PROGRAM 9 – EARLY INTERVENTION / INFANT LEARNING PROGRAM (EI / ILP)
DEPARTMENT OF HEALTH

I.   PROGRAM OBJECTIVES

The objectives of this program are: to enhance the development of eligible children under the age of three who experience a developmental delay, disability, or are at risk for the development of a delay or disability, through the provision of comprehensive collaborative early intervention services; to enhance the capacity of families and caregivers to meet the special needs of their infants and toddlers; and to serve all of the infants and toddlers who experience severe delay or disability in the assigned services areas.

II.   PROGRAM PROCEDURES

Public funds are appropriated annually by the State Legislature to the Department of Health and Social Services, Division of Senior and Disabilities Services. These funds are a combination of state general funds, and federal Part C funds (CFDA 84.181) that are appropriated directly to the Department of Health and Social Services from the U.S. Department of Education. These funds are awarded as grants to nonprofit corporations, school districts or regional education attendance areas. Local in-kind or cash match is optional in this program.

The services are to be provided on a priority basis. Children who experience a severe development delay or who have an identified condition that has a high probability of resulting in a severe delay have the highest priority. The next highest priority for core Early Intervention / Infant Learning Program (EI/ILP) Services is for children who experience a moderate delay, then those who experience a mild delay and last those who are at risk.

Caseloads are to be adjusted in a gradual manner to serve children according to these priorities. However, there is to be no delay in providing services to children who are experiencing a severe delay and are Part C eligible. By 33 months (2 years and 9 months of age, enrolled children should be referred to the local school district or other services at the parent's request. At 36 months (3 years) of age children are transitioned and exited from EI/ILP.

III.   COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES
A.   TYPES OF SERVICES ALLOWED OR UNALLOWED -
1. **Compliance Requirement**: Early Intervention/Infant Learning Program general grant funds may be used for staff salaries, travel, supplies, equipment, facility, and administrative cost for the support and teaching of parents who are the primary facilitator of their child's care and development. Part C federal funds must be reported and tracked separately and must be used to provide services to Part C eligible children.

No more than 25% shall be used for administrative cost associated with the program.

Suggested Audit Procedures:
a) Review final Grant Award (GA) including all conditions;
b) Review grant revisions and related transmittal;
c) Review licenses, certifications, approvals, status of private nonprofit corporation if applicable; and
d) Review budget documents including final revised budget and budget narrative.

2. **Compliance Requirement**: Costs allowed or unallowed under this program are determined by 7 AAC 23, 7 AAC 78 and 34 CFR 76.563 as well as budget documents and special conditions. Charges to clients must meet the guidelines of 7 AAC 80.

   Suggested Audit Procedures:
   a) Review Early Intervention/Infant Learning Program (EI/ILP) regulations 7 AAC 23 and statute AS 47.20;
   b) Review Department of Health and Social Services grant regulations 7 AAC 78, and budget documents;
   c) Review U.S. Department of Education Part C regulations 34 CFR 76.563;
   d) Test financial and related records to determine the appropriateness of cost per 7 AAC 78, and 7 AAC 23;
   e) Determine whether expenditures are within the budget limits prescribed by 7 AAC 78.260(f)(1) and 7 AAC 23; and
   f) Review administrative costs to determine compliance with state and Part C federal requirements.

3. **Compliance Requirement**: The Early Intervention/Infant Learning Program must operate twelve months a year. Fees for service are allowable as are Medicaid and third-party reimbursement, with parental consent. Additionally, client records are to be kept confidential.

   Suggested Audit Procedures:
   a) Determine if the program operates year round;
   b) Review system of client records to ensure compliance with confidentiality; and
   c) Review 7 AAC 80

B. ELIGIBILITY -
Compliance Requirement: The auditor is not expected to perform tests for client eligibility. The agency must be a nonprofit or political subdivision meeting the requirements of 7 AAC 78.030.

Suggested Audit Procedures: Review articles of incorporation or other appropriate documentation, licenses, certifications, and approvals to determine status of agency.

C. **MATCHING, LEVEL OF EFFORT AND/OR EARMARKING REQUIREMENTS -**
There is no matching or level of effort requirement.

D. **REPORTING REQUIREMENTS -**
1. **Compliance Requirement**: The agency's audit report must present a statement of revenue and expenses, budget and actual, for each state grant. Such statements must show, for each state fiscal year grant, the final approved budget by line-item category, actual revenues and expenditures and variance between budgeted and actual revenues and expenditures. Disallowed or questioned costs must be clearly disclosed.
    Suggested Audit Procedures:
    a) Review grant regulation 7 AAC 78.230
    b) Review audit report for compliance with the above.

2. **Compliance Requirement**: The agency must clearly show on their audit report any outstanding liability to the State as payable to the State. This includes unspent grant funds and disallowed costs.
    Suggested Audit Procedures:
    a) Determine whether or not the agency has any outstanding liability to the State.
    b) Reviews grant regulation 7 AAC 78.230.
    c) Review audit report to ensure proper presentation.

E. **SPECIAL TESTS AND PROVISIONS -**
Compliance Requirement: The agency must act upon any recommendations made by a program site review.
    Suggested Audit Procedures:
    a) Obtain copy of program site review; and
    b) Determine if recommendations in the site review are being implemented.