



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

Honorable Susan Castillo
Superintendent of Public Instruction
Oregon Department of Public Instruction
255 Capital Street NE
Salem, Oregon 97310-0203

JAN 14 2005

Dear Superintendent Castillo:

The purpose of this letter is to respond to Oregon's March 31, 2004 submission of its Federal Fiscal Year (FFY) 2002 Annual Performance Report (APR) for the Individuals with Disabilities Education Act (IDEA) Part B 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 B APRs directed States to address for Part B: five cluster areas: General Supervision; Early Childhood Transition; Parent Involvement; Free Appropriate Public Education in the Least Restrictive Environment; and Secondary Transition.

Background

During the week of April 28, 1997, OSEP conducted an on-site review of the Oregon Department of Education's (ODE) implementation of IDEA. OSEP issued its report on January 8, 1998. The areas of noncompliance were that ODE had failed to ensure that: (1) special education programs in youth and adult county correctional facilities were monitored for compliance with IDEA requirements; (2) all children with disabilities received a free appropriate public education, including the provision of related services and extended school year services, as appropriate; (3) parent notice of an IEP meeting included, for students aged sixteen and older, that transition would be a purpose of the meeting, and that the child and, as appropriate, other agency representatives would be invited to attend the meeting; and (4) statements of needed transition services included all required components and were, as a part of students' IEPs, reviewed and revised, as appropriate, on no less than an annual basis. ODE submitted its Improvement Plan (IP)

and on May 20, 2003 OSEP concluded that the State had completed all strategies and activities in the IP. Since that time, no noncompliance has been identified. 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. OSEP's comments are listed by cluster area.

General Supervision

Monitoring: Identification and Correction of Noncompliance. On pages 1 through 3 of the APR, the ODE provided an overview of the Systems Performance Review and Improvement (SPR & I), Oregon's monitoring system, and reported on the implementation of the system from 2001 through 2003. ODE reported that the process included local self-assessments that incorporated a review of current practices with regard to compliance standards, a review of special education performance data, data collection and data analysis activities. ODE reported that, beginning in 2001 and continuing through 2003, each district in the self-assessment stage of the SPR & I process received a performance profile report that included data in each of the following areas: Section 618 of the IDEA, Early Childhood Special Education (ECSE), substantiated complaints, assessment participation and performance, summary of parent surveys, and previous corrective action plans. The processes used in the self-assessment stage informed local improvement planning decisions and activities. ODE required districts to focus on any procedural compliance standard in which there is less than 80% compliance through activities documented in an improvement plan. While on a verification visit to ODE during the week of July 12, 2004, ODE staff indicated that beginning with this school year (2004-2005), ODE will require correction of all instances of noncompliance identified through record reviews.

ODE reported that it monitored 96 districts/programs during the 2001-2003 time period with procedural compliance data collected on 155 applicable procedural compliance standards through individual student file reviews. Noncompliance was identified in all 96 districts. On page 8 of the APR, ODE submitted a State-wide summary of the systemic issues it identified through monitoring for 2002-2003 and those identified through complaints for 2002. ODE reported the following timeframes for the various phases of SPR & I: Phase 1, self-assessment/data interpretation, five months; Phase 2, improvement plan development, 60 days for compliance issues and an additional 60 to 90 days for improvement plan development; and Phase 3, implementation of improvement plan and annual reporting of progress. ODE also reported that the ODE Site Leader for each district had 30 days to review and approve the districts' strategies and activities to ensure that the plan would affect systemic change.

