IDEA Part B/Part C   
Fiscal Management for State Agencies with Primary Fiscal Responsibility[[1]](#footnote-2)

# OVERVIEW

In 2016, OSEP began providing differentiated monitoring and support (DMS) to States as part of its Results Driven Accountability ([RDA](https://www2.ed.gov/about/offices/list/osers/osep/rda/index.html)) system under Parts B and C of the Individuals with Disabilities Education Act (IDEA). Under RDA, OSEP made a shift from monitoring based solely on compliance with IDEA requirements to monitoring and support focused on both compliance and improving results for infants, toddlers, children with disabilities referred to and/or served under the IDEA (collectively referred to as children with disabilities). OSEP differentiates its approach for each State based on the State's unique strengths, challenges, and needs. Beginning in Federal fiscal year (FFY) 2021, Part B and Part C programs in States will be monitored by OSEP in a five-year cycle. OSEP will monitor all States[[2]](#footnote-3) on their general supervision systems. OSEP will continue to provide support and technical assistance that is differentiated based on each State’s unique strengths, challenges, and needs.

# IMPLEMENTATION

OSEP’s monitoring of each State will be conducted in three (3) phases:

1. **Discovery (5 months prior to Engagement):**The OSEP monitoring team will provide a document request to the State 5 months prior to the Engagement monitoring activities. During this time the monitoring teams will meet with the State for one or two calls to better understand the State structure and organization. In addition, OSEP will conduct Stakeholder and local component calls and meetings prior to the onsite/virtual Engagement activities with the State.
2. **Engagement (1-month of monitoring engagement through issuance of the DMS Monitoring Repor**t):   
   OSEP will develop an agenda for the on-site/virtual visit focusing on the policies, procedures and implementation of IDEA through interviews and conversations with the State using our posted protocols.
3. **Close-out (up to one year after the issuance of the DMS Monitoring Report):**In the year following the on-site visit, the OSEP State Lead will work with the State to ensure correction of any remaining outstanding findings, provide technical assistance, and support, and discuss progress in improving identified results areas.

#### The protocols are developed and organized in the following way—

Question: Overarching area and question related to the monitoring component.

General Information: A listing of statements about what the State would need to effectively answer the question.

Possible Follow-up Questions: Questions designed to more closely examine areas addressed by the General Information. The questions included within this section are examples of what may be asked; OSEP may ask additional questions that are not listed to ensure understanding.

Areas (or issues) for Follow-up: Issues which could: 1) result in findings of noncompliance if verified, or areas of concern that may not rise to the level of a finding of noncompliance but require follow-up; 2) lead to a finding of noncompliance if the State does not have a process or procedure to meet the Basic Requirement; or 3) be areas that suggest the need for technical assistance or further discussion.

Note regarding the distribution of IDEA funds for State Educational Agency’s (SEAs)[[3]](#footnote-4)/State Lead Agency’s (SLAs)[[4]](#footnote-5) that have primary fiscal responsibility: While Part B programs ordinarily distribute IDEA funds through subgrants to subrecipients [SEA to Local Education Agency (LEA)], and Part C programs typically distribute funds through State procurement processes (SLA to Early Intervention Service (EIS) providers), SEAs and SLAs that have primary fiscal responsibility, generally use procurement processes to distribute Federal IDEA funds for the purposes of providing special education and related services under Part B, or EI services under Part C and thus the analysis, relevant documents and follow-up questions that may be more applicable are the procurement processes.

# Fiscal Management: Does the State have a fiscal management system that is reasonably designed to ensure that IDEA funds are distributed and expended in accordance with Federal fiscal requirements?

Component Definition: FISCAL MANAGEMENT—  
A State's fiscal management system will include documentation of required budgetary information, policies and procedures reflecting IDEA, EDGAR, and Uniform Guidance requirements and evidence of implementation of those procedures, all of which assist States in using Federal funds for improving results and outcomes for infants, toddlers, and children with disabilities.

