



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

Dr. Hank M. Bounds  
State Superintendent  
Mississippi Department of Education  
P.O. Box 771  
Jackson, MS 39205-0771

FEB 4 2008

Dear Dr. Bounds:

The purpose of this letter is to inform you of the results of the Office of Special Education Programs' (OSEP) verification and focused monitoring visit to Mississippi during the week of November 5, 2007. My August 17, 2007 letter informed you that OSEP is conducting verification and focused monitoring visits to a number of States as part of our Continuous Improvement and Focused Monitoring System (CIFMS) for ensuring compliance with, and improving performance under, Part B of the Individuals with Disabilities Education Act (IDEA). As re-authorized in 2004, IDEA requires the Department to monitor States with a focus on: (1) improving educational results and functional outcomes for children and youth with disabilities; and (2) ensuring that States meet the program requirements, particularly those most closely related to improving educational results for children with disabilities.

The purpose of our verification and focused monitoring visit was to evaluate how your State uses its general supervision, State-reported data collection, and financial management systems to assess and improve State performance, child and family outcomes, and the protection of child and family rights. During the verification and focused monitoring visits, OSEP: (1) analyzed the components of the State's general supervision, data, and finance systems in order to determine the extent to which they are designed and implemented at the State level to ensure compliance and improved performance; and (2) targeted compliance and performance issues identified in our June 15, 2007 letter responding to the State's FFY 2005 Annual Performance Report (APR)/State Performance Plan (SPP).

OSEP also conducted a conference call on October 17, 2007 with several members of Mississippi's Special Education Advisory Council to hear their perspectives on the strengths and challenges of the State's systems for general supervision, data collection, and fiscal management.

As part of the verification and focused monitoring visit to the Mississippi Department of Education (MDE), OSEP staff met with Ann Moore, State Director of Special Education, and other State personnel responsible for: (1) the oversight of general supervision (including monitoring, mediation, complaint resolution, and impartial due process hearings) and financial systems for special education; and (2) the collection and analysis of State reported data. In

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addition, OSEP staff, accompanied by State representatives, visited Holmes County Public School District to meet with and discuss long-standing noncompliance with leadership representatives.

Prior to and during the visit, OSEP staff reviewed a number of documents, including the following: (1) Mississippi's FFY 2005 APR submitted to OSEP in February 2007; (2) Mississippi's SPP submitted to OSEP in December 2005; (3) OSEP's Verification Visit letter to Mississippi dated June 16, 2004; (6) MDE's website; (7) MDE's monitoring reports for several local districts; and (8) other pertinent information.

OSEP's discussion, conclusions and required actions for each of the critical elements used to guide our review of each State's general supervision, data, and finance systems are provided below.

#### General Supervision System - Discussion

*Critical Element 1: Does the State have a general supervision system that is reasonably designed to identify noncompliance?*

The Mississippi Program Improvement Monitoring (MPIM) was implemented during the 2003-2004 school year and has been in place without revision since that time. MDE developed this focused monitoring system in partnership with several stakeholders, including the National Center on Special Education Accountability Monitoring (NCSEAM), the Southeast Regional Resource Center (SERRC), and the *Mattie T*<sup>1</sup> consultants.

MDE personnel reported that under MPIM, each year, all districts are required to include a Self Review with their local application for Part B funds, using protocols provided by the State. All districts must analyze their performance data against three State priority areas/goals<sup>2</sup>, and must also develop an Improvement Plan for those areas in which they do not meet the targets. The Self Review should include records from each disability category, from a variety of teachers, from each building in the district, from students served in and out of the district, and from both initial placements and re-evaluations. If there are findings of

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<sup>1</sup> In 1975, the Children's Defense Fund filed the *Mattie T* class action against MDE, on behalf of a class of students with mental retardation (EMR) and specific learning disabilities (SLD). The 1979 consent decree set forth a number of specific requirements for Mississippi's special education system, particularly in regard to failure to identify children with disabilities, disproportionate representation of minorities, least restrictive environment, and discipline. The Court has retained jurisdiction, but the revised consent decree, dated December 23, 2003, includes specific criteria for sunseting the issues when defined, measurable goals are met.