Although ODE reported that noncompliance was corrected in a timely manner, no data was submitted to support this statement. During its verification visit to Oregon the week of July 12, 2004, OSEP learned that although ODE's monitoring system has positive components with the potential to improve performance and compliance in districts and agencies, it does not ensure that all findings of noncompliance are corrected within a reasonable period of time not to exceed one year. See 20 USC §§1412(a)(11) and 1232d

(b), and 34 CFR §§300.600 and 303.501. While ODE's monitoring system appears reasonably designed to identify noncompliance in districts/agencies, it does not ensure that those findings are corrected within a reasonable period of time not to exceed one year. For example, although districts/agencies have been submitting progress reports, ODE has not been verifying that the noncompliance has been corrected and has not closed out any of the district/agency improvement plans. In the FFY 2002 Part B APR submission, on page 1, ODE indicated that it only required correction of identified noncompliance in instances where compliance was below eighty percent (80%). This also was confirmed during the verification visit. Such a policy is inconsistent with federal requirements that the State correct all identified deficiencies. Therefore, ODE is not ensuring that all noncompliance that it identified through its monitoring is corrected within a reasonable period of time, not to exceed one year.

In the APR submission for FFY 2003, ODE must submit an improvement plan that includes strategies, proposed evidence of change, targets and timelines designed to ensure correction of the noncompliance noted above, i.e., ensuring timely correction of all identified noncompliance within a reasonable period not to exceed one year. The plan must propose to correct this noncompliance within a reasonable period of time not to exceed one year of OSEP's acceptance and include at least two progress reports to OSEP. This issue is also described in OSEP's letter addressing the July 2004 verification visit.

Dispute Resolution. On page 4 (Attachment 1) and on pages 12 and 13 of the APR, ODE addressed formal complaints, mediations and due process hearings. ODE reported that it did not have timeliness information on mediations and that the two hearings held during the reporting year, were completed within proper extensions.

ODE included data and information in the APR that indicated an area of noncompliance not previously identified by OSEP: the failure to issue a written decision to the complainant within the 60 calendar day timeline as required by 34 CFR §300.661(a)(4), unless an extension of time is given because exceptional circumstances exist with respect to a specific complaint. In addition, based upon the verification visit, OSEP finds that the State is allowing extensions of time in instances that are not exceptional circumstances with regard to a specific complaint. The issue of noncompliance with the requirements for timely complaint resolution, including the grant of extensions based upon exceptional circumstances, is also described in OSEP's letter regarding the July 2004 verification visit. Those findings are incorporated by reference herein.

The data in Attachment 1 showed that of 40 complaints investigated during the reporting period, 11 complaint findings and decisions were issued within the required timelines, 27 complaint findings and decisions were late, and two complaints were pending at the end of the reporting period (May 31, 2003). ODE offered no explanation as to why the 27 complaint findings and decisions were issued beyond the required timelines. During the verification visit, OSEP also reviewed subsequent year's complaint logs and determined that the federal timelines were also not met in all cases for 2003.

ODE also reported that it automatically “amends” the timeline if a party files a new complaint related to one that is presently being investigated. ODE combines the new related complaint with the original complaint and restarts the 60-day timeline. This is inconsistent with the requirements at 34 CFR §§300.660-300.662, which require that each complaint be resolved within the specified timelines unless exceptional circumstances exist with regard to a particular complaint. While a State may make an individualized determination that a subsequent complaint raises issues that represent exceptional circumstances with regard to a particular complaint, a blanket policy that automatically delays resolution of an existing State complaint, when a subsequent complaint for the same child is filed, is inconsistent with federal requirements.

As also set out in the verification letter, the State does not always ensure that the reasons for granting extensions constitute exceptional circumstances with respect to a particular complaint. For example, the State grants extensions to enable the parties to pursue mediation. Mediation cannot be used to deny any of the rights afforded under Part B of the Act. See 34 CFR §300.506(b)(1)(ii). Therefore, while mediation is generally encouraged, a State may not, as general policy, determine that mediation constitutes an exceptional circumstance that justifies a delay in the State complaint timelines for all instances where mediation is utilized. OSEP finds that ODE has failed to ensure compliance with the requirement that within 60 days of receiving a complaint, an investigation is conducted and that a written decision is issued, and failed to ensure that extensions of time for State complaint decisions only occur when exceptional circumstances exist with respect to a particular complaint.