### Suggested Documents to Review (not exhaustive):

* Organizational chart illustrating the SEA’s/ SLA’s structure, including the offices and divisions involved in activities related to the different sections of this protocol.
* Policies reflecting period of performance requirements for State/Entity staff (including both obligation and liquidation periods).
* State/Entity fiscal monitoring procedures and protocols.
* State/Entity procurement policies and procedures.
* Policies and procedures related to the State’s/entity’s documentation of personnel expenses.
* Policies related to budgets for the IDEA Part B/Part C program, and the tracking of expenditures to ensure that they are consistent with those budgets.
* Records management and records retention procedures, including any specific requirements for fiscal records for the IDEA Part B/Part C program.
* Policies and procedures regarding the use, protection, and storage of personally identifiable information (PII)
* Copies of information technology (IT) system access rules.
* Policies and procedures describing where and how IDEA fiscal records are maintained (e.g., in schools, the special education program office, the entity’s central office, other government offices).
* Policies and procedures related to equipment and supplies management (e.g., manuals, handbooks, standard operating procedures, etc.), including any policies and procedures specifically related to fiscal inventory and asset management for the IDEA Part B/Part C program.
* Evidence of monitoring/internal controls related to records management for the IDEA Part B/C program.
* Examples of IDEA Part B/C program budgets and reports tracking program expenditures to ensure that they are consistent with those budgets.
* Documentation supporting the State’s/ Entity’s fiscal monitoring process of the IDEA Part B/C program (e.g., notification letters, monitoring reports, documentation related to corrective actions, closeouts, etc.).
* Fiscal and programmatic monitoring reports for the IDEA Part B/C program from the past three years. \*If there are no findings in the most recent monitoring report, please also provide the most recent report including a finding for each Part B/C program.
* Documentation supporting the procurement process for selected IDEA Part B/C expenditures (e.g., documentation supporting the competitive process, documentation of appropriate review/approvals, OSEP’s prior approval (as appropriate), etc.).
* A current inventory for the Part B/C program (including the location of assets purchased with IDEA funds), and documentation related to the State’s entity’s process for tracking assets.
* Documentation supporting the State’s/entity’s first and last drawdowns from relevant IDEA Part B/Part C grant awards.
  + Documentation should be sufficiently detailed to allow OSEP to determine obligation dates of the underlying expenditures.
* Examples of the documentation supporting State/Entity special education program staff’s time and effort supported by IDEA Part B/C grant funds.

# Overarching Questions (details start on page 5)

1. [Does the State/Entity have policies and procedures on fiscal monitoring to ensure that the IDEA Part B/C programs are accomplishing performance goals?](#_Does_the_State/Entity)

Uniform Guidance: [2 C.F.R. § 200.329](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.329)

1. [Does the State/Entity have policies and procedures regarding fiscal technical assistance or guidance provided to its programs and schools?](#_Does_the_State/Entity_1)

EDGAR: [34 C.F.R. § 76.770](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFR260cb34d3a397cd/section-76.770)

Uniform Guidance: [2 C.F.R. § 200.32](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.329)9

1. [Does the State/Entity have policies and procedures to identify what agencies are responsible for conducting procurement transactions involving IDEA funds?](#_Does_the_State/Entity_2)

Uniform Guidance: [2 C.F.R. §§ 200.317](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.317); [200.318](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.318), [200.319](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.319), [200.322](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.322), and [200.326](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.326)

1. [Does the State/Entity have policies and procedures that ensure charges for personnel duties, reflect an accurate distribution of the work performed by its employees toward IDEA program objectives?](#_Does_the_State/Entity_2)

Uniform Guidance: [2 C.F.R. § 200.430](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.430)

1. [Does the State/Entity have policies and procedures for preparing budgets and planning for the use of funds to administer the IDEA grant program?](#_Does_the_Entity_3)

EDGAR: [34 C.F.R. § 76.530](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-F/subject-group-ECFR09ede7442dc7e30/section-76.530)

Uniform Guidance: [2 C.F.R. §§ 200.403-200.408](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.403-408); and [200.420-200.475](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.420-475)

1. [Does the State/Entity have policies and procedures that are reasonably designed to ensure fiscal records are maintained in compliance with IDEA requirements?](#_Does_the_Entity_4)