<sup>2</sup> The Mississippi State Improvement Goals are to: (1) increase the identification rate of students with Emotional Disturbance (ED) to 55%; (2) ensure that districts have a differential of 1.85% or less in their proportion of black students from the proportion of other race students identified as SLD; and (3) increase the percentage of students with disabilities who are removed from general education less than 21% of the day from 27% to 32%. According to the *Mattie T* timeline, these goals are to be met by 2009-2010.

noncompliance identified through the self-review process, then the Improvement Plan must include corrective actions to resolve all areas of identified noncompliance.

The State's Office of Special Education (OSE) personnel reported that the entire monitoring process is data-driven, beginning with a review of district-level data. The State has divided its 152 school districts into four enrollment groups. Using performance data, each year the State selects the lowest-performing district from each enrollment group for each of the three priority areas for onsite monitoring. The priority areas have remained unchanged since 2003-2004: (1) placement in the least restrictive environment (LRE); (2) disproportionate identification in specific learning disabilities (SLD); and (3) under-identification in Emotional Disabilities (EmD). During the first year of the process (2003-2004), the State also selected an additional district on a random basis, but has since discontinued that random selection.

OSE personnel reported that each year, OSE conducts onsite visits to the 12 selected districts, plus any districts selected for focused monitoring for other reasons (e.g., complaints, fiscal, cross-departmental concerns, etc.). For deficiencies and compliance violations identified during the on-site monitoring, MDE requires that the district develop and implement a corrective action plan (CAP) that outlines the proposed strategies to address the noncompliance. The CAP must be approved by the OSE monitoring team to ensure that the improvement strategies are measurable and adequate to achieve the desired results.

OSE personnel reported that while onsite, the OSE team interviews staff, reviews records, reviews teacher schedules, and makes classroom observations. The OSE submits a monitoring report to the district within 30 days of the on-site visit. The district is then required to present the monitoring report to its school board within 45 days and also to publish a summary (provided by OSE) of the monitoring report in a local newspaper for five consecutive days. In addition, MDE posts the full monitoring reports, by school year, on the State's website. Follow-up visits are conducted within 12 months of the initial focused monitoring on-site visit to verify correction of noncompliance. During the 12-month period, districts are required to submit quarterly reports to the OSE to show progress on the implementation of corrective actions.

OSE personnel reported that the monitoring unit consists of seven full time staff and eight contractual Team Leaders to prepare for and perform onsite visits, and develop the written reports. The State has not made recent formal revisions to its monitoring process; however, OSE indicated to OSEP staff that it intends to do so soon to more closely align their monitoring system to the OSEP indicators. OSE personnel reported that, in the meantime, two recent changes have been made in the State's verification site-visit process: (1) the use of specific student-level protocols (developed in partnership with NCSEAM) in order to put more emphasis on individualized education program (IEP) and placement issues; and (2) the closing out of district-level noncompliance once correction has taken place, instead of waiting until *Mattie T* targets are met before releasing the district.



It is not clear to OSEP that MDE has a mechanism in place for identifying noncompliance related to special education services provided to preschool children. No evidence of monitoring at the preschool level was evident through discussions with OSE staff or through a review of monitoring records.

*Critical Element 2: As part of its general supervision system, does the State have mechanisms in place to compile and integrate data across systems (e.g., 618 State-reported data, due process hearings, complaints, mediation, large-scale assessments, previous monitoring results, etc.) to identify systemic noncompliance issues?*

As further explained below under Critical Element 3, the State has not used data from its data base regarding SPP/APR compliance Indicators 11 (timely initial evaluation), 12 (implementation of the IEP by age three), and 13 (secondary transition) to identify noncompliance.

