



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

Honorable Kimberly Belshé
Secretary
California Health and Human Services Agency
1600 9th Street, Room 460
Sacramento, California 95814

DEC 18 2006

Dear Secretary Belshé:

The purpose of this letter is to inform you of the results of the Office of Special Education Programs' (OSEP's) recent verification visit to California under Part C of the Individuals with Disabilities Education Act (IDEA). As indicated in our letter to you of April 13, 2006, 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, Parts B and C of IDEA. OSEP staff conducted the verification visit to California during the week of October 2, 2006.

The purpose of our verification reviews of States is to determine how they use their systems for general supervision and State-reported data collection under IDEA section 618 to assess and improve State performance, child and family outcomes, and the protection of child and family rights. The purposes of the verification visits are to: (1) understand how these systems work at the State level; (2) determine how the State collects and uses data to make monitoring decisions; and (3) determine the extent to which the State's general supervision systems are designed to identify and correct noncompliance and improve performance.

California's Part C lead agency is the Department of Developmental Services (DDS), which is located in the California Health and Human Services Agency. OSEP staff met with Rick Ingraham, California's Part C Coordinator, and members of the Early Start section staff in the Children and Family Services Branch of DDS, who are responsible for: (1) the oversight of general supervision activities (including monitoring, mediation, complaint resolution, and impartial due process hearings); and (2) the collection and analysis of State-reported data. DDS staff from the Information Service Division participated in the discussions specific to the collection of State-reported data. Terrence Williams of the California Department of Education (CDE) joined DDS and OSEP staff for a discussion regarding monitoring activities specific to those infants and toddlers with disabilities who have solely low incidence disabilities (vision, hearing, and/or severe orthopedic problems) and who are served by CDE under a contractual agreement with DDS. A representative of the Western Regional Resource Center also participated in the visit as part of OSEP's technical assistance resources for the State.

Prior to and during the visit, OSEP staff reviewed a number of documents, including California's: (1) Federal Fiscal Year (FFY) 2006 Part C Application; (2) FFY 2002 and 2003 Annual Performance Reports (APRs); (3) State Performance Plan (SPP); and (4) submissions of

data under section 618 of the IDEA, as well as other information and documents.¹ At the State's request, OSEP also attended the California Interagency Coordinating Council (CICC) meeting on September 14-15, 2006 to solicit information on the strengths and weaknesses of the State's systems for general supervision and data collection and reporting.

The information that Mr. Ingraham, DDS staff, and Mr. Williams from CDE provided to OSEP staff during the OSEP visit, together with all of the information that OSEP staff reviewed in preparation for the visit, greatly enhanced our understanding of DDS's systems for general supervision, and data collection and reporting, for the California Early Start Program.

General Supervision

In looking at California's general supervision system under Part C, OSEP collected information regarding a number of elements, including whether the State: (1) has identified any barriers (e.g., limitations on authority, insufficient staff or other resources, etc.) that impede the State's ability to identify and correct noncompliance; (2) has systemic data-based, and reasonable approaches to identifying and correcting noncompliance; (3) utilizes guidance, technical assistance, follow-up, and—if necessary—sanctions, to ensure timely correction of noncompliance; (4) has dispute resolution systems that ensure timely resolution of complaints and due process hearings; and (5) has mechanisms in place to compile and integrate data across systems (e.g., 618 State-reported data, due process hearings, complaints, mediation, previous monitoring results, etc.) to identify systemic issues and problems.

Structure of California's Early Start Program

California's Early Start Program provides early intervention services for families who have infants and toddlers with developmental delays or who show signs of being at-risk to have certain delays in the future.

The **Early Start Section** in DDS's Children and Family Services Branch coordinates and has responsibility for general supervision of the State's Part C system.

Regional Centers are the single point of entry into the service system that serves people with developmental disabilities across all ages. Twenty-one Regional Centers provide intake, evaluation, and assessment to determine eligibility for different programs and to identify the service needs of individuals. These Regional Centers also provide service coordination, advocacy, information, and referral. They also provide, contract for, or arrange for early intervention services under Part C. Early intervention services that are not available through other publicly-funded agencies are generally purchased from community service providers that contract with the Regional Center. Through its monitoring of early intervention service vendors, the Regional Center is responsible for ensuring that all early intervention services are implemented according to Part C requirements and the individualized family service plans (IFSPs) of eligible children. A DDS Liaison is assigned to each of the Regional Centers. The

¹ Documents 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.

assigned Liaison provides additional oversight and monitoring of, and technical assistance to, the Regional Center and its vendors.