EDGAR: [34 C.F.R. §§ 76.730](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRceeb2ab4f048d91/section-76.730) and [76.731](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRceeb2ab4f048d91/section-76.731)

Uniform Guidance: [[2 C.F.R. §§ 200.303(e)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.303);](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/section-200.303) [200.333](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.333), and [200.336(a)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.336)

1. [Does the State/Entity have procedures that are reasonably designed to ensure the timely obligation and liquidation of IDEA funds?](#_Does_the_Entity_5)

EDGAR: [34 C.F.R. §§ 76.707](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRae39e5300d1271f/section-76.707); and [76.709](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRae39e5300d1271f/section-76.709)

Uniform Guidance: [2 C.F.R. §§ 200.309](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.309); and [200.343(b)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.343)

1. [Does the State/Entity maintain an inventory of items purchased using Federal, and specifically IDEA Part B/Part C, funds?](#_Does_the_State/Entity_3)

GAO Green Book: [Principle 10.03](https://www.gao.gov/assets/gao-14-704g.pdf)

Uniform Guidance: [2 C.F.R. §§ 200.313](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.313); and [200.314](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.314)

1. [Does the State/Entity have policies, procedures, and practices related to providing equitable services to parentally-placed private school children with disabilities?](#_Does_the_State/Entity_4)

IDEA: [34 C.F.R. §§ 300.130-300.144](https://www.ecfr.gov/current/title-34/subtitle-B/chapter-III/part-300/subpart-B/subject-group-ECFR3556f7ac2fe0a92?toc=1); [Appendix B of the IDEA Part B Regulations](https://www.ecfr.gov/current/title-34/subtitle-B/chapter-III/part-300/appendix-Appendix%20B%20to%20Part%20300)

## Does the State/Entity have policies and procedures on fiscal monitoring to ensure that the IDEA Part B/C programs are accomplishing performance goals?

**Uniform Guidance:** [2 C.F.R. § 200.329](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.329)

**Monitoring (of Early Intervention Providers, Programs and Schools)**

### General Information

* The State/Entity must be able to provide its policies and procedures for fiscal monitoring which ensure that IDEA Part C/B programs are accomplishing performance goals.
* The State/Entity must retain records of its fiscal monitoring activities ensuring that the IDEA Part C/B program is accomplishing its performance goals.
* The State/Entity should be able to explain the roles of the agencies/offices responsible for conducting fiscal monitoring of early intervention and/or special education programs.

### Possible Follow-up Questions

* What types of fiscal monitoring activities does the State/Entity engage in to ensure that the Part C/B program and, if appropriate, schools, are accomplishing performance goals?
  + In addition, what types of fiscal monitoring activities does the Entity carry out to ensure that Part C/B program funds are used only for authorized purposes and in compliance with all applicable Federal statutes, regulations, and the terms and conditions of Federal awards?
* Does the State’s/Entity’s monitoring process include the review of both financial and performance reports/records?
* Does the State’s/Entity’s monitoring process cover multiple programs concurrently (e.g., an integrated monitoring approach) or does the entity use individual monitoring processes for each program?
* Does the State’s/Entity’s provide training to program staff (and/or contractors) around program requirements or monitoring strategies?
* How does the State/Entity (and the Part C/B program) ensure that contractors are providing services in accordance with contract terms and conditions, and meeting performance goals?

### Areas (or issues) for Follow-up.

* The State/Entity does not have policies and procedures describing fiscal monitoring that is used to determine whether the goals of the Part C/B program are being accomplished.
* The State/Entity is not able to provide supporting documentation establishing that the Part C/B program has received fiscal monitoring on a cycle or other basis established by the State/Entity.
* The State/Entity does not maintain records of fiscal monitoring activities for the Part C/B program.

### Notes

## Does the State/Entity have policies and procedures regarding fiscal technical assistance or guidance provided to its programs and schools?

