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Quick Reference Guide on the Fiscal Responsibilities of Part C State Interagency Coordinating Councils

CIFR's quick reference guides help states and other stakeholders better understand the basics of fiscal reporting requirements in the Individuals with Disabilities Education Act (IDEA). These guides are not an official interpretation of IDEA by the Office of Special Education Programs (OSEP) or the U.S Department of Education.

What is a state Interagency Coordinating Council?

Each state that receives IDEA Part C funds is required to have an Interagency Coordinating Council (ICC) appointed by the governor. The IDEA regulations in 34 CFR §303.601 detail the membership requirements of the ICC. The composition of the ICC must reasonably represent the state. Notably, at least 20 percent of the members must be parents, and at least 20 percent must be providers of early intervention services. Other required members include representatives from the state legislature and from state-level agencies responsible for Medicaid, the regulation of private insurance, and state child welfare. The diverse membership of the ICC is necessary to ensure that there are stakeholders who represent every facet of the early intervention system, including families. See 34 CFR §303.601 for a full list of required ICC members.

The ICC meets at least quarterly to advise and assist the state lead agency (LA) administering the Part C program in carrying out its responsibilities. This quick reference guide focuses only on the fiscal responsibilities of the ICC, which include advising and assisting the state LA in making fiscal decisions. See 34 CFR §303.604(b) and (c) for other responsibilities.

Why is the Interagency Coordinating Council important when discussing fiscal matters?

Under IDEA Part C, the state LA is required to “facilitate the coordination of payment for early intervention services from federal, state, local, and private sources” (including public and private insurance coverage) (34 CFR §303.1(b)). This is known as the “system of payments” for a Part C program. The members of the ICC are expected to advise the state LA in making financial and programmatic decisions that support a coordinated and effective early intervention system.

Functions of the Council

- (a) Advising and assisting the lead agency.** The Council must advise and assist the lead agency in the performance of its responsibilities in section 635(a)(10) of the Act, including—
- (1) Identification of sources of fiscal and other support for services for early intervention service programs under part C of the Act;
 - (2) Assignment of financial responsibility to the appropriate agency;
 - (3) Promotion of methods (including use of intra-agency and interagency agreements) for intra-agency and interagency collaboration regarding child find under §303.115 and 303.302, monitoring under §303.120 and §303.700 through 303.708, financial responsibility and provision of early intervention services under §303.202 and 303.511, and transition under §303.209; and
 - (4) Preparation of applications under this part and amendments to those applications.

34 CFR §303.604(a)(1-4)

What is the role of the Interagency Coordinating Council in relation to state lead agency fiscal responsibilities?

The state LA has a number of fiscal responsibilities as it administers the Part C grant, and the ICC advises the state LA in that work. Specifically, the ICC provides input on the available sources of revenue that may be used for early intervention. These sources may include state funds, local funds, insurance (public and/or private), and/or funds from federal programs. The ICC also has the responsibility of providing feedback and guidance to the state LA on the yearly grant budget. This is especially important when the state LA is experiencing either unanticipated additional funding or a funding shortfall. Finally, the state LA may use IDEA Part C funds to support the ICC's work, as described below.

How can Part C funds be used to support the Interagency Coordinating Council work?

ICC members are generally expected to serve without compensation. As described in 34 CFR §303.603(a), an ICC may use IDEA Part C funds to conduct hearings and forums to obtain stakeholder feedback on changes that may potentially impact the budget. The ICC may also reimburse members for reasonable and necessary expenses for attending ICC meetings and performing their duties. Reimbursements may include transportation, lodging, meals, and childcare for parent members. If an ICC member is not employed or must forfeit wages from other employment when performing official business, the ICC may pay compensation for the member's involvement using IDEA Part C funds. These provisions support the involvement of a wide variety of individuals, including families. An ICC may also use funds to hire staff or obtain the services of professional, technical, and clerical personnel as may be necessary to carry out the performance of its functions. These professional services may help the ICC to maintain a level of independence from the state LA, allowing for objectivity in its advisory and assisting roles (e.g., independent strategic planning meeting facilitator).

Questions for states to consider

What level of fiscal knowledge is important for an Interagency Coordinating Council member to have?

To fully participate in budget discussions, ICC members must have a basic understanding of the funding of IDEA Part C services. A state LA may provide this foundational information as part of the orientation of new ICC members and reinforce the information at regularly scheduled ICC meetings.

When should staff request input from the Interagency Coordinating Council on the state Part C budget?

When preparing the grant budget for broad stakeholder feedback, state LA staff should seek ICC members' input. Other opportunities for input may include when fiscal decisions need to be made about a funding surplus, a funding shortfall, or the movement of funds between line items. When extraneous factors, such as public health emergencies or natural disasters, impact funding, the ICC can help examine the actions the state LA might take to mitigate the effects. States with complex revenues and budgets may benefit from creating a fiscal subcommittee within the ICC to develop greater financial knowledge across stakeholders and to support compliance with federal requirements.

Use of Funds by the Council

- (a) Subject to the approval by the Governor, the Council may use funds under this part to—
- (1) Conduct hearings and forums;
 - (2) Reimburse members of the Council for reasonable and necessary expenses for attending Council meetings and performing Council duties (including childcare for parent representatives);
 - (3) Pay compensation to a member of the Council if the member is not employed or must forfeit wages from other employment when performing official Council business;
 - (4) Hire staff; and
 - (5) Obtain the services of professional, technical, and clerical personnel as may be necessary to carry out the performance of its functions under part C of the Act.

34 CFR §303.603(a)

How can the Interagency Coordinating Council provide input on equitable use of funds?

The ICC should be comprised of a diverse membership that represents every facet of the Part C system in the state. In their role, ICC members should provide input on whether and how funds are being used equitably across the state. If an area of the state is identified as being underserved, the state LA should work with the ICC to discuss possible solutions.

Resources

- ECTA's Part C Fiscal 101 Training Modules: Module #1 "Overview of Fiscal Requirements" (2018)
<https://ectacenter.org/~pdfs/topics/finance/fiscal101/Overviewslidesandnotes.pdf>
- IDEA Part C and its implementing regulations ([34 CFR part 303](#))
- OSEP State Advisory Panels (SAP) & State Interagency Coordinating Councils (SICC)
<https://osepideasthatwork.org/resources-grantees/sap-sicc>
- State Advisory Panel, State Interagency Coordinating Council: Capacity Building Webinar (2019)
<https://osepideasthatwork.org/find-a-resource/1-31-2019-webinar-building-capacity>

For additional resources, please visit CIFR at <http://cifr.wested.org> or contact us at cifr_info@wested.org.



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