



DEPARTMENT OF ECONOMIC SECURITY
Your Partner For A Stronger Arizona

INTERGOVERNMENTAL AGREEMENT (IGA)

Contract between the Arizona Department of Economic Security ("ADES") and the Arizona Department of Education (ADE).

WHEREAS, the ADES is duly authorized to execute and administer contracts under A.R.S § 41-1954, and

WHEREAS, the ADE is duly authorized to execute and administer contracts under A.R.S. § 41-2022, and

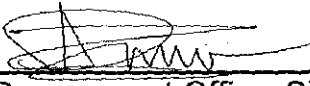
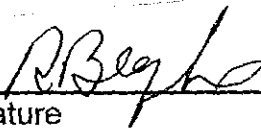




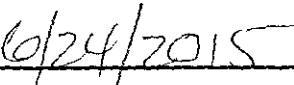
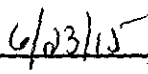
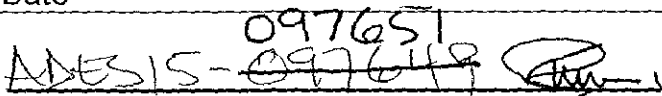
WHEREAS, the ADES and the ADE are authorized by A.R.S. § 11-952 et seq. and A.R.S. § 41-2022. to enter into agreements for joint or cooperative action to contract for the services specified in this contract, and

THEREFORE, the ADES and the ADE agree to abide by all the terms and conditions set forth in this Contract.

BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

FOR AND ON BEHALF OF THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY:

FOR AND ON BEHALF OF THE ARIZONA DEPARTMENT OF EDUCATION:

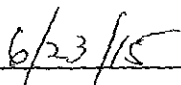
	
Procurement Officer Signature	Signature
	
Printed Name	Printed Name
	
Title	Title
	
Date	Date
	
ADES Contract Number	Contract Number

IN ACCORDANCE WITH A.R.S. §11-952 THIS CONTRACT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE


Assistant Attorney General

By: 
Public Agency Legal Counsel

Date: 

Date: 

1.0 ADES VISION AND MISSION STATEMENTS

1.1 ADES Vision:

Opportunity, assistance and care for Arizonans in need.

1.2 ADES Mission: The Arizona Department of Economic Security makes Arizona stronger by helping Arizonans reach their potential through temporary assistance for those in need, and care for the vulnerable.

2.0 PARTIES

2.1 This Intergovernmental Agreement (IGA) is between the ADES, and the ADE.

3.0 TERM OF AGREEMENT

3.1 TERM

The term of this Agreement shall have an effective date of July 1, 2015 and shall end on June 30, 2020, unless otherwise agreed upon by both parties in writing.

3.2. EXTENSION

This agreement may be extended through a written amendment by mutual agreement of the parties.

3.3. TERMINATION

3.3.1 This agreement may be terminated by mutual agreement of the parties at any time during the term of this agreement.

3.3.2 Each party shall have the right to terminate this agreement by hand-delivering to the other party written notice of termination at least thirty (30) days prior to the effective date of said termination.

4.0 AMENDMENTS OR MODIFICATIONS

4.1 This Agreement may be amended or modified at any time by mutual agreement. No agent, employee or other representative of either Party is empowered to alter any of the terms of the Agreement, unless done in writing and signed by the authorized representative of the respective Parties.

4.2 Either party shall give written notice to the other party of any non-material alteration that affects the provisions of this Agreement. Non-material alterations that do not require a written amendment are as follows:

- A. Change of telephone number;
- B. Change in authorized signatory; and/or
- C. Change in the name and/or address of the person to whom notices are to be sent.

5.0 DEFINITIONS

5.1 Arizona Early Intervention Program (AzEIP) is the comprehensive, coordinated system of early intervention services authorized in A.R.S. § 41-2022 and implemented through the collaborative activities of five AzEIP Participating State Agencies: Department of Economic Security, Arizona Department of Education, Arizona Department of Health Services, Arizona Health Care Cost Containment System, and Arizona State Schools for the Deaf and the Blind. AzEIP is the total effort in Arizona that is directed at finding, assessing, and meeting the needs of children eligible under IDEA, Part C, and their families.