**EDGAR:** [34 C.F.R. § 76.770](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFR260cb34d3a397cd/section-76.770)

**Uniform Guidance:** [2 C.F.R. § 200.32](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.329)9

**Fiscal Support and Guidance (to Programs and Schools)**

### General Information

* The State/Entity must be able to provide policies and procedures regarding fiscal technical assistance or guidance for its programs and schools.
* The State/Entity must maintain records of the fiscal technical assistance or guidance it provides to its programs and schools.
* The State/Entity should be able to identify the agencies responsible for conducting technical assistance or issuing guidance for its programs and schools.

### Possible Follow-up Questions

* What types of fiscal technical assistance or guidance does the State/Entity provide to its programs and schools (related to issues such as inventory, procurement, personnel)?
* Does the State/Entity have a regular process for identifying or establishing program and school needs for the purposes of providing guidance, technical assistance, etc.?
* If yes, please describe that process, including a description of the frequency of outreach (e.g., annual) and the initiated mechanism (e.g., statutory change, change in administration)
* Does the State/Entity have a process for obtaining feedback from programs and schools on the guidance and technical assistance provided?
* Does the State/Entity evaluate whether expected outcomes were achieved as a result of program and school spending and activities?
* If yes, please describe the evaluation process used by the Entity.

### Areas (or issues) for Follow-up

* The State/Entity does not have policies and procedures describing its process for providing fiscal technical assistance or guidance to programs and schools.
* The State/Entity is not able to demonstrate that fiscal technical assistance or guidance has been provided to its programs and schools.

### Notes

## Does the State/Entity have policies and procedures to identify what agencies are responsible for conducting procurement transactions involving IDEA funds?

**Uniform Guidance:** [2 C.F.R. §§ 200.317](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.317)**;** [200.318](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.318),[200.319](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.319)**,** [**200.322**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.322)**, and** [**200.326**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.326)

**Procurement**

### General Information

* The State/Entity must have policies and procedures on procurement transactions involving Federal funds, including IDEA funds.
* The State/Entity must maintain records of procurement transactions involving IDEA funds, demonstrating compliance with State/Entity procurement rules.
* The State/Entity should be able to describe the roles and responsibilities of each agency with responsibilities for conducting procurement transactions involving IDEA funds.

### Possible Follow-up Questions

* What agencies within the State/Entity have responsibility for conducting procurement transactions involving IDEA funds?
  + Briefly describe the roles of each of the government agencies/offices involved in the State’s/Entity’s procurement process.
  + Describe the portion of the procurement process that occurs within the Part C/B program and within the SEA/SLA.
* Does the State/Entity maintain documented, comprehensive procurement procedures that capture all phases of the procurement process and all applicable procurement requirements?
  + Please briefly describe the State’s/Entity’s general procurement process, including how transactions are initiated, reviewed, and executed.
* Does the State/Entity have documented rules and/or procedures to protect against conflicts of interest during the procurement process?
* Does the State/Entity have documented rules and/or procedures which ensure open competition during the procurement process?
  + If yes, how are these rules and/or procedures implemented or enforced?
* What protections does the State/Entity (or Part C/B program) have in place to ensure that contracts are not provided to any parties who have been suspended or debarred?

### Areas (or issues) for Follow-up

* The State/Entity is not able to provide policies and procedures on procurement transactions involving IDEA funds.
* The State/Entity does not maintain comprehensive records of its procurement transactions involving IDEA funds.
* The State/ Entity is not able to explain the roles of the agency(ies) responsible for procurement transactions involving IDEA funds.
* The State/Entity does not have any processes or protections in place to account for parties who have been suspended or debarred.

### Notes

## Does the State/Entity have policies and procedures that ensure charges for personnel duties, reflect an accurate distribution of the work performed by its employees toward IDEA program objectives?

**Uniform Guidance:** [2 C.F.R. § 200.430](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.430)

**Personnel**

### General Information

* The State/Entity must have policies and procedures for documenting the time and effort of staff supported with IDEA funds.
* The State/Entity must have records of its charges for personnel duties, of the work performed by its employees toward IDEA program objectives.
* The State/Entity should be able to describe its policies and procedures for ensuring that charges for personnel duties are for work performed by Part C/B program employees toward IDEA program objectives.