In the APR for FFY 2003, ODE must submit an improvement plan that includes strategies, proposed evidence of change, targets and timelines designed to ensure correction of the noncompliance noted above, i.e., ensuring timely resolution of State complaints and that extensions of time are only granted for exceptional circumstances with regard to a specific complaint. The plan must propose to correct this noncompliance within a reasonable period of time not to exceed one year of OSEP’s acceptance and include at least two progress reports to OSEP.

Sufficient Supply of Personnel to Meet Needs of All Children with Disabilities. On pages 15 through 22 of the APR, ODE reported that, over time, the number of special education teachers in the State was increasing and it also reported that significant numbers of staff leave special education positions each year but offered no analysis as to why this was occurring. The State included strategies and timelines to improve performance related to personnel vacancies and the number of fully-certified special education and related services personnel. However, the State did not report on personnel vacancies in the State. Under 34 CFR §300.135, each State must develop and implement a comprehensive system of personnel development that includes an analysis of relevant information on current and anticipated personnel vacancies and shortages, in accordance with 34 CFR §§300.380(a) and 300.381(b). In the next APR, ODE must submit data to meet this requirement.

Collection and Reporting of Accurate and Timely Data. On pages 23 and 24 of the APR, ODE reported on its procedures and practices to ensure collection and reporting of accurate data. Included were the various validations that were conducted on the data. Data that historically was gathered by paper and pencil is now collected electronically (online). Data collections are in the process of being developed for legal, technical assistance, monitoring, secondary transition and other topics. The State included strategies and timelines to improve data collection systems in the APR. OSEP looks forward to reviewing the State's implementation of these strategies and their impact on children with disabilities in the next APR. On page 6 of the APR, ODE self-reported that the State's data systems do not collect discipline and disproportionality data for preschool-age children with disabilities (i.e., those served under Section 619 of Part B). Although the APR did not specifically require States to report such data, States must ensure compliance with the requirements for reviews related to significant discrepancies in long-term suspension and expulsion rates and significant disproportionality in identification and placement rates as set out at 34 CFR §§300.146 and 300.755 for preschool-age children with disabilities. See 34 CFR §301.4. Because ODE self-reported that the State does not collect such data, OSEP concludes that the State is not in compliance with the requirements at 34 CFR §§300.146 and 300.755 for preschool-age children with disabilities.

By the next APR, the State must either submit the data (discipline and disproportionality data for preschool children with disabilities) and related analysis including any needed reviews and revisions of policies, procedures and practices as required under 34 CFR §§300.146 and 300.755 for preschool-age children with disabilities (i.e., children ages three through five), or develop and submit a plan for collecting and analyzing this data and for conducting any needed reviews and revisions.

Early Childhood Transition

On pages 25 and 26 of the APR, ODE submitted data indicating that all children eligible for Part B services are receiving special education and related services by their third birthdays. ODE noted that Oregon's seamless system for special education services for children birth to kindergarten is one of the reasons for high compliance in this area. Transition was not identified as an area of noncompliance in OSEP's monitoring report for 1998. In 2002-2003 ODE monitored six early intervention programs and reported that all children leaving Part C services that were eligible for Part B services were receiving those services by their third birthdays. ODE included activities to maintain high performance in this area. OSEP looks forward to reviewing the State's implementation of these strategies and their impact on children with disabilities in the next APR.

Parent Involvement

On pages 27 through 33 of the APR, ODE reported that during Phase 1 of SPR & I, surveys were sent to the parents of the children who were selected for the procedural compliance individual student file reviews and that only a small number of parents

responded to the survey. ODE did not provide the total number of surveys distributed, nor did it indicate the number returned for 2002-2003. ODE reported that each year from 2001-2003, there was noncompliance related to parental involvement and ODE responded to this noncompliance by requiring staff training. ODE stated that with the parent survey results and the monitoring findings, parent involvement does not appear to be a significant systemic issue. ODE reported that it provided documents in a number of languages and also provided training sessions to parents. The State included in the APR strategies to maintain high levels of parental involvement. OSEP looks forward to reviewing the State's implementation of these strategies and their impact on children with disabilities in the next APR.