Each Regional Center, on behalf of DDS as the Lead Agency, is responsible for ensuring that early intervention services under Part C are made available to eligible children and their families. The Regional Center is also responsible for ensuring that families are provided accurate and timely information, with a full explanation of the family's rights, opportunities and responsibilities under Federal and California law.

Information Services Division (ISD). As further described below in the section of this letter regarding collection of data under IDEA section 618, ISD manages the State's Part C data collection system. The Uniform Fiscal System/San Diego Information System (UFS/SANDIS) is the existing, operational data system for DDS, and was in place before Early Start. UFS/SANDIS includes data for people with disabilities of all ages (birth through death) served by Regional Centers.

California Department of Education (CDE). DDS contracts with CDE to provide Part C early intervention services to infants and toddlers with solely low incidence disabilities through Local Education Agencies (LEAs), such as school districts and county offices of education. In its October 13, 2006 e-mail message to OSEP, DDS reported that, as of June 2005, CDE served 1,489 infants and toddlers with disabilities with such low incidence disabilities under Part C.

Family Resource Centers. DDS contracts with more than 50 Early Start Family Resource Centers (ESFRCs), which provide parent-to-parent support and family support peer counseling, information and referral, public awareness, family-professional collaboration activities and transition assistance for families of eligible children in urban and rural communities.

Identification of Noncompliance

At 34 CFR §303.501, Part C requires that the Lead Agency be responsible for: (1) the general administration and supervision of programs and activities receiving assistance under Part C; and (2) the monitoring of programs and activities used by the State to carry out Part C, whether or not these programs or activities are receiving assistance under Part C, to ensure that the State complies with Part C.

DDS informed OSEP that it conducts site monitoring visits and record reviews in each of the 21 Regional Centers on a cyclical basis every four years. DDS provided OSEP with a schedule of the site monitoring visits it conducted in all 21 Regional Centers in the four-year cycle from 2001 through 2005, and a projected schedule of visits for 2005 through 2011. DDS has routinely provided OSEP with copies of monitoring and record review reports since 2002. During the verification visit, OSEP reviewed Early Start Program Review and monitoring materials from the Regional Center of Orange County, North Bay Regional Center, Kern Regional Center, Alta California Regional Center, Central Valley Regional Center, Inland Regional Center, and San Gabriel/Pomona Regional Center.

DDS staff reported that the Lead Agency collaborates with CDE to monitor the implementation of early intervention for infants and toddlers with solely low incidence disabilities who are served by CDE in LEAs. Records for these children are included in the DDS record reviews, and parents may be interviewed as part of an Early Start site monitoring visit for the Regional Center in which they are served. In addition, CDE's Terrence Williams told OSEP that these children are included in the focused monitoring approach that CDE uses to monitor LEAs.

DDS staff provided the following information regarding its site monitoring under Part C. The Early Start site monitoring visit is a comprehensive review of the local Early Start program. Approximately one month prior to the site monitoring visit, a representative sample of individual child records are reviewed to assess compliance with the procedural requirements. In its email correspondence to OSEP dated October 13, 2006, DDS staff clarified that the record review samples are designed to include children of transition planning ages and children who entered Part C since the last record review at the Regional Center. Samples are designed to include children of each Part C age group (birth to one, one to two, and two to three), records from all counties in the Regional Center, and children with the various ethnicities and primary languages in the communities the Regional Center serves.

DDS reported that the site monitoring reviews are conducted by a team that includes parents, a CICC representative, CDE staff, clinical staff, Early Start supervisors, vendors of Part C early intervention services, and technical assistance providers. Interviews are conducted with clinical teams, vendors, service coordinators, program managers, interagency representatives, and families. Interviewers gather information on the eligibility process, service coordination, interagency collaborations, service provision, and family support. The forms utilized throughout the monitoring process include a review of State and Federal Part C requirements, as well as the State's best practice indicators and contract obligations.

DDS Liaisons closely supervise the monitoring teams and their activities throughout the monitoring visit. Liaisons conduct pre-visit training for new monitoring team members, and prior to the review, brief all members on their responsibilities and timelines. During the monitoring visit, Liaisons conduct daily meetings to reconfirm responsibilities of members, and periodic meetings if necessary to respond to team questions. In addition, DDS Liaisons provide criteria for decisions in order to facilitate consensus among the team members.