### Possible Follow-up Questions

* How does the State/Entity ensure that sufficient documentation is maintained in ensuring charges for personnel duties are made using IDEA funds?
* What documentation does the State/Entity maintain to demonstrate its that it has internal controls in place to ensure that IDEA-funded staff are working consistent with grant objectives?
* What internal controls are in place to ensure that staff supported 100% by IDEA funds are working solely on Part C/B program objectives?

### Areas (or issues) for Follow-up

* The State/Entity does not have policies and procedures for documenting personnel expenses for its employees.
* The State/Entity does not maintain records of its charges for personnel duties for work performed toward IDEA program objectives.
* The State/Entity (or Part C/B program) employees (funded 100% with IDEA funds) perform work that is unrelated to IDEA Part C/B program activities.

### Notes

## Does the State/Entity have policies and procedures for preparing budgets and planning for the use of funds to administer the IDEA grant program?

**EDGAR:** [34 C.F.R. § 76.530](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-F/subject-group-ECFR09ede7442dc7e30/section-76.530)

**Uniform Guidance:** [2 C.F.R. §§ 200.403-200.408](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.403-408); and [200.420-200.475](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.420-475)

**Budgeting and Activities (Programs)**

### General Information

The State/Entity has written policies and procedures related to budgeting and expending IDEA funds –

* The State/Entity must be able to provide policies and procedures related to the preparation and review of budgets for the IDEA grant program.
* The State/Entity must maintain records of its budgets and planning for the use of funds to administer the IDEA grant program.
* The State/Entity must retain documentation demonstrating that its use of IDEA grant funds are reasonable, allowable, and allocable.
* The State/Entity should be able to describe the roles of the agency(ies) responsible for preparing and reviewing budgets and overseeing the use of IDEA funds to ensure that expenditures are consistent with those budgets.

### Possible Follow-up Questions

* How does the State/Entity prepare budgets and plan for the use of funds to administer the IDEA Part B/C grant program and provide early intervention services and/or special education and related services to infants, toddlers and youths with disabilities in the State/Entity?
* How does the State/Entity ensure that proposed uses of IDEA Part B/C program funds are for allowable activities during the budgeting process?
* How does the State/Entity prepare budgets and plan for the use of funds to provide special education and related services to infants, toddlers, and youths with disabilities in the entity under the IDEA Part B/C grant program?
* Does the State/Entity coordinate efforts and activities across programs featuring similar goals, objectives, or required activities?
* What is the State’s/Entity’s process for making/approving budget changes for IDEA grants?

### Areas (or issues) for Follow-up

* The State/Entity does not have policies and procedures related to preparing budgets for the IDEA grant program.
* The State/Entity is not able to provide documentation demonstrating that its use of IDEA grant funds were reasonable, necessary, or allocable. The Entity is not able to provide documentation supporting internal control activities directed at ensuring that expenditures are consistent with budgeted amounts.
* The State/Entity does not have written procedures related to making a budget change request.

### Notes

## Does the State/Entity have policies and procedures that are reasonably designed to ensure fiscal records are maintained in compliance with IDEA requirements?

**EDGAR:** [34 C.F.R. §§ 76.730](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRceeb2ab4f048d91/section-76.730); and [76.731](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRceeb2ab4f048d91/section-76.731)

**Uniform Guidance:** [[2 C.F.R. §§ 200.303(e)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.303);](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/section-200.303) [200.333](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.333), and [200.336(a)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.336)

**Records and Information Management**

### General Information

The State/Entity has a documented records retention policy that includes –

* Descriptions of the categories of required records,
* Timelines and locations for storage and maintenance,
* Designation of responsive individual(s) (e.g., records custodians), and
* Procedures for archiving and disposing of records

### Possible Follow-up Questions

* Does the State/Entity have documented records retention policies (either developed by the SEA/SLA or provided by the State’s/Entity’s government)?
* Is the State/Entity responsible for the maintenance of its own financial records or does another office/division/agency have that responsibility?
* Do these policies include descriptions of the categories of required records, timelines for storage and maintenance, designation of responsive individual(s) (e.g., records custodians), and procedures for archiving and disposing of records?
* How does the State/Entity ensure that all records retention and management procedures are followed and that records are maintained and stored for required time periods?
* How are records maintained (paper/hard copies, electronically, or a combination)? If documentation is generated and/or maintained electronically, what system(s) is/are used for the retention of fiscal documents?