Free Appropriate Public Education in the Least Restrictive Environment

Disproportionality. On pages 34 through 40 of the APR, ODE reported on its determinations of significant disproportionality in the identification and placement of children with disabilities in Oregon. As was noted on page 5 above, ODE self-reported that it does not collect such data on preschool-age children with disabilities. OSEP noted a discrepancy in the numbers reported in ODE's summary table on page 34 of the APR and the percentile figures reported in Attachment 2. Although Oregon indicated that it was using a 20% discrepancy formula to identify over-representation and under-representation, not all of the data that met the 20% criteria, as set out in Attachment 2, were included in the summary on page 34. During the verification visit the week of July 12, 2004, ODE staff indicated that, for statistical reasons, the State focused its efforts on those cells with more than 25 students and a 20% discrepancy in order to determine significant disproportionality for purposes of 34 CFR §300.755.

ODE stated that it has not set a disproportionality target based on race/ethnicity. ODE stated that districts completing the monitoring process in 2002-2003 were provided race/ethnicity data and were asked to review the data as part of their monitoring work and "explain or address these differences." However, ODE did not include strategies or timelines for the review and, if appropriate, the revision of policies, procedures and practices related to the identification and placement of children with disabilities for districts with significant disproportionality as required under 34 CFR §300.755(b).

It is important to stress that, in addressing significant disproportionality related to identification under 34 CFR §300.755, the State must look at policies, procedures and practices in the referral, evaluation and identification process to determine if they are educationally appropriate, consistent with the requirements of Part B and race neutral. Such an examination generally would include a review of the availability and use of pre-referral intervention services, the selection and use of evaluation instruments and materials, the selection and use of evaluation criteria, and the reasons for referral for special education evaluations. In addressing significant disproportionality related to placement, under 34 CFR §300.755, it is appropriate to look at policies, procedures and practices related to placement in the least restrictive environment consistent with the requirements at 34 CFR §§300.501 and 300.550-300.556 in order to determine if they are educationally appropriate, consistent with the requirements of Part B and race neutral.

This would generally include a review of policies, procedures and practices related to: the continuum of placement options; the availability of, and access to, supplementary aids and services; the participation of parents in placement team decisions; and State monitoring activities and technical assistance related to placement in the least restrictive environment.

As noted on page 5, above, in the next APR submission, ODE must either submit its data, analysis and report on the reviews and revisions of policies, procedures and practices for preschool-age students with disabilities, as required under 34 CFR §300.755, or develop and submit a plan for collecting and analyzing this data and for conducting any needed reviews and revisions. In addition, in those areas where ODE has already determined significant disproportionality exists with regard to identification or placement, the State must report on the status of the reviews and revisions of policies, procedures and practices, as required under 34 CFR §300.755, in its APR submission for FFY 2003.

Drop Out and Graduation. On pages 41 through 44 of the APR, ODE addressed high school graduation and dropout rates and the challenges of trying to calculate those rates. ODE indicated that graduation data is not collected uniformly, that the definition of students with disabilities in their data set includes students covered solely under Section 504 of the Rehabilitation Act, and that dropout rate data for the reporting period was not available. Although ODE attempted to extrapolate data using existing data sources, it indicated that these issues made comparisons on dropout and graduation rates between students without disabilities and students with disabilities unreliable, difficult and/or inappropriate. ODE reported that an alternate way to look at dropout and graduation data was to compare the special education exiting data reported in the Biennial Performance Report, ending date June 30, 2001, to the data in the December 2002 Special Education Child Count Report. ODE reported that its dropout data were 9.44% and 5.6%, illustrating a drop in the percent of students with disabilities dropping out, but admitted that changes in the methods of collecting special education exiting data raise additional concerns in interpreting this data. For graduation, the State reported a change from 50.3% to 63.54%, illustrating an increase in the graduation rate. ODE went on to state that while these data appear to show improvement, the exact magnitude was in question because of changes in the methods of collecting data that have occurred in the past two years. ODE believes that changes in data collection will enhance the accuracy of the reported data. The State included strategies to address improved data on dropout and graduation rates in the APR. OSEP looks forward to reviewing the State's implementation of these strategies and their impact on children with disabilities in the next APR.

Suspension and Expulsion. As noted above, on page 5, ODE self-reported that it does not collect this data for preschool-age children with disabilities. On pages 49 through 50 of the APR, ODE addressed suspension and expulsion rates for children with disabilities ages six through 21 through a chart that highlighted 33 out of 113 districts that ODE believed had long-term suspension/expulsion rates more than 20% higher than the State rate average. ODE stated that the larger the district, the more likely it was to exceed the State average by more than 20% and identified 33 districts with a suspension/expulsion

rate that was more than 20% higher than the average State rate. The data submitted did not include comparison data for, and ODE did not report on, districts with less than 100 special education students.¹ ODE reported that the total suspension/expulsion rate in 2000-2001 was .55% and that the rate increased to .63% in 2002-2003, but did not analyze or explain that increase. ODE stated that, at the district level, discipline data varied widely from year to year but that the data at the State level had stabilized over the last few years.

Under 34 CFR §300.146, the State must examine data to determine if significant discrepancies are occurring in the rate of long-term suspension and expulsions of children with disabilities, either among the LEAs in the State or compared to the rates for non-disabled children within the agencies. Where the State determines that significant discrepancies are occurring, it must review and, if appropriate, revise (or require the affected State agency or LEA to revise) its policies, procedures and practices relating to the development and implementation of individualized education programs (IEPs), the use of behavioral interventions, and procedural safeguards to ensure that the policies, procedures and practices comply with Part B. While the APR established certain LEAs as having significant discrepancies in their rate of long-term suspension and expulsion, the State did not examine data for LEAs that had less than 100 IDEA-eligible students and did not conduct, or require that LEAs conduct, reviews of policies, procedures and practices consistent with 34 CFR §300.146. The State must address these two issues in the next APR.

If the APR submission for FFY 2003 does not include information indicating that the State has examined data for all LEAs to determine whether significant discrepancies are occurring in the LEAs based on either one of comparisons described above, and that, when it identifies significant discrepancies, it reviews and, if appropriate, revises (or requires the affected State agency or LEA to revise) its policies, procedures and practices consistent with 34 CFR §300.146, then OSEP will conclude that the State is not complying with the regulation. In addition, as noted on page 5, above, in its next APR submission, ODE must either submit its data and analysis of significant discrepancies in long-term suspension and expulsion rates for preschool-age students with disabilities (i.e., ages three through five), and report on the reviews and revisions of policies, procedures and practices, as required under 34 CFR §300.146, or develop and submit a plan for collecting and analyzing this data and for conducting any needed reviews and revisions.

Participation and Performance of Children with Disabilities on Large-Scale Assessments.

On pages 51 through 55 and 68 through 75 of the APR, ODE reported on the participation and performance of children with disabilities on State-wide assessments, including comparisons with the performance of their nondisabled peers. The data

¹ The State reports that in “over half the districts in Oregon, the number of special education students is small enough that even one student’s suspension or expulsion would cause the district’s total percentage to be greater than 120 percent.” While it is not clear what is specifically meant by this statement, the State is not prevented from using other statistically sound methods of comparison in order to meet the requirements of 34 CFR §300.146 for all agencies, including districts with small numbers of students with disabilities.

showed an increase in the percentage of children with disabilities scoring “proficient” in both the reading and literature, and in the math assessments, for the third, fifth and eighth grades. The same data showed a decrease in the gap between the proficiency of children with disabilities, and the proficiency of children without disabilities, in both assessments. The State did not report on the performance of students with disabilities who participated in the alternate assessment in the APR.