In addition, there was a disclaimer in the State's verification visit procedures that limited the State's responsibility to examine or report on noncompliance that was identified during a verification visit unless it had direct relationship to the monitoring priorities. Following OSEPs verification visit, the State removed the disclaimer from the Verification Visit Procedures.

*Critical Element 3: Does the State have a system that is reasonably designed to correct identified noncompliance in a timely manner, including the use of State guidance, technical assistance, follow-up, and, if necessary, sanctions?*

OSE personnel reported that three Regional Service Centers have been established to provide targeted technical assistance to school districts that do not meet goals for ED and EMR. In addition, intensive, targeted technical assistance is provided to districts in the area of SLD. Each Regional Service Center employs two full-time technical assistance specialists, now in their third year, to provide on-going support to district personnel as they implement corrective actions. The State describes timely correction in the following way: "as soon as possible, but in no case more than 12 months from the established time of non-compliance."

A system of awards (four-level) and sanctions (three-level) are included in the State's monitoring system. In addition, enforcement actions are included in the State's local program determinations. Based on discussions with MDE staff and a review of district monitoring reports, it is evident that the State is imposing sanctions, when necessary.

OSE personnel indicated that the State uses its data base to collect data for SPP/APR compliance Indicators 11 (timely initial evaluation), 12 (implementation of the IEP by age three), and 13 (secondary transition). The State staff acknowledged during the verification

visit that the data collected through the data base showed noncompliance with these requirements for a number of local education agencies (LEAs). However, unless the State found noncompliance with these requirements through another general supervision mechanism (e.g., complaint or due process hearing), the State did not, regardless of the compliance level, issue findings to these LEAs and did not specify a timeline by which these LEAs needed to ensure correction of the noncompliance.

During the verification visit, OSEP and MDE staff met with school officials in Holmes County. This district has a history of noncompliance that dates to 2004 and, although much of the noncompliance has been corrected, there still exists challenges to achieving correction of all identified noncompliance related to special education services for children with disabilities in this small district. Through conversations with the Superintendent, Assistant Superintendent, Director of Special Education, and all Principals, OSEP staff gained an understanding of the challenges facing the district, and observed a genuine commitment to making the necessary changes to achieve correction of the remaining areas of noncompliance. District staff reported to OSEP that the State has provided substantial support and technical assistance. They also informed OSEP that the most serious challenges in the District include lack of adequate funding and the inability to attract and retain highly qualified teachers.

*Critical Element 4: Has the State 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 in a timely manner? If barriers have been identified, what mechanisms has the State put in place to address those barriers?*

OSE staff identified several barriers that have impeded the State's ability to identify and correct noncompliance in a timely manner. The intense amount of concentrated staffing, monitoring oversight, and collaborative decision-making that is required of the State through the *Mattie T.* consent decree is an area of concern for the State. OSE staff expressed to OSEP the need to make revisions to the MPIM as soon as possible to bring the State's monitoring processes more in line with the OSEP compliance and results indicators. In addition, the State identified a decrease in staff and a lack of staff with specific expertise, along with the inability to attract those individuals due to low salaries, as barriers. OSE staff reported that with the full support of Superintendent Bounds, OSE is taking steps to revise the MPIM in 2008, and to address the staffing needs of the division.

*Critical Element 5: Does the State have dispute resolution systems that ensure the timely resolution of complaints and due process hearings?*

The State staff reported that OSE works closely with the Parent Relations Division of the Office of Accreditation to address and resolve parent complaints. Staff assigned to the Parent Outreach Section utilize a tracker system that "tracks" the timelines from receipt to the calculated end date of the dispute resolutions methods used. The Parent Outreach section

consists of two full time staff located with the Division of Technical Assistance. The State has the authority to withhold funds if necessary to enforce complaint, mediation, and hearing decisions.