### Areas (or issues) for Follow-up

* The State/Entity is not able to provide its document retention policies.
* The State/Entity does not have a process for document retention.
* The State/Entity does not ensure its financial records are maintained, archived and/or disposed of according to its policies and procedures.

### Notes

## **Does the State/Entity have procedures that are reasonably designed to ensure the timely obligation and liquidation of IDEA funds?**

**EDGAR:** [34 C.F.R. §§ 76.707](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRae39e5300d1271f/section-76.707); and [76.709](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRae39e5300d1271f/section-76.709)

**Uniform Guidance:** [2 C.F.R. §§ 200.309](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.309); and [200.343(b)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.343)

**Period of Performance and Carryover**

### General Information

The State/Entity must be able to describe –

* The offices within the SEA/SLA that are involved in ensuring that IDEA funds are obligated and liquidated in a timely manner.
* The other agencies, and offices within those agencies, if any, that are involved in the State’s/Entity’s obligation and liquidation of IDEA funds.
* The process(es) that the SEA/SLA uses to track obligations and liquidations for specific IDEA grant awards.

### Possible Follow-up Questions

* How does the State/Entity ensure that it charges its IDEA grant awards for expenditures that were incurred during the period of performance?
* How does the State/Entity ensure that all obligations made during the period of availability are liquidated by the end of the liquidation period?
* If the State/Entity has a history of late liquidation requests or funds returned to Treasury:
  + What specific challenges led to the State’s/Entity’s past late liquidation request or return of funds?
  + What enhancements to the State’s/Entity’s policies and procedures would help prevent late liquidation and/or the return of funds (for example, were the unexpended funds due to a lack of contract oversight)?

### Areas (or issues) for Follow-up

* The State/Entity is not able to describe which offices within their SEA/SLA are involved in ensuring that IDEA funds are obligated and liquidated in a timely manner.
* The State/Entity does not have a process that the SEA/SLA uses to track obligations and liquidations for specific IDEA grant awards.

### Notes

## **Does the State/Entity maintain an inventory of items purchased using Federal, and** specifically IDEA Part B/Part C, funds?

**GAO Green Book:** [Principle 10.03](https://www.gao.gov/assets/gao-14-704g.pdf)

**Uniform Guidance:** [2 C.F.R. §§ 200.313](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.313); and [200.314](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.314)

**Equipment and Supplies Management**

### General Information

* The State/Entity must maintain an inventory of assets purchased using IDEA Part B/Part C funds, consistent with Entity policies and procedures.
* The State/Entity maintains equipment purchased with IDEA funds, consistent with Entity policies and procedures.

### Possible Follow-up Questions

* Once the State/Entity obtains equipment and supplies purchased with IDEA funds, how are the items tracked for use by the Part C/B program (including being added to the Entity’s inventory listing for the IDEA program, as appropriate)?
* What standard is used for determining what assets must be inventoried?
* Who is responsible for adding items to the inventory?
* Is a distinction made between items purchased with non-Federal funds?
* What information is included in the State’s/Entity’s inventory (or inventories)? Does the Part C/B program perform its own inventory? If so, how/when is that inventory reconciled to the State’s/Entity’s official inventory?
* What process does the State/Entity use to ensure that equipment and supplies inventories are accurate and up to date for the IDEA Part B/C program?
  + Is that operational process in writing?

### Areas (or issues) for Follow-up

* The State/Entity does not maintain any inventory of equipment purchased with IDEA Part B/Part C funds.
* The State/Entity does not ensure that its inventory of equipment purchased with IDEA Part B/C funds is accurate and up to date.
* The State/Entity does not have a written process for maintaining inventory of items purchased with IDEA Part B/C funds.