DDS staff informed OSEP staff that the Lead Agency monitoring team reviews the Regional Center's program to identify its strengths and areas needing improvement. Program strengths and areas requiring follow-up are identified in the site monitoring report. There are two categories for follow-up in the site monitoring report: (1) findings that require follow-up; and (2) findings where follow-up is recommended. Findings that require follow-up are those in which the monitoring team found that implementation was inconsistent with statute and/or regulation. Recommended follow-up items are included when interviews and/or process reviews reveal that requirements are met but a slight modification to current practice would enhance program performance. A response to recommended follow-up items is optional. DDS staff informed OSEP that the Lead Agency requires correction and follow-up, even if only one file in a record review has implementation inconsistent with statute and/or regulation.

DDS staff further informed OSEP staff that follow-up regarding site monitoring findings and compliance complaint decisions occurs during the development and implementation of a plan of corrective action (POCA). Regional Centers are required to develop the POCA in coordination with their Liaison, and submit it to DDS within 30 days of their receipt of the site monitoring report. The site monitoring process also includes an on-site follow-up record review at least once during the year following the site monitoring report. DDS staff clarified during the verification visit that they might identify new findings requiring follow-up during these follow-up record review visits. The record review follow-up report and new follow-up plan indicate which previous findings have been cleared and any new findings that require follow-up.

OSEP's review of Early Start Program Materials for the Regional Centers verified the comprehensiveness of the site monitoring process. There was clear documentation for each site visit of the records DDS staff reviewed, their observations, interviews, the review of local interagency agreements, child find data, site monitoring reports with findings that require follow-up and findings for which follow-up is recommended, responses from the Regional Centers regarding the follow-up, and subsequent follow-up record reviews which resulted in the identification of new findings. With the exception of its May 19, 2006 monitoring report to one Regional Center, the monitoring reports did not inform Regional Centers that they must correct the noncompliance within a timeline not to exceed one year from identification.

Prior to the verification visit, DDS informed OSEP that the Western Regional Resource Center has completed an evaluation of DDS's current monitoring system. During the verification visit, DDS reported that it is beginning the process of considering revisions to the monitoring system for the identification and timely correction of noncompliance.

Based on OSEP's review of California's Part C monitoring system during the verification visit, OSEP believes that the State's systems for general supervision are reasonably designed to ensure the identification of noncompliance. However, OSEP cannot, without also collecting data at the local level, determine whether those systems are fully effective in identifying noncompliance.

Correction of Noncompliance

At 34 CFR §303.501(b)(4), Part C requires that the Lead Agency ensure correction of any deficiencies identified through monitoring. As explained below, the State has not fully complied with this requirement.

Based on the data submitted in California's Part C FFY 2003 APR, OSEP's September 30, 2005 letter indicated that DDS had not corrected noncompliance with Part C's 45-day timeline requirements (in 34 CFR §§303.321(e)(2), 303.322(e)(1), and 303.342(a)); and IFSP content requirements (in 34 CFR §303.344(a) regarding the IFSP including a statement of the child's present levels of developmental functioning). OSEP's September 2005 letter requested that the State submit updated data and improvement plan for these two remaining areas of noncompliance with the State's Part C SPP in December 2005, as well as data and analysis that demonstrated both the identification and correction of noncompliance for each Regional Center for a specific fiscal or calendar year. The State's December 2005 SPP provided data indicating continued noncompliance with Part C's 45-day timeline requirement (Indicator 7); the

requirement that IFSPs include a statement of the child's present level in all five developmental areas; and the requirement to correct noncompliance as soon as possible, but in no case later than one year from identification (Indicator 9).

OSEP's March 13, 2006 response to the State's Part C SPP accepted the State's improvement plan to ensure compliance with these three areas, and required DDS to: (1) review and, if necessary, revise its improvement strategies to enable the State to include data in the FFY 2005 APR, due February 1, 2007, demonstrating full compliance for the 45-day timeline (Indicator 7); (2) provide data in the APR demonstrating full compliance with the requirement that IFSPs include a statement of the child's present level of development in five areas; and (3) review and, if necessary revise, its improvement strategies to enable the State to include data in the FFY 2005 APR that demonstrate full compliance with the requirement to correct noncompliance as soon as possible but in no case later than one year from identification (Indicator 9). OSEP's March 2006 letter also advised the State that its failure to demonstrate compliance by the FFY 2005 APR might affect OSEP's determination of the State's status under section 616(d) of the IDEA.