As set out in OSEP’s verification letter, with regard to State-level reporting, OSEP noted that in the *Oregon Report Card -- An Annual Report to the Legislature on Public Schools*, Oregon did not report on the performance of disabled children in State-wide assessments in the same detail as it did for non-disabled children. Specifically, the State report card included data on the performance of all students on Oregon’s State-wide assessments, but did not report publicly on the performance of students with disabilities. See 34 CFR §300.139. At the conclusion of the verification visit, the week of July 12, 2004, this issue was brought to the attention of ODE staff. They indicated that ODE was beginning to design the 2003-2004 Oregon Report Card and assured OSEP that they would address this in the new reporting.

In addition, OSEP verified during the visit, that ODE did not report on the performance of children with disabilities on alternate assessments. This is inconsistent with the requirements at 34 CFR §300.139(a)(2). When OSEP asked ODE staff about the lack of reporting on the performance of children with disabilities on alternate assessments, OSEP was told that the alternate assessments did not generate standardized scores but that changes were being made to the alternate assessments and that would allow ODE to be able to report scores in the following year.

OSEP finds that ODE has failed to ensure that reports to the public on the participation and performance of children on State-wide assessments contain disaggregated data on the performance of children with disabilities on State-wide assessments including the alternate assessment. In its next APR submission, ODE must either demonstrate that it is meeting the requirements of 34 CFR §300.139 or submit an improvement plan that includes 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 OSEP accepts the plan. The plan must propose to correct this noncompliance within a reasonable period of time not to exceed one year of OSEP’s acceptance and include at least two progress reports to OSEP. In addition, if the State has not remedied this issue prior to the issuance of the FFY 2005 Part B grant award, the Department also may consider other actions, including, but not limited to, the imposition of Special Conditions upon the grant award.

Educational Environments for Children with Disabilities. On pages 56 through 59 of the APR, ODE reported on the placement data for children with disabilities, including preschool-age children. In most cases other than preschool, when compared to national averages, Oregon’s educational environment data show a higher percentage of children with disabilities placed in less restrictive environments. Oregon’s placement data from 1998-2002 showed a growing trend toward providing fewer ECSE services in settings for

typically developing peers and more services in settings for children with disabilities. ODE stated that data for preschool-age children with disabilities (ECSE children) had been unstable and analysis suggested that the data had been inconsistently collected and reported across the State, leading to inaccurate data. ODE stated that many parts of the State did not have typical preschool-age and other early childhood settings available as needed, but did not report on specific noncompliance that it had found. The State included strategies to address this issue and to maintain performance for school aged children. To the extent that ODE has found specific noncompliance with the LRE requirements for preschool-age students, it must report on this in the next APR and include information on correction. OSEP looks forward to reviewing the State's implementation of these strategies and their impact on children with disabilities in the next APR.

Early Language/Communication, Pre-Reading, and Social-Emotional Skills. On pages 60 through 63 of the APR, ODE reported on the improvement of early language/communication, pre-reading, and social-emotional skills of preschool-age children with disabilities receiving special education and related services. ODE reported that all ECSE programs were required to conduct curriculum-based assessments (CBA) for all children in the program. Children were tested when they enter the program and then at least once a year prior to their annual individualized family service plan (IFSP) meeting. ODE stated that they had conducted studies to measure progress and outcomes for children in the Early Intervention (EI)/ECSE program, with the most recent studies completed in 2001. Two studies, completed in 2001, reported gains for children in ECSE programs. ODE reported that the Oregon Kindergarten Readiness Survey uses six developmental indicators of readiness to measure progress towards the ready to learn benchmark. The survey was conducted every other year and in 2000, the survey included specific information about ECSE for the first time. In 2002, the percentiles increased in five of the six areas surveyed over the previous administration. ODE reported that the State had made progress in demonstrating improved functional abilities in preschool-age children receiving ECSE services.