### Notes

## **Does the State/Entity have policies, procedures, and practices related to providing equitable services to parentally-placed private school children with disabilities?**

**IDEA:** [34 C.F.R. §§ 300.130-300.144](https://www.ecfr.gov/current/title-34/subtitle-B/chapter-III/part-300/subpart-B/subject-group-ECFR3556f7ac2fe0a92?toc=1); [Appendix B of the IDEA Part B Regulations](https://www.ecfr.gov/current/title-34/subtitle-B/chapter-III/part-300/appendix-Appendix%20B%20to%20Part%20300) ***- Part B applicable only***

**Parentally-Placed Private School Children with Disabilities**

### General Information

The State/Entity must be able to describe –

* How its child find process ensures equitable participation, and an accurate count of parentally-placed children with disabilities in private schools.
* How it calculates proportionate share for parentally-placed children with disabilities in private schools.
* How it performs meaningful consultation with private school representatives and addresses complaints from private school officials.
* How it determines equitable services and ensures that they are provided.
* How it ensures that IDEA Part B funds do not benefit the private school.
* How it ensures the appropriate use of public and/or private school personnel in providing equitable services.
* How it controls and administers IDEA Part B funds, and administers property purchased with those funds.

### Possible Follow-up Questions

* How does the State/Entity perform a thorough and complete child find process, to ensure equitable participation, and an accurate count of parentally placed children with disabilities in private schools?
* How does the State/Entity calculate proportionate share?
* What processes does the State/Entity use to perform meaningful consultation with private school representatives, and address complaints from private school officials? How is the completion of those processes documented?
* How does the State/Entity determine what constitutes equitable services and ensure that those services were delivered? How is the provision of equitable services documented?
* How does the State/Entity ensure that IDEA Part B funds are not benefitting the private school (i.e., supporting the needs of the private school or the general needs of the students enrolled in the private school, rather than special education and related services for parentally placed children with disabilities)?
* Does the special education inventory reflect equipment and supplies purchased for parentally-placed children with disabilities in private schools?
* When personnel from the private school are used to deliver equitable services, are those services being delivered outside of the staff’s regular work hours and under public supervision and control?

### Areas (or issues) for Follow-up

* The State/Entity does not have a defined methodology for determining the proportionate share of funds for parentally-placed children with disabilities in private schools.
* The State/Entity does not maintain documentation demonstrating that it has met the requirements for meaningful consultation (including written affirmation).
* The State/Entity does not maintain documentation demonstrating that it has met the requirements for equitable services delivery.
* The State/Entity does not control how IDEA Part B funds for proportionate share are used, and/or does not adequately document the use of those funds.

### Notes

# **Related Requirements**

**EDGAR**

[**34 C.F.R. § 76.707**](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRae39e5300d1271f/section-76.707) When obligations are made

[**34 C.F.R. § 76.709**](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRae39e5300d1271f/section-76.709) Funds may be obligated during a “carryover period”

[**34 C.F.R. § 76.730**](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRceeb2ab4f048d91/section-76.730) Records related to grant funds

[**34 C.F.R. § 76.731**](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRceeb2ab4f048d91/section-76.731) Records related to compliance

[**34 C.F.R. § 76.530**](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-F/subject-group-ECFR09ede7442dc7e30/section-76.530) General cost principles

[**34 C.F.R. § 76.770**](https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFR260cb34d3a397cd/section-76.770) A State shall have procedures to ensure compliance

**Uniform Guidance**

[**2 C.F.R. § 200.303(e)**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.303) Internal controls

[**2 C.F.R. § 200.309**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.309) Modifications to Period of Performance

[**2 C.F.R. § 200.313**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.313) Equipment

[**2 C.F.R. § 200.314**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.314) Supplies

**[2 C.F.R. § 200.317](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200" \l "200.317" \o "Link to 2 C.F.R. § 200.317)** Procurements by states

[**2 C.F.R. § 200.318**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.318) Procurement Standards

[**2 C.F.R. § 200.322**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.322) Domestic preferences for procurements

[**2 C.F.R. § 200.326**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.326) Bonding requirements

[**2 C.F.R. § 200.328**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.328) Financial reporting

[**2 C.F.R. § 200.333**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.333) Fixed amount subawards

[**2 C.F.R. § 200.336(a)**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.336) Methods for collection, transmission, and storage of information