The State's FFY 2006 data indicate that 17 complaints were received, of which 12 had reports issued within timelines and 5 were withdrawn or dismissed. The FFY 2006 data also indicate that 28 hearing requests were received, of which three went to resolution session and resulted in settlement agreements, and one fully adjudicated hearing was held with a decision issued within timelines.

*Critical Element 6: Does the State have mechanisms that focus on improving educational results and functional outcomes for all children with disabilities?*

The State staff reported that on an ongoing basis, the OSE reviews and analyzes student performance data and provides technical assistance and professional development to districts to support correction. OSE staff are continuously engaged in a cycle of data review and analysis, monitoring, and development of improvement activities to improve performance. On a monthly and annual basis, OSE reviews C to B transition data. On an annual basis, OSE reviews district and State-level trend data, including complaints, graduation and drop-out, and performance data that are included in the *Mattie T.* Implementation Plan.

#### General Supervision – Conclusion and Required Actions

OSE reported to OSEP that it primarily monitors for compliance related to the requirements of *Mattie T.* Although the State is collecting district data related to SPP compliance indicators 11, 12, and 13, the State is not requiring LEAs to correct noncompliance reflected in LEAs' data on those indicators. Within 60 days from the date of this letter, the State must submit its plan for ensuring that, when the data that an LEA enters into the data base for compliance indicators indicate that the LEA is in noncompliance, MDE informs the LEA in writing of the noncompliance and that the LEA must ensure correction of that noncompliance as soon as possible and within one year from the date on which the noncompliance is identified.

Additionally, OSEP did not collect data at the local level in this review and so is unable to determine whether all public agencies in the State implement the State's policies and procedures in a manner that is consistent with Part B.

#### Data Collection System - Discussion

*Critical Element 1: Does the State have a data system that is reasonably designed to collect and report to the Department and the public, timely valid and reliable data and information?*

OSE staff reported that the State's data system, the Mississippi Student Information System (MSIS), collects data on all public school students ages 3-21, and has been in place since 2002. The MSIS is an electronic system with over 150 data elements, including indicators for Title I, Vocational, Gifted, Special Education, and Limited English Proficient (LEP). A unique feature of the MSIS is a requirement for users to enter all data related to a particular indicator on the screen before they can save and exit, thus eliminating the possibility of LEAs submitting incomplete data to the State.

OSE staff reported that there are nine reporting periods during the school year and each school is required to submit a complete file for each reporting period. MDE is entering its fifth year of electronic child count collection. The State has not had any recent issues regarding the timeliness and accuracy of 618 data collections. However, the State did not provide the required data in the FFY 2005 APR for Indicators 1, 2, 10, 11, 12, or 13. Through several monthly conference calls with OSE staff and through our discussions during the verification visit, MDE has assured OSEP staff that the State now has the capacity to collect and to report on all APR Indicators, including 1, 2, 10, 11, 12, and 13.

*Critical Element 2: Does the State provide clear guidance and ongoing training to /public agencies regarding requirements and procedures for reporting data under section 618 of IDEA and the SPP/APR?*

OSE staff reported that MDE provides training to LEAs throughout the year via listservs, PowerPoint presentations, white papers, video uploads, and one-on-one training. Twice a year, MDE provides training to first and second year Special Education Directors, plus individual training and support is available to new Directors and new MSIS Primary Contacts. In addition, MSIS data updates are presented at all MDE summer conferences and at all regional meetings.

*Critical Element 3: Does the State have procedures to determine whether the individuals who enter and report data at the local and/or regional level do so accurately and in manner that is consistent with the sections 616 and 618 of the IDEA, OSEP guidance, and State's procedures?*

OSE staff reported that each student has a unique nine-digit identifier, and each district user and MDE user must have a username and a password to access the system. At the district level, a MSIS Primary Contact submits the required security documents, after which the data is held in a "holding area" for a period of time. While data are in the holding area, districts can go through additional data checks to identify and correct errors before the data is moved to the permanent area of MSIS. After the data become "permanent," no further changes can be made by the users.

*Critical Element 4: Does the State have procedures for identifying anomalies in data that are reported and correcting any inaccuracies?*

OSE staff reported that edit checks were created when MSIS was first installed and have evolved over the years to ensure the submission of valid and reliable data. Each month, the XML data files go through rigorous edit checks including matching on five data elements between the student's schedule and the teacher's schedule (Teacher's Social Security Number, Course Code, Period, Term/Semester, and school year). If any file fails just one of the edits, the whole file fails. The school then must review the results file, correct the errors, rebuild the file, and resubmit the whole file through the edit checking process until it clears completely.

#### Data System – Conclusion and Required Actions

OSEP did not identify any concerns regarding the electronic data system used by the State to collect information required under Section 618 and through the SPP/APR process. Several enhancements have been added to ensure the accuracy and the security of all data collections, including data required for reporting in the APR. Although the State did not provide 2005 data in the February 2007 APR for Indicators 1, 2, 10, 11, 12, or 13, MDE has assured OSEP staff that the State is now collecting the required data for these indicators and would report the data and analysis in the FFY 2006 APR (due February 1, 2008). In addition, the State is utilizing the technical assistance available to them through SERRC, their OSEP State Contact, and monthly APR calls provided by OSEP, and has recently hired a new full-time Data Manager to fill a vacancy that was created in June 2007.

OSEP cannot, however, without also conducting a review of data collection and reporting policies, procedures and practices at the local level, determine whether all public agencies in the State implement the State's data collection and reporting procedures in a manner that is consistent with Part B.

#### Fiscal Systems – Discussion

*Critical Element 1: Does the State have procedures reasonably designed to ensure appropriate distribution of IDEA funds at the State level?*

Through meetings with MDE fiscal/financial staff, and a review of documents and forms, OSEP gained a better understanding of the State's mechanisms for ensuring fiscal accountability at the State level in the distribution and use of IDEA funds. The State provided OSEP with a copy of the State's FFY 2005, 2006, and 2007 section 611 and 619 Part B distributions to LEAs, which showed that the State is distributing 611 and 619 funds in a manner that is consistent with Part B requirements. That documentation showed that the base amount under section 611 was the amount the LEA would have received under section 611 for FFY 1999 if MDE had distributed 75% of the grant award for FFY 1999, and that the base



amount under section 619 was the amount the LEA would have received under section 619 for FFY 1997 if MDE had distributed 75% of the grant award for FFY 1997.

OSE staff reported that MDE staff in the Division of Program Management calculate the base amounts for 611 and 619 funds according to Part B regulations. Once that process is complete, the allocations are made public and the local grant application process begins. LEAs are expected to submit their electronic application for Part B funds to the State by the last day in June of each year. Then, MDE reviews the applications in the order in which they are received and, if there are any issues with the application, the LEA must amend or correct and then resubmit. Once the subgrant applications are approved, MDE distributes the funds on a monthly basis through their School Payment System (SPS).

OSE staff reported that, prior to submitting their local application, all LEAs receive a memorandum from MDE regarding Maintenance of Effort (MOE), outlining five justification areas that may apply. If there is an MOE issue in any of the justification areas, it must be resolved before the district receives approval for the new FFY funds. Through discussions with MDE and a review of the grant application processes, OSEP staff understood that the State was determining LEA maintenance of effort using only a combination of State and local funds. However, this practice may have resulted in a district's inability to show maintenance of effort. According to 34 CFR §300.203(b), maintenance of effort can be determined by one of four ways – through either a per capita basis or total basis from either local funds only, or from a combination of State and local funds. Following OSEP's visit, the State revised the local application process to allow districts to use one of four methods for determining MOE.

The State reported to OSEP that there have been no MOE issues, no excess cost issues, and no supplanting issues in recent years at the State level, and that there is close monitoring and zero tolerance within the State Auditor's office and the Office of Accounting Procedures for such expenditure issues.

OSE staff reported that currently, no 611 or 619 funds are used for early intervention services, or for schoolwide programs. In addition, no 619 funds are used for State-level administration or for State set-aside activities. There is only one charter school in Mississippi, which is part of an LEA.

Pursuant to 34 CFR §300.704(c), each State has the option to reserve for each fiscal year ten percent of the amount of funds the State reserves for other State-level activities under §300.704(b)(1) to: (1) finance and make disbursements from the high cost fund to LEAs in accordance with §300.704(c) and (2) support innovative and effective ways of cost sharing by the State, by an LEA, or among a consortium of LEAs, as determined by the State in coordination with representatives from LEAs, subject to §300.704(c)(2)(ii). Under §300.704(c)(3)(i), the State education agency (SEA) must develop, not later than 90 days after the State reserves funds under §300.704(c)(1)(i), annually review, and amend as necessary, a

State plan for the high cost fund. Although Mississippi indicated in its FFY 2006 and FFY 2007 applications for Part B funds that it was reserving funds for the high cost fund permitted under §300.704(c), the State did not develop the plan required under §300.704(c)(3)(i). The State has not distributed any funds to LEAs under §300.704(c) for either fiscal year. The State has distributed the FFY 2006 funds that it reserved to LEAs consistent with §300.705, and informed OSEP of its intent to do the same with the reserved FFY 2007 funds in early 2008.

Part B requires, at 34 CFR §300.646(b)(2), that the State must require an LEA to reserve the maximum amount of funds under section 613(f) of the Act (15% of its Part B subgrant) to provide comprehensive coordinated early intervening services, if the State determines that the LEA has significant disproportionality based on race and ethnicity is occurring in the State and the LEAs of the State with respect to: (1) the identification of children as children with disabilities, including the identification of children as children with disabilities in accordance with a particular impairment described in section 602(3) of the Act; (2) the placement in particular educational settings of these children; or (3) the incidence, duration, and type of disciplinary actions, including suspensions and expulsions. During the verification visit, MDE informed OSEP that, in determining whether LEAs had significant disproportionality, it had considered only whether there was significant disproportionality in special education, and in the disability categories of SLD and EMR. The State indicated that it had not, as part of that determination, determined whether there was significant disproportionality in other disability categories or in placement or discipline. Following the visit, MDE informed OSEP that: (1) it had reviewed data for all LEAs and determined that there were no LEAs, not already identified as having significant disproportionality, that had significant disproportionality when the State correctly applied the standard in §300.646; and (2) it had revised its procedures to now correctly implement the requirements of §300.646.

*Critical Element 2: Does the State have procedures reasonably designed to ensure appropriate use of IDEA funds at the LEA level?*

OSE staff reported that regional training and technical assistance is provided each year to district-level staff on the grant application process and accounting procedures. The MDE Office of Internal Auditing and Accountability addresses district audit findings and tracks the implementation of corrective action plans.

OSE staff reported that, beginning with the 2007-2008 school year, districts are required to enter parentally-placed private school children that are being provided services into the MSIS. However, there is currently no mechanism in place for districts to report on the number of parentally-placed public school students that have been determined eligible for special education services. In addition, there is currently no guidance in the local application process or through State-developed documents or memoranda instructing districts how to calculate and make use of their proportionate share.

*Critical Element 3: Does the State have procedures reasonably designed to ensure the timely obligation and liquidation of IDEA funds?*

MDE staff reported that all districts must utilize the Mississippi School District Accounting Manual and follow a first in/first out (FIFO) system of spending their Part B funds. In addition, there is guidance in the Local School District Project Application related to timely obligation. The State uses a tracking system to ensure that districts are spending down the funds, and makes calls followed by letters to districts that have difficulty obligating or liquidating their funds. The effects of Hurricane Katrina greatly impacted the State's ability to obligate FFY 2003 and FFY 2004 Part B funds.

#### Fiscal System – Conclusion and Required Actions

It appears from OSEPs discussions with MDE that the State has a fiscal management system in place that meets most IDEA requirements and provides sufficient oversight, training, and technical assistance to the districts in their use of Part B 611 and 619 funds. However, without conducting audits at the State and local levels, OSEP cannot determine whether all public agencies in the State implement the State's fiscal procedures in a manner that is consistent with Part B and other relevant federal fiscal requirements.

For the past two years, the State has reserved Part B funds to establish a high cost fund but did not follow the requirements of 34 CFR §300.704(c)(3)(i) regarding the development of a State plan in doing so. States that reserve funds to establish and make disbursements from a high cost fund must: (1) establish, within 90 days, a State plan that includes a definition of a high need child with a disability; (2) establish eligibility criteria for the participation of LEAs; (3) develop a funding mechanism that provides distributions to LEAs that meet the criteria; and (4) establish an annual schedule for disbursement.

There is currently no mechanism in place for districts to report the number of parentally-placed public school students that have been determined eligible for special education services. In addition, there is currently no evidence of guidance in the local application process or through State-developed guidance documents or memos instructing districts how to calculate or spend their proportionate share.

The following are the required actions that the State must take:

1. If Mississippi reserves Part B funds for FFY 2008 or future years, to establish a high cost fund (34 CFR §300.704), then the State must follow up with the steps and requirements necessary to disperse such funds appropriately. Any FFY 2007 Part B funds that were reserved for a high cost fund must be allocated, as soon as possible, to the districts.

2. Within 60 days of the date of this letter, the State must provide assurances that:
  - a. The State has taken the steps necessary to ensure that LEAs are conducting an annual count of parentally-placed private school children with disabilities (34 CFR §300.133(c)).
  - b. The State has taken the steps necessary to ensure that each LEA expenditure of Part B funds for private school children placed by their parents is in proportion to their number in private schools in the LEA (34 CFR §300.133(a)).
  - c. The State has developed processes by which MDE can, on a yearly basis: (1) require districts to report on the number of parentally placed children that have been identified as eligible for special education services; (2) ensure that districts calculate their proportionate share correctly and use a portion of their Part B funds to meet the needs of students based on consultation with private school representatives; and (3) provide the necessary guidance and training necessary to assure that district staff understand the requirements under 34 CFR §300.133.

#### Summary

Within 60 days from the date of this letter, the State must:

1. Submit its plan for ensuring that, when the data that an LEA enters into the data base for compliance indicators indicate that the LEA is in noncompliance, MDE informs the LEA in writing of the noncompliance and that the LEA must ensure correction of that noncompliance as soon as possible and within one year from the date on which the noncompliance is identified.
2. Provide assurances that:
  - a. The State has taken the steps necessary to ensure that LEAs are conducting an annual count of parentally-placed private school children with disabilities (34 CFR §300.133(c)).
  - b. The State has taken the steps necessary to ensure that each LEA expenditure of Part B funds for private school children placed by their parents is in proportion to their number in private schools in the LEA (34 CFR §300.133(a)).
  - c. The State has developed processes by which MDE can, on a yearly basis: (1) require districts to report on the number of parentally placed children that have been identified as eligible for special education services; (2) ensure that



districts calculate their proportionate share correctly and use a portion of their Part B funds to meet the needs of students based on consultation with private school representatives; and (3) provide the necessary guidance and training necessary to assure that district staff understand the requirements under 34 CFR §300.133.

We appreciate the cooperation and assistance provided by your staff during our visit. We look forward to collaborating with you to continue to work to improve results for children with disabilities and their families.

Sincerely,

A handwritten signature in cursive script that reads "Patricia J. Guard".

Patricia J. Guard  
Acting Director  
Office of Special Education Programs

cc: Ann Moore