



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

Honorable David A. Berns  
Director  
Department of Economic Security  
1717 West Jefferson Street  
P.O. Box 6123  
Phoenix, Arizona 85005

JUL 3 2006

Dear Director Berns:

This is to inform you that we have conditionally approved Arizona's application, including policies, procedures, methods, descriptions, and assurances, for Federal Fiscal Year (FFY) 2006 under Part C of the Individuals with Disabilities Education Act (IDEA). Our determination that you are eligible for a conditional approval is based on our receipt of the Part C Application for FFY 2006, including the policies, procedures, methods, descriptions, assurances, certifications, and submission statement submitted by the Department of Economic Security (DES) to the U.S. Department of Education, Office of Special Education Programs (OSEP), on April 5, 2006 and amended on June 28, 2006, in which it assures that it will:

1. Operate consistent with the Part C requirements of PL 108-446 and its applicable regulations in 34 CFR Part 303;
2. Ensure that the Statewide system of early intervention services required by Part C and its implementing regulations is in effect throughout the FFY 2006 grant period; and
3. Make such changes to, and submit for OSEP's approval, existing policies, procedures, methods, and descriptions as are necessary to bring those policies, procedures, methods and descriptions into compliance with the requirements of Part C of the IDEA, as amended, as soon as possible, and not later than the earlier of the date indicated by the State in Section II of its application or June 30, 2007. Section II of the State's application (which is incorporated by reference and enclosed with this grant letter) identifies the IDEA statutory sections for which the State needs to amend policies, procedures, methods and descriptions and the timelines by which the State will amend any policies, procedures, methods and descriptions in order to comply with Part C of the IDEA. Within Section II, the State has included the date by which it expects to complete necessary changes associated with any policies, procedures, methods and descriptions that are not yet in compliance with the requirements of Part C of the IDEA, as amended.

Arizona's Part C FFY 2006 grant award is also subject to Arizona's December 16, 2004 IDEA Part C Compliance Agreement with the U.S. Department of Education (Department). Under the Compliance Agreement, Arizona has agreed to implement all activities identified in the Compliance Agreement and to provide the Department with all verification required under the Compliance Agreement, including quarterly progress updates due on March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, and December 31<sup>st</sup>, of each year during which the Compliance Agreement is in effect, and to demonstrate that, within three years of the date of the Agreement, Arizona is in compliance with the Part C requirements that are the subject of the Compliance Agreement.

Enclosed is the State's grant award for funds currently available under the Department of Education FFY 2006 Appropriations Act for the Part C program. These funds are available for obligation by States from July 1, 2006 through September 30, 2008.

The enclosed grant award for FFY 2006 is made with the continued understanding that this Office may, from time to time, require clarification of information within your application, if necessary. These inquiries are needed to allow us to appropriately carry out our administrative responsibilities related to Part C.

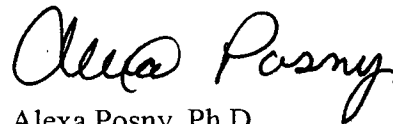
Please note that as part of your State's Application for FFY 2006, your State has made an assurance, under 34 CFR §80.11(c), that it will comply with all applicable Federal statutes and regulations in effect with respect to the FFY 2006 grant period. Any changes made by the State to its FFY 2006 Application or its Part C policies, after OSEP's approval, must meet the applicable public participation requirements in Part C of the IDEA and may also need to be submitted to OSEP for approval prior to implementation.

Section IV.B of the FFY 2006 application for Part C funds requested updated information about each State's restricted indirect cost rate. Our records indicate that your agency has a final cost allocation plan that has been approved by your agency's cognizant Federal agency and is effective until amended. Section IV.B of your State's Part C Application indicates that your agency will continue to apply the currently approved cost allocation plan throughout the FFY 2006 grant year until a revised cost allocation plan is negotiated and approved by the State lead agency's cognizant Federal agency. Please forward to us any revisions to your agency's cost allocation plan once it is approved by your cognizant agency.

Section 604 of the IDEA provides that "[a] State shall not be immune under the eleventh amendment to the Constitution of the United States from suit in Federal court for a violation of this Act." Section 606 provides that each recipient of assistance under IDEA make positive efforts to employ and advance in employment qualified individuals with disabilities. Therefore, by accepting this grant a State is expressly agreeing as a condition of IDEA funding to a waiver of Eleventh Amendment immunity and to ensuring that positive efforts are made to employ and advance employment of qualified individuals with disabilities.

We appreciate your ongoing commitment to the provision of quality early intervention services to infants and toddlers with disabilities and their families.

Sincerely,



Alexa Posny, Ph.D.

Director

Office of Special Education Programs

Enclosures

Enclosure A

cc: Molly Dries

Part C Coordinator