[**2 C.F.R. § 200.343(b)**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.343) Effects of suspension and termination

[**2 C.F.R. §§ 200.403-408**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.403-408) Factors affecting allowability of costs, Reasonable costs, Allocable costs, Applicable credits, Prior written approval (prior approval), Limitation on allowance of costs

[**2 C.F.R. §§ 200.420-475**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.420-475) General Provisions for Selected Items of Cost

[**2 C.F.R. § 200.430**](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.430) Compensation — personal services

**GAO Greenbook**

[**Principle 10.03**](https://www.gao.gov/assets/gao-14-704g.pdf) Standards for Internal Control in the Federal Government (PDF)

**IDEA**

[**34 C.F.R. §§ 300.130-300.144**](https://www.ecfr.gov/current/title-34/subtitle-B/chapter-III/part-300/subpart-B/subject-group-ECFR3556f7ac2fe0a92?toc=1) Children with Disabilities Enrolled by Their Parents in Private Schools

[**Appendix B of the IDEA Part B Regulations**](https://www.ecfr.gov/current/title-34/subtitle-B/chapter-III/part-300/appendix-Appendix%20B%20to%20Part%20300) Proportionate Share Calculation

1. This protocol is intended for States/Entities with unitary systems, or which utilize internal controls and systems centralized within a State Educational Agency (SEA) or State Lead Agency (LA) to ensure compliance with Federal fiscal requirements. Note, IDEA Part C State LAs do not generally sub-grant to early intervention service (EIS) providers and must have in place internal controls and exercise general supervision over the use of IDEA funds at the State level to ensure compliance with Federal fiscal requirements. [↑](#footnote-ref-2)
2. The SEA is responsible for implementing Part B of the IDEA and the LA is responsible for implementing Part C of the IDEA in the State. Both the SEA and LA respectively must exercise general supervision over the programs and activities used to implement IDEA requirements in the State (regardless of whether Federal IDEA funds are provided to such programs and activities). [20 U.S.C. sections 1416(a)(3)](https://sites.ed.gov/idea/statute-chapter-33/subchapter-ii/1416), [1435(a)(10)](https://sites.ed.gov/idea/statute-chapter-33/subchapter-iii/1435), [1437(a)(1)](https://sites.ed.gov/idea/statute-chapter-33/subchapter-iii/1437) and [1442](https://sites.ed.gov/idea/statute-chapter-33/subchapter-iii/1442) and [34 C.F.R. §§ 303.120(a)](https://www.ecfr.gov/cgi-bin/text-idx?SID=e6c33b333d6456a438dbd2feb0f64cf9&mc=true&node=se34.2.303_1120&rgn=div8) and [303.700(b)](https://www.ecfr.gov/cgi-bin/text-idx?SID=e6c33b333d6456a438dbd2feb0f64cf9&mc=true&node=se34.2.303_1700&rgn=div8) for IDEA Part C. [20 U.S.C. sections 1412(a)(11)](https://sites.ed.gov/idea/statute-chapter-33/subchapter-ii/1412) and [1416(a)(3)](https://sites.ed.gov/idea/statute-chapter-33/subchapter-ii/1416) and [34 C.F.R. §§ 300.149](https://www.ecfr.gov/cgi-bin/text-idx?SID=36a281a95887586543a75d7188cd4f21&mc=true&node=se34.2.300_1149&rgn=div8) and [300.600](https://www.ecfr.gov/cgi-bin/text-idx?SID=36a281a95887586543a75d7188cd4f21&mc=true&node=se34.2.300_1600&rgn=div8) for IDEA Part B. [↑](#footnote-ref-3)
3. As defined in [34 C.F.R. § 300.42](https://www.ecfr.gov/current/title-34/subtitle-B/chapter-III/part-300/subpart-A/subject-group-ECFR0ec59c730ac278e/section-300.42) [↑](#footnote-ref-4)
4. As defined in [34 C.F.R. § 303.22](https://www.ecfr.gov/current/title-34/subtitle-B/chapter-III/part-303/subpart-A/subject-group-ECFR8d7eb7e02db8abe/section-303.22) [↑](#footnote-ref-5)