During the verification visit, OSEP staff inquired about the status of correction of the three areas of noncompliance noted above. DDS informed OSEP that its current system for correcting noncompliance is one of continuous improvement. DDS Liaisons complete follow-up record reviews in order to document the correction of noncompliance. In addition, new findings requiring follow-up can be made during a follow-up record review visit. DDS informed OSEP that, after a follow-up review visit, it issues a record review follow-up report to the Regional Center that includes both findings and required corrective action. As OSEP verified through its review of DDS's files for specific Regional Centers, the Regional Centers are informed of both the correction of previous noncompliance and the identification of new findings requiring follow-up in a record review follow-up report.

OSEP also verified the existence of concerns previously identified in APR letters about the difficulty of determining whether noncompliance had been corrected within one year from identification because of the notification system currently utilized by DDS. In six of the seven Regional Center files reviewed during the verification visit, OSEP found some examples of correction of noncompliance within one year of identification, but in the same files OSEP found instances where notification of correction had not been timely or there was no documentation of timely correction.

Based upon all of the information detailed above, OSEP concludes that, at the time of OSEP's verification visit, while OSEP believes that the State's general supervision system constitutes a reasonable approach to identifying noncompliance, OSEP cannot determine the effectiveness of the State's procedures to ensure the correction of all State-identified noncompliance. The State has not yet come into compliance with the requirement that it ensure correction of noncompliance that it identifies within one year from identification. As noted above, OSEP's March 13, 2006 response requires the State to provide data in its FFY 2005 APR, due February 1, 2007, demonstrating compliance with the requirement that the State timely correct (within one year of identification) noncompliance.

OSEP suggests that, in reviewing its procedures for ensuring timely correction of noncompliance, DDS: (1) state clearly (as it did in its most recent monitoring report to a Regional Center), in all documents in which it identifies noncompliance, the date by which the noncompliance must be corrected (which must be no later than one year from DDS's identification); (2) establish a tracking system that will enable it to effectively monitor timelines for correction of the noncompliance that it identifies; (3) work with stakeholders to identify effective strategies for ensuring correction; and (4) individualize its technical assistance activities to target systemic issues across the State and those in specific Regional Centers.

Dispute Resolution

The DDS Office of Human Rights and Advocacy conducts investigations and issues decisions for Part C State complaints under 34 CFR §§303.510-303.512. Under 34 CFR §303.512(a) and (b)(1), the Lead Agency must resolve complaints within 60 calendar days from receipt, unless that timeline is extended due to exceptional circumstances with respect to a particular complaint. At the time of OSEP's verification visit, the Lead Agency had received ten State complaints in 2006, and resolved eight within the 60 calendar day timeline. The 60-day timeline for two complaints had not yet elapsed at the time of OSEP's visit.

Complaints are tracked through the record review and follow-up monitoring and reporting processes. The DDS Office of Human Rights and Advocacy sends the decision regarding a State complaint to the complainant and the DDS liaison. Liaisons offer technical assistance to Regional Centers to develop a POCA and send a letter of confirmation to the Regional Center once the complaint is resolved. DDS reported that it received five administrative complaints during 2005, and resolved all of them within 60 calendar days.

The Part C regulations require, at 34 CFR §303.423(b), that the Lead Agency ensure that, not later than 30 days after the receipt of a request for a due process hearing, a written decision is mailed to each of the parties. In its December 2005 SPP, the State clarified that all decisions were issued within the 30-day timeline, and that extensions were granted in extremely limited documented circumstances of family illness, family absence from the geographical area, and family request in order to secure evidence pertaining to the complaint. In its March 13, 2006 response to the SPP, OSEP stated that while Part C's 30-day timeline does not allow extensions generally, the very limited exceptions identified in California's SPP generally do not reflect noncompliance, and that the State's standard makes clear that the 30-day timeline is not subject to extensions other than the very limited documented family circumstances to ensure the family's ability to exercise its rights under 34 CFR §§303.420 through 303.425.

However, during and after the verification visit, OSEP has received information that indicates that DDS may be routinely extending the 30-day timeline without documented family circumstances. Specifically, a log submitted by DDS to OSEP on October 27, 2006 indicates that DDS received 117 due process hearing requests between July 1, 2005 and June 30, 2006. 34 were settled through mediation, one was partially resolved through mediation, 62 were withdrawn (some of which had extensions beyond the 30-day timeline; those extensions were not documented to be specific exceptional family circumstances), and that there was a hearing decision issued in eight of those cases.

