a non-natural environment setting for an early intervention service was selected, and planned monitoring would include reviewing these justifications. OSEP looks forward to reviewing data from these sources and analysis in the FFY 2003 APR, due March 31, 2005.

The Part C FFY 2001 and FFY 2002 APRs requested data on the percentage of children participating in the Part C program that demonstrated improved and sustained functional abilities in the five developmental areas listed in 34 CFR §303.322(c)(3)(ii). On page 64, DESE addressed this requirement by: (1) including a table showing the reasons children exited Part C; and (2) stating that Missouri did not currently have data to definitively address this indicator. On pages 49 and 67, DESE described activities to: (1) finalize and implement follow-up family surveys; (2) analyze the results; and (3) monitor Part C exiting/Part C to Part B transition reports. In the FFY 2003 APR, Missouri must submit either: (1) documentation of data (whether collected through sampling, monitoring, IFSP review, or other methods), targets for improved performance and strategies to achieve those targets for this area; or (2) a plan to collect the data to report by the FFY 2004 APR, including a detailed timeline of the activities necessary to implement that plan.

### ***Early Childhood Transition***

At 34 CFR §303.148(b)(2)(i), Part C requires that, with the approval of the family, the Lead Agency must convene a conference among the Lead Agency, the family, and the local educational agency at least 90 days, and at the discretion of the parties, up to 6 months, before the child is eligible for the preschool services, to discuss any services that a child, who may be eligible for preschool services under Part B, may receive. On pages 65 and 66 of its FFY 2002 APR, DESE included data showing that there was documentation of a transition-planning meeting for only 840 of the 1,975 children exiting the Part C system who were prospectively Part B-eligible. On page 65, DESE noted that, because awareness of the coding process in reporting transition meetings was not yet consistent, for the purposes of this report, IFSP team meetings taking place after a child reached 2.5 years of age were also counted as transition meetings. On page 66, DESE stated that data suggested that service coordinators were not conducting transition meetings in a timely manner and noted that these transition meeting data were based on authorizations for meetings, which were not a reliable source. It appears from these data that the State may not be meeting the requirements of 34 CFR §303.148(b)(2)(i). In the next APR, the State must submit either: (1) current, accurate data showing that it is meeting those requirements; or (2) its plan (including strategies, proposed evidence of change, targets, and

timelines) for correcting any noncompliance with these requirements within a reasonable period of time, not to exceed one year from the date OSEP accepts the plan.

### ***Conclusion***

As stated in OSEP's May 2004 letter, DESE must, regarding each of the following four areas of noncompliance, submit an interim Progress Report by October 31, 2004 and its final Progress Report, by June 6, 2005 (demonstrating correction of the identified noncompliance by May 7, 2005) that: (1) the State was not ensuring the correction of identified noncompliance (34 CFR §303.501(b)(1) and (4)); (2) the State was not meeting its responsibility under 34 CFR §303.501 to monitor all agencies that provide Part C services for compliance with all Part C requirements; (3) the State was not ensuring that all eligible infants and toddlers were identified, located, and evaluated (34 CFR §303.321(b)(1)); and (4) the State was not ensuring that, within 45 days from referral, an evaluation and assessment was completed and an initial IFSP meeting held.

In the FFY 2003 APR (due March 31, 2005), the State must include data and analysis, along with a determination of compliance or noncompliance regarding the service coordination requirements of 34 CFR §303.23. If the data demonstrate noncompliance, the State must include a plan (including strategies, proposed evidence of change, targets, and timelines) that will demonstrate compliance within a reasonable period of time, not to exceed one year from the date OSEP accepts the plan. If data are not available, the State should include a plan in the APR that describes how the State will collect data to enable it to determine compliance or noncompliance.

In the FFY 2003 APR, the State must either include data (if available) regarding whether: (1) IFSPs include all services necessary to meet the identified needs of the child and family; and (2) all services identified on IFSPs are provided or its plan to collect and report such data no later than the FFY 2004 APR. If the data are available by the time that the State submits its FFY 2003 APR, please also include in that APR, the State's analysis, along with a determination of compliance or noncompliance in these areas. If the data demonstrate noncompliance, the State must include a plan (including strategies, proposed evidence of change, targets, and timelines) designed to ensure correction of the noncompliance within a reasonable period of time, not to exceed one year from the date when OSEP accepts the plan.

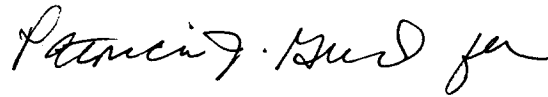
The FFY 2003 APR must also include either: (1) updated accurate current data showing that the State is meeting the transition planning conference requirements of 34 CFR §303.148(b)(2)(i); or (2) the State's plan (including strategies, proposed evidence of change, targets, and timelines) for correcting any noncompliance with those requirements within a reasonable period of time, not to exceed one year from the date OSEP accepts the plan.

In the FFY 2003 APR, the State must further submit either: (1) documentation of data on the percentage of children participating in the Part C program that demonstrated improved and sustained functional abilities in the five developmental areas listed in 34 CFR §303.322(c)(3)(ii) (whether collected through sampling, monitoring, IFSP review, or other methods), targets for improved performance and strategies to achieve those targets for this area; or (2) a plan to collect the data to report by the FFY 2004 APR, including a detailed timeline of the activities necessary to implement that plan.



OSEP recognizes that the APR and its related activities represent only a portion of the work in Missouri, and we look forward to collaborating with you as you continue to improve results for infants and toddlers with disabilities and their families. If you have further questions, please contact John Edwards, OSEP's Part C State Contact for Missouri, at (202) 245-7333, for further assistance.

Sincerely,

A handwritten signature in cursive script, appearing to read "Stephanie Smith Lee".

Stephanie Smith Lee  
Director  
Office of Special Education Programs

cc: Ms. Melodie Friedebach