



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

August 27, 2018

Honorable Jeffrey C. Riley
Commissioner
Massachusetts Department of
Elementary and Secondary Education
75 Pleasant Street
Malden, Massachusetts 02148

Dear Commissioner Riley:

The purpose of this correspondence is to provide a summary of the fiscal monitoring and support activities conducted by the Office of Special Education Programs (OSEP) for the Massachusetts Department of Elementary and Secondary Education (ESE) during May 8 and 9, 2017.¹ In 2016, OSEP began providing differentiated monitoring and support (DMS) to States as part of its Results Driven Accountability (RDA) framework. Under RDA, OSEP made a shift from monitoring based solely on compliance to monitoring and support focused on both compliance and improving results for students with disabilities. OSEP differentiates its approach for each State based on the State's unique strengths, progress, challenges, and needs.

With the DMS process, OSEP conducts an organizational assessment (OA) of risk factors to identify States' progress in meeting performance standards and compliance with the legal requirements of the Individuals with Disabilities Education Act (IDEA), the Education Department General Administrative Regulations and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. OSEP uses the information from the OA and an Engagement Decision Tree to make designations of universal, targeted, or intensive monitoring and support (DMS) for the fiscal year. The 2016 DMS areas were: 1) results; 2) compliance; 3) dispute resolution (Special Focus Area); and 4) fiscal.

On April 26, 2016, OSEP sent Mr. Russell Johnston, ESE's Senior Associate Commissioner, the DMS notice for Massachusetts. That notice provided a designation of universal, targeted, or intensive engagement in each of four areas: results, compliance, dispute resolution, and fiscal. The information in the notice was based on Federal Fiscal Year (FFY) 2014 data in the four areas, along with information about the factors contributing to elevated needs, the support your State has accessed, your State's capacity to improve results and compliance, and additional contextual information. We have attached a copy of the DMS notice for your convenience.

¹ OSEP also conducted monitoring in the area of dispute resolution during the week of May 8, 2017. The results of that monitoring activity was issued under separate cover and issued on February 2, 2018.

Scope of OSEP's Fiscal Monitoring

OSEP's Fiscal Monitoring that occurred in 2017 examined two areas: Local Education Agency (LEA) Allocations and Subrecipient Monitoring during FFY 2016 (2016-2017). For this monitoring OSEP reviewed information from FFYs 2014, 2015, and 2016, including State-submitted documentation and other available information; audits conducted under the Uniform Guidance and those conducted through the Office of the Inspector General (OIG). OSEP conducted both onsite and telephone interviews with State staff.

There are three enclosures with this letter. Enclosure A entitled, the *OSEP Fiscal Monitoring Instrument*, identifies any noncompliance identified during the visit, the IDEA requirements and specific instructions, and any corrective actions the State must take to address the noncompliance. Enclosure B entitled, *Correction of LEA Allocation Finding Identified in FFY 2015*, addresses the ESE's correction of noncompliance identified in OSEP's fiscal monitoring letter dated May 13, 2016. Lastly, Enclosure C, entitled *Additional Fiscal Issues*, identifies additional noncompliance that was identified outside of OSEP's onsite monitoring activities, as well as corrective actions the State must take to address the identified noncompliance.

OSEP appreciates the State's efforts and cooperation in addressing the noncompliance identified in this letter and recognizes that the State has already made significant progress in resolving these matters. OSEP also appreciates your State's efforts to improve results for children with disabilities in Massachusetts. If you have any questions, please contact Dwight Thomas, your OSEP State Lead at 202-245-6238.

Sincerely,

/s/

Ruth E. Ryder
Acting Director
Office of Special Education Programs

cc: State Director of Special Education

Enclosure