Even with 12 hearing requests not accounted for, the log indicated that for two of those seven cases with decisions, the decision was *signed* within the required 30 calendar day timeline. (The log did not include information on the date on which the decision was *mailed* to the parties.) In one of the other five cases, the decision was “rendered” within 39 days but not signed until 44 days after the request for a hearing was received. In the remaining four cases, the decision was issued more than 30 days after the request for a hearing was received, and there was one or more continuance granted.

Based on the information received, OSEP finds that DDS has failed to comply with the 30-day timeline in 34 CFR §303.423(b), and must submit within 60 days of this letter, data demonstrating compliance with the timeline for the hearing requests filed between July 1, 2005 through December 31, 2006, and for those for which extensions were granted beyond 30 days (even if they were subsequently withdrawn), the State’s analysis of the noncompliance. The State must also include in the FFY 2005 APR its plan to ensure timely issuance of due process hearing decisions.

Data Collection Under IDEA Section 618

In looking at the State’s system for data collection and reporting under IDEA section 618, OSEP collected information regarding a number of elements, including whether the State: (1) provides clear guidance and ongoing training to local programs/public agencies regarding requirements and procedures for reporting data under section 618 of the IDEA; (2) implements procedures to determine whether the individuals who enter and report data at the local and/or regional level do so accurately and in a manner that is consistent with the State’s procedures, OSEP guidance, and section 618; (3) implements procedures for identifying anomalies in data that are reported, and correcting any inaccuracies; and (4) has identified any barriers (e.g., limitations on authority, sufficient staff or other resources, etc.) that impede the State’s ability to accurately, reliably and validly collect and report data under section 618.

As noted above, the Lead Agency’s Information Services Division manages the State’s data collection system. The Uniform Fiscal System/San Diego Information System (UFS/SANDIS) is the existing, operational data system for DDS and was in place before Early Start. UFS/SANDIS includes data for people with disabilities of all ages (birth through death) served by Regional Centers. The Lead Agency uses UFS/SANDIS to collect the Part C child count, early intervention service settings, and Part C exit data that it submits under section 618.

DDS reported that the Regional Centers enter data into UFS/SANDIS and data are transmitted monthly to DDS Headquarters. As further explained below, UFS/SANDIS includes five databases:

1. Purchase of Service System (POS) – type of service, consumer, vendor, and claim amount;
2. Vendor System – vendor identification (ID), address, vendoring Regional Center;
3. Client Master File (CMF) – client ID, name, address, biographics, demographics;
4. Client Developmental Evaluation Report System (CDER) – disability diagnosis and functioning evaluation for clients over 36 months of age; and

5. Early Start Report System (ESR) – developmental delay and service information for clients less than 36 months of age.

Any data element in any of the five databases can be used together with any other element in the system. All databases are linked by the Unique Client Identifier (UCI), except for the vendor file that is linked to the POS by the Vendor ID.

DDS reported that contracts with Regional Centers include requirements regarding the reporting and handling of data, including a requirement that all data be handled in accordance with the California Welfare and Institutions Code and requirements under the Federal Educational Rights and Privacy Act (FERPA). DDS reported that each Regional Center has specific access codes, system administrators, and sign in codes that are set up by job responsibilities. During the verification visit, DDS informed OSEP that there are edit checks and compatibility checks for each data element during data entry. Data entry cannot be completed if there are errors or missing information. UFS/SANDIS has field edits limiting data input to specified code lists for all fields possible. Data validation reports are run monthly and reconciled with Regional Center data. Monthly processing includes a number of record edits, such as excluding any duplicate records. DDS further reported that there are a number of built-in system reconciliation audits such as the internal cross-field validations for records to be accepted (e.g., birth weight entered consistent with presence or absence of low birth-weight risk factors.)

During the verification visit, DDS indicated that the CMF includes codes that align with data definitions and directions for data entry that are consistent with OSEP directions. During the verification visit, DDS reported that USF/SANDIS has both technical and program manuals guiding reporting with consistent definitions and practices. The Early Start Report also has a technical data entry manual. DDS maintains a “Help Desk” for coding and other issues emerging from the local level. Program Advisories are used to clarify coding issues and requirements. Technical assistance is provided to Regional Centers as needed and updates are provided in technical bulletins issued by ISD. DDS further reported that Early Start staff and management also provide technical assistance to Regional Centers specific to the Early Start Report System.

