



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

RICK SNYDER
GOVERNOR

MICHAEL P. FLANAGAN
STATE SUPERINTENDENT

March 10, 2014

Doug Ringler, Director
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, MI 48913

Dear Mr. Ringler:

In accordance with the State of Michigan, Financial Management Guide, Part VII, attached is a summary table identifying our responses and corrective action plans to address recommendations contained within the Office of the Auditor General's audit report of the Michigan Department of Education, Early On single audit.

Questions regarding the summary table or corrective action plans should be directed to me at 5-6858 or KrefmanN@michigan.gov.

Sincerely,

Signature Redacted

Naomi Krefman, CPA
Assistant Director
Office of Financial Management

cc: John Nixon, CPA, State Budget Director
Thomas McTavish, CPA, Auditor General
Ellen Jeffries, Senate Fiscal Agency
Mary Ann Cleary, House Fiscal Agency
Joseph Haveman, House Appropriations Committee Chair
Roger Kahn, M.D., Senate Appropriations Committee Chair
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**Michigan Department of Education
Summary Responses to Recommendations
Performance Audit of Early On
November 2013**

1. Audit recommendations the agency complied with:

None

2. Audit recommendations the agency agrees with and will comply:

Findings 1, 2, 3, 4, 5, 6, 7

3. Audit recommendations the agency disagrees with:

None.

OAG Performance Audit – Early On
 Audit #313-2000-12

Finding #	Finding Title	Recommendation	Update	Responsible
1	EI Services Available for Delivery	<p>OAG recommends that MDE implement measures to ensure that ISDs comply with federal regulations by providing <i>Early On</i>-only children access to a comprehensive selection of EI services delivered by qualified personnel.</p> <p>MDE Plan</p> <hr/> <p>1-1 Desk audits of local programs 1-2 Personnel standards dissemination 1-3 Obtain additional funds to support <i>Early On</i> 1-4 Explore process to change Michigan Administrative Rules for Special Education (MARSE) to include all infants and toddlers or change eligibility definition for <i>Early On</i></p>	<p>MDE agrees with the recommendation and will comply. To be completed December 2015</p> <ul style="list-style-type: none"> • Met with Superintendent Flanagan on 12/3/13—discussed: <ul style="list-style-type: none"> ○ How to change MARSE (Michigan Administrative Rules for Special Education) to include infants and toddlers in Michigan Mandatory Special Education funding and Explored process to obtain additional funding. • Explore feasibility and process to change MARSE to include all infants and toddlers with a disability in Michigan Mandatory Special Education. December 2015 • Request financial support for <i>Early On</i>- only children in the MDE budgetary process. December 2014 • Completed draft Personnel Standards December 2013 for Public Comment with 2014 Part C Application. April 30, 2014 • Conducted nine desk audits by December 2013 for compliance. 	Lindy Buch

Finding #	Finding Title	Recommendation	Update	Responsible
2	IFSP Development and Review	<p>OAG recommends that MDE implement measures to ensure that ISDs develop and review IFSPs for children and their families qualifying for <i>Early On</i>-only services in accordance with federal regulations.</p> <p><u>MDE Plan</u></p> <p>2-1 Desk audits of local programs (ongoing) 2-2 Provide policy updates to field</p>	<p>MDE agrees with the recommendation and will comply. To be completed May 2014</p> <ul style="list-style-type: none"> Submitted proposals in December 2013 to present at the U.P. Special Education Conference and the Michigan Council for Exceptional Children Conference to provide policy updates on federal requirements Conducted nine desk audits by December 2013 for compliance Identified and announced focused monitoring sites December 2013 Contractor completed draft of IFSP Guidance December 2013 	Lindy Buch
3	Delivery of Summer EI Services	<p>OAG recommends that MDE implement measures to ensure that ISDs comply with federal regulations and offer a comprehensive array of EI services to Early On children and their families during the ISDs' summer recess.</p> <p><u>MDE Plan</u></p> <p>3-1 Mandate each local program's submission of 12-month staff support plan 3-2 Review and approve submitted staff support plans</p>	<p>MDE agrees with the recommendation and will comply. To be completed October 2014</p> <ul style="list-style-type: none"> Planned inclusion of 12-month staff support plans in 2014 ISD MEGS+ application, January 2014 Scheduled meeting to design MEGS+ 2014 application, February 2014 Approve all 12-month staff support plans with 2014 Applications, October 2014 	Lindy Buch
4	Delivery of EI Services in Natural Environments	<p>OAG recommends that MDE implement measures to ensure that ISDs comply with federal regulations and provide EI services to children in their natural environments or</p>	<p>MDE agrees with the recommendation and will comply. To be completed December 2014</p> <ul style="list-style-type: none"> Contractor completed draft IFSP Guidance December 2013 	Lindy Buch

Finding #	Finding Title	Recommendation	Update	Responsible
		<p>document acceptable reasons for not doing so.</p> <p>OAG also recommends that MDE implement measures to ensure that ISDs accurately report to MDE the primary location that the ISDs plan to deliver each service included on children's IFSPs.</p> <p><u>MDE Plan</u></p> <p>4-1 Disseminate additional document to capture justification for not serving in the Natural Environment</p> <p>4-2 Review justifications with desk audits</p> <p>4-3 Clarification of definition of "primarily" for Annual Performance Report Indicator 2</p>	<ul style="list-style-type: none"> Submitted proposals in December 2013 to present at the U.P. Special Education and Michigan Council for Exceptional Children Conferences on Part C requirements Disseminate clarified policies on Natural Environments to field at Spring Updates May 2014 	
5	Timeliness of EI Services Delivered	<p>OAG recommends that MDE implement measures to ensure that ISDs comply with federal regulations and timely provide required EI services.</p> <p><u>MDE Plan</u></p> <p>5-1 Desk audits of local programs (ongoing)</p>	<p>MDE agrees with the recommendation and will comply. To be completed December 2014</p> <ul style="list-style-type: none"> Completed nine Desk Reviews for federal compliance by December 2013 	Lindy Buch
6	Public Awareness (PA) and Child	OAG recommends that MDE implement measures to ensure that ISDs make sufficient	MDE agrees with the recommendation and will comply. To be completed December 2014	Lindy Buch

Finding #	Finding Title	Recommendation	Update	Responsible
	Find (CF)	<p>efforts to publicize their EI programs and to identify, locate, and evaluate all children who are potentially eligible for EI services.</p> <p><u>MDE Plan</u></p> <p>6-1 MEGS+ applications review of child find activities 6-2 Technical assistance for ISDs not meeting the state target</p>	<ul style="list-style-type: none"> Met with contractors November 26, 2013 to start the design of intensive technical assistance to persistently low performing ISDs in child find 	
7	Child Outcomes	<p>OAG recommends that MDE implement measures to ensure that ISDs provide MDE with comprehensive and accurate child outcome data.</p> <p><u>MDE Plan</u></p> <p>7-1 Michigan Student Data System monitoring of COSF data (ongoing) 7-2 Disseminate information on COSF process and technical assistance resources</p>	<p>MDE agrees with the recommendation and will comply. To be completed December 2014</p> <ul style="list-style-type: none"> Completed additional edits to Child Outcomes Summary Form (COSF) Guidance December 2013 Met with data contractor to improve data collection throughout the year. Submitted proposals December 2013 to the U.P. Special Education and Michigan Council for Exceptional Children Conferences to present updates 	Lindy Buch