The State included strategies to develop a new assessment in this area. However, OSEP is concerned that the Oregon Kindergarten Readiness Survey is only administered every two years and that the timelines for completing, conducting and reporting on the new assessment extend to January 2006. Under the Government Performance and Results Act of 1993, 31 U.S.C. 1116, the effectiveness of the IDEA section 619 program is being measured based on the extent to which early language/communication, pre-reading, and social-emotional skills of preschool-age children with disabilities receiving special education and related services are improving. In the FFY 2003 APR, the State must submit either documentation of data (whether collected through sampling, monitoring, individual IEP review, or other methods), targets for improved performance and strategies to achieve those targets for this area, or a plan to collect the data for the FFY 2004 APR, including a detailed timeline of the activities necessary to implement that plan.

Secondary Transition

On pages 64 through 66 of the APR, ODE reported information on youth with disabilities employed and/or engaged in post-secondary education. ODE reported data from two projects, the Youth Transition Project (YTP) and Project SUPPORT (Service Utilization Promoting Positive Outcomes in Rehabilitation and Transition for Incarcerated Adolescents with Disabilities). Both projects were joint ventures among certain State entities, including the Office of Vocational Rehabilitation Services and the University of Oregon. ODE compared information between 2002 and 2003 for youth, from the ages of 18 through 21 years, who were receiving services from the Oregon Vocational Rehabilitation Services. The data showed that between these two years the number of youths on caseload had increased by 26.9%, the number of youth who received services had increased by 24.9%, and the number of youth who were employed decreased by 9.2%. ODE stated that at this time data are not sufficient to determine postschool outcomes for youth with disabilities and that no current credible data source is available for postschool outcomes for nondisabled youth. ODE included strategies to gather the needed data. OSEP looks forward to reviewing the State's progress on the implementation of these strategies and their impact on children with disabilities in the next APR.

Conclusion

By the next APR, the State must either submit the data and related analysis including any needed reviews and revisions of policies, procedures and practices as required under 34 CFR §§300.146 and 300.755 for preschool-age children with disabilities (i.e., children ages three through five), or develop and submit a plan for collecting and analyzing this data and for conducting any needed reviews and revisions. In addition, to the extent that ODE has found specific noncompliance with the LRE requirements for preschool-age students, it must report on this in the next APR including information on the status of correction. In the APR submission for FFY 2003, ODE must include information indicating that the State has properly examined suspension and expulsion data, without exclusions of some students or districts, to determine whether significant discrepancies are occurring consistent with 34 CFR §300.146, and that, when it identifies significant discrepancies, it reviews and, if appropriate, revises (or requires the affected State agency or LEA to revise) its policies, procedures and practices consistent with 34 CFR §300.146, then OSEP will conclude that the State is not complying with the regulation. In the next APR submission, in those areas where ODE has determined significant disproportionality exists with regard to identification or placement, the State must report on the status of the reviews and where appropriate, revisions of policies, procedures and practices, as required under 34 CFR §300.755.

In the next APR, ODE must submit data and analysis of relevant information on current and anticipated personnel vacancies and shortages, in accordance with 34 CFR §§300.380(a) and 300.381(b).

In the APR for FFY 2003, ODE must either demonstrate full compliance with, or submit an improvement plan that includes strategies, proposed evidence of change, targets and timelines designed to ensure correction of the noncompliance for, each of the following requirements: 1) ensuring timely correction of all identified noncompliance within a reasonable period not to exceed one year; 2) ensuring timely resolution of State complaints and that extensions of time are only granted for exceptional circumstances with regard to a specific complaint; and 3) the public reporting of performance of children with disabilities on State-wide assessments, including the alternate assessment. The plans must propose to correct the noncompliance within a reasonable period of time not to exceed one year of OSEP's acceptance and include at least two progress reports to OSEP.

OSEP recognizes that the APR and its related activities represent only a portion of the work in your State and we look forward to collaborating with you as you continue to improve results for children and youth with disabilities and their families. If you have questions, please contact Linda Whitsett at (202) 245-7573.

Sincerely,

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

Stephanie Smith Lee
Director
Office of Special Education Programs

cc: Nancy Latini, Associate Superintendent