DDS reported that it aggregates child count and services data with CDE based on match status. DDS sends a file to CDE, which runs a match and sends it back to DDS. Matches are done by name, date of birth, social security number, ethnicity, and gender, as the DDS and CDE systems do not share unique child identifiers. OSEP assumes that DDS’s data sharing with CDE is consistent with Part C’s confidentiality requirements, including the requirements identified in the enclosed *OSEP’s Letter to Elder*. Each match process generates files: match (served by both DDS and CDE), or unmatched (served by DDS only or CDE only). Data are transmitted by secure electronic transport protocols.

DDS reported that they are in the final stages of developing a new data system, the California Developmental Disabilities Information System (CADDIS), which DDS expects to implement in 2008/2009. CADDIS is a centralized, integrated case management and fiscal accounting system located at the California Health and Human Services Agency, which will allow immediate access to statewide information and include all data entered by the Regional Centers for business

functions. DDS will be able to generate current statewide reports without requesting data from the Regional Centers. CADDIS will require the entry of the IFSP, allowing for capturing and linking of objectives to Purchase of Service Authorizations.

DDS reported that the vendor file, the POS and the CMF, generates IDEA 618 early intervention service setting data. On December 1, 2004, DDS reported settings for 28,781 children. None of these children were reported as receiving their services in programs designed for typically developing children. DDS reported during the verification visit that there is no way to code children who are receiving services in these settings. DDS reported during the verification visit that it is not able to verify or ensure that the settings data reflect where the children are actually receiving services. During the verification visit, OSEP expressed concerns that the UFS/SANDIS system was built for billing and payment and cannot ensure accurate settings data. DDS reported that it is challenged by the limited capability of UFS/SANDIS to report settings information.

DDS explained that data files are prepared for children who exit before age three and meet the 618 exit before age three categories. DDS further explained that DDS files are matched with CDE files, in order to identify those children who exit at age three and are either determined eligible because they are receiving Part B services, or are determined ineligible because they are not receiving Part B services. DDS reported that the use of the match file is not a perfect mechanism to determine accurate exit data. DDS reported it could not verify the accuracy of the exit data.

While OSEP believes that the DDS system for collecting and reporting child count data is a reasonable approach to ensuring the accuracy of the child count data that DDS reports to OSEP under 618, OSEP does not believe that the DDS system for collecting and reporting settings data under 618 is a reasonable approach to ensure the accuracy of the settings data. OSEP notes that the categories for reporting early intervention service settings have been revised for the IDEA section 618 data submission due in February 2007, and requires DDS to provide accurate settings data in its next submission. Finally, OSEP cannot determine if the DDS system for collecting and reporting exit data is a reasonable approach to ensuring the accuracy of the data that DDS reports to OSEP for exiting under section 618.

Within 60 days from the date of this letter, the State must submit its plan for ensuring that the State's next submission of settings and exiting data are accurate.

Conclusion

As noted above, OSEP's March 13, 2006 response to the SPP requires DDS to provide in the FFY 2005 APR due February 1, 2007 data demonstrating compliance with the following Part C requirements: (1) the 45-day timeline (Indicator 7); (2) IFSPs include a statement of the child's present level of development in five areas (34 CFR §303.344(a)); and (3) the requirement to correct noncompliance as soon as possible but in no case later than one year from identification (Indicator 9).

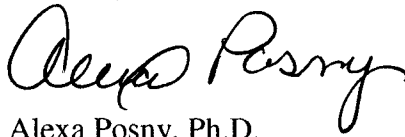
Within 60 days of the date of this letter, the State must submit data demonstrating compliance with the timeline for the hearing requests filed between July 1, 2005 through December 31, 2006,

and for those for which extensions were granted beyond 30 days (even if they were subsequently withdrawn), the State's analysis of the noncompliance. The State must also include its plan to ensure timely issuance of due process hearing decisions. The State may choose to provide this documentation with its FFY 2005 APR.

In addition, within 60 days from the date of this letter, the State must also submit its plan for ensuring that the State's next submission of settings and exiting data are accurate. The State may choose to provide that plan with its FFY 2005 APR.

We appreciate the cooperation and assistance provided by your staff during our visit, and look forward to our continued collaboration with California to support work to improve results for children with disabilities and their families.

Sincerely,



Alexa Posny, Ph.D.

Director

Office of Special Education Programs

Enclosure

cc: Rick Ingraham
Part C Coordinator

Terri Delgadillo
Director, Department of Developmental Services