5.2 AzEIP Service Coordinator is an individual responsible for the coordination of services for a child and family in the Arizona Early Intervention Program in accordance with 34 C.F.R. §303.34. An AzEIP Service Coordinator may be employed by, or contracted with, any of the AzEIP Early Intervention Programs (defined in Section 5.3) and may also be called a Support Coordinator.

5.3 AzEIP Early Intervention Programs are those entities designated by DES/AzEIP to provide early intervention services in a specified region. See Chapter Two (2) of AzEIP Policies and Procedures, *General Supervision*, for specific, regional early intervention programs.

5.4 AzEIP Statement of Child's Present Levels of Development (also called the AzEIP Summary of Development) is a component of the IFSP, and meets the requirements of 34 C.F.R. §303.344 that provides a comprehensive, integrated developmental summary of the child's ability to: 1) engage or participate in social relationships; 2) acquire and use knowledge and skills; and, 3) be independent within the family's routines and activities. The AzEIP Summary of Development documents functional information synthesized from multiple sources, such as parent report, observation, and/or criterion-referenced assessment.

5.5 Department of Economic Security (DES) is the state agency designated in A.R.S. §41-2022 as the lead agency for implementing Part C of the IDEA pursuant to 20 U.S.C. §1435(a)(10).

- 5.6 Department of Economic Security, Arizona Early Intervention Program (DES/AzEIP) is the office within DES responsible for fulfilling all lead agency responsibilities, as described in Part C of IDEA, for early intervention services for children birth through two years old and their families.
- 5.7 District of Residence is the elementary district (K-8th grades) or unified district (K-12th grades) in which the parent of the child resides. For purposes of this Agreement, parent is defined in accordance with Section 5.23.
- 5.8 Educational Programs and Other Appropriate Services are the range of settings and services in which a preschool-aged child might participate after transition from early intervention. Examples include preschool special education services, Head Start programs, and private preschools. The AzEIP Service Coordinator and other IFSP team members must discuss all educational options in the community with the family during the IFSP planning meeting nearest the child's second birthday, at which the transition plan is developed.
- 5.9 Eligibility Criteria for Part C Early Intervention Services, in accordance with A.R.S. §41-2021, defines as eligible a child between birth and thirty-six (36) months of age, who is developmentally delayed or who has an established condition that has a high probability of resulting in a developmental delay.

A child from birth to thirty-six (36) months of age will be considered to exhibit a developmental delay when that child has not reached fifty percent (50%) of the developmental milestones expected at his/her chronological age, in one (1) or more of the following domains: (1) physical: fine and/or gross motor and sensory (includes vision and hearing); (2) cognitive; (3) language/communication; (4) social or emotional; or (5) adaptive (self-help).

Established conditions that have a high probability of developmental delay include, but are not limited to:

- (1) Chromosomal abnormalities
- (2) Genetic or congenital disorders
- (3) Disorders reflecting disturbance of the development of the nervous system, such as autism spectrum disorders, seizure disorders, and children born addicted to narcotics, alcohol or an illegal substance
- (4) Congenital Infections, such as congenital cytomegalovirus, congenital toxoplasmosis and congenital rubella
- (5) Metabolic disorders
- (6) Hydrocephalus
- (7) Neural tube defects (e.g., spinal bifida)
- (8) Intraventricular hemorrhage, Grades III or IV
- (9) Periventricular leukomalacia
- (10) Cerebral palsy
- (11) Significant auditory impairment
- (12) Significant visual impairment
- (13) Failure to thrive/pediatric under-nutrition
- (14) Severe attachment disorders
- (15) Disorders secondary to exposure to toxic substances, including fetal alcohol syndrome

The State's definition of "eligible child" does not include children who are at risk of having substantial delays if early intervention services are not provided.

- 5.10 Eligibility Meeting is a **required** meeting to occur by the child's third birthday to determine if the child is eligible and/or continues to be eligible for special education. Required participants are the individuals described in Section 5.20, including by parent request the AzEIP Service Coordinator and a provider from the family's IFSP team as individuals with knowledge or special expertise regarding the child in accordance with 34 C.F.R. §300.306. This conference can be held at the same time as the IEP Conference.
- 5.11 Eligibility Criteria for Part B Preschool Special Education Services in accordance with A.R.S. §15-761, et seq. means:
- 5.11.1 Developmental Delay (DD) means performance by a child who is at least three years of age, but under ten years of age, on a norm-referenced test that measures at least one and one-half (1.5), but not more than three, standard deviations below the mean for children of the same chronological age in two or more of the following areas:
- A. Cognitive development.
 - B. Physical development.
 - C. Communication development.
 - D. Social or emotional development.
 - E. Adaptive development.

The results of the norm-referenced measure must be corroborated by information from a comprehensive developmental assessment and from parental input, if available, as measured by a judgment based assessment or survey. If there is a discrepancy between the measures, the evaluation team shall determine eligibility based on a preponderance of the information presented.

5.11.2 Hearing Impairment (HI) means a loss of hearing acuity, as determined by evaluation pursuant to A.R.S. §15-766, that interferes with the child's performance in the educational environment and requires the provision of special education and related services.

5.11.3 Preschool Severe Delay (PSD) means performance by a preschool child on a norm-referenced test that measures more than three standard deviations below the mean for children of the same chronological age in one or more of the following areas:

- (a) Cognitive development.
- (b) Physical development.
- (c) Communication development.
- (d) Social or emotional development.
- (e) Adaptive development.

The results of the norm-referenced measure must be corroborated by information from a comprehensive developmental assessment and from parental input, if available, as measured by a judgment based assessment or survey. If there is a discrepancy between the measures, the evaluation team shall determine eligibility based on a preponderance of the information presented.

5.11.4 Speech/Language Impairment (SLI) for a preschool child means performance on a norm-referenced language test that measures at least one and one-half (1.5) standard deviations below the mean for children of the same chronological age or whose speech, out of context, is unintelligible to a listener who is unfamiliar with the child. Eligibility for a preschool child under this subdivision is appropriate only when a comprehensive developmental assessment and parent input indicate that the preschool child is not eligible for services under another preschool category or under the developmental delay category.

5.11.5 Visual Impairment (VI), including blindness, means an impairment in vision that, even with correction, adversely affects a child's educational performance. The term includes both partial sight and blindness. The visual impairment has been verified by an ophthalmologist or optometrist, and the student must be evaluated in all areas related to the suspected disability.

5.12 Evaluation:

- A. PART C: Evaluation for children ages birth through two (2) years means the procedures, in accordance with 34 C.F.R. §303.321, used by appropriate, qualified personnel to determine a child's initial and continuing eligibility for AzEIP, including determining the status of the child in each of the developmental areas. A child may also be determined eligible for AzEIP based on an established condition or when records confirm a developmental delay consistent with AzEIP eligibility criteria. For all eligible children, a multidisciplinary assessment is required covering all areas of development.
- B. PART B: Evaluation for children ages three (3) to five (5) years means the procedures used in accordance with 34 C.F.R. §§300.300-300.306 to determine whether a child has a disability and is in need of special education services and the nature and extent of special education and related services that the child needs in accordance with 34 C.F.R. §300.306. This evaluation includes: (a) a review of existing information about the child; (b) a decision regarding the need for additional information; (c) if necessary, the collection of additional information; and (d) a review of all information about the child and a determination of eligibility for special education services and needs of the child. A.A.C. R7-2-401 (B)(13).

A Comprehensive Developmental Assessment (CDA) is a full and individual evaluation of the child in all developmental areas: cognitive, physical (including vision and hearing screening), communication, social/emotional and adaptive development. A CDA may be accomplished through a review of existing data, criterion referenced assessments, norm-referenced assessments, observation and parent input, however, for the purpose of determining eligibility, at least one norm-referenced assessment to obtain standard deviation information must be used to determine if eligibility criteria is met. A CDA is required to determine eligibility for Preschool Severe Delay (PSD), Developmental Delay (DD) and Speech Language Impaired (SLI). The final responsibility for the CDA and eligibility lies with the PEA.

5.13 Extended School Year (ESY) Services means additional special education and related services for students with disabilities to supplement the normal school year, for the purpose of preventing loss of a free appropriate public education (FAPE), and loss of meaningful educational benefit gained from the previous

year(s) as defined in A.R.S. §15-881 and A.A.C. R7-2-408. ESY services, which meet the standard of ADE, are provided to a Part B eligible child with a disability beyond the normal school year of the public education agency, in accordance with the child's IEP, at no cost to the parents of the child. Eligibility for ESY services shall be determined by the IEP team based on the standards indicated in A.R.S. §15-881 and A.A.C. R7-2-408. Eligibility for ESY services shall be based on a multifaceted inquiry, using both retrospective and predictive data. Eligibility for participation shall not be based on need or desire for any of the following: (1) a day care or respite care service for students with a disability; (2) a program to maximize the academic potential of a student with a disability; or (3) a summer recreation program for students with a disability. The availability of extended school year services is required for all students for whom the IEP team has determined that it is necessary in order to ensure FAPE.

- 5.14 Free Appropriate Public Education (FAPE) in accordance with 34 C.F.R. §300.101 means special education and related services that meet state standards and are provided based upon an IEP. These services are provided at public expense under public supervision and direction, without charge to the parents and must be provided in the least restrictive environment (LRE) in accordance with 34 C.F.R. §300.114.
- 5.15 Individualized Education Program (IEP) means a written statement, developed, reviewed, or revised in accordance with applicable federal and state laws for providing special education services to each eligible child with a disability that includes a statement of: (a) the child's present levels of academic achievement and functional performance, including how the disability affects the preschool child's participation in appropriate activities; (b) measurable annual goals, including academic and functional goals (c) a description of how the child's progress toward meeting the annual goals will be measured; (d) a statement of the special educational and related services and supplementary aids and services, based on peer-reviewed research to the extent practicable, to be provided to the child, or on behalf of the child, and a statement of the program modifications or supports for school personnel that will be provided to enable the child to advance appropriately toward attaining the annual goals and to be involved in and make progress in the general curriculum; (e) an explanation of the extent, if any, to which the child will not participate with nondisabled children in the regular class; (f) the projected dates, duration and location for service; and (g) a statement of how the parents will be informed of their child's progress. 20 U.S.C. §1401(14); 34 C.F.R. §300.320; A.R.S. §15-761(11); A.A.C. R7-2-401(G).
- 5.16 IEP Meeting is to occur by the eligible child's third birthday to determine appropriate programming. Required participants are the individuals described in section 5.17 and, at the discretion of the parent, other individuals who have knowledge or special expertise regarding the child (e.g., AzEIP Service Coordinator), including related services personnel as appropriate. 20 U.S.C. §1414(d)(1)(D); C.F.R. §§300.321(f).
- 5.17 The IEP team includes, in accordance with 34 C.F.R. §300.321 the following individuals:
- A. The parent(s) of the child;
 - B. At least one regular education teacher of the child (if the child is, or may be, participating in the regular education environment);
 - C. At least one special education teacher of the child, or if appropriate, at least one special education provider of the child;
 - D. A representative of the public agency who-Is
 - (i) Qualified to provide, or supervise the provision of, specially designed instruction to meet the unique needs of children with disabilities;
 - (ii) Is knowledgeable about the general curriculum; and
 - (iii) Is knowledgeable about the availability of resources of the public agency;
 - E. An individual who can interpret the instructional implications of evaluation results, who may be a member of the team described in paragraphs (a)(2) through (6) of 34 C.F.R. §300.321; and
 - F. At the discretion of the parent or PEA, other individuals who have knowledge or special expertise regarding the child, including related services personnel as appropriate.
- 5.18 Individualized Family Service Plan (IFSP) is a written plan developed for providing early intervention services to an infant or toddler with a disability and the child's family that: (a) is based on the evaluation and assessment, (b) includes parental consent, (c) is implemented as soon as possible once parental consent for early intervention services in the IFSP is obtained, and (d) is developed in accordance with IDEA, Part C and its implementing regulations at 34 C.F.R. §§303.342 - 303.345.
- 5.19 Individual Family Service Plan (IFSP) Transition Planning Meeting meets the requirements of 34 C.F.R. §303.209(d) is a meeting held before the child is 2 years, 9 months, (and at the discretion of all parties, not earlier than 2 years, 3 months) to develop and document the transition plan on the IFSP with the family. This meeting must meet specific requirements for an IFSP meeting, including conducting the meeting in a place and time that is convenient for the family and holding the meeting in the native language of the family or other mode of communication, unless it is clearly not feasible to do so. This meeting may be combined

with the Transition Conference according to 34 C.F.R. §303.209(e). The PEA is not required to attend this conference unless it is combined with the Transition Conference.

- 5.20 Multidisciplinary Evaluation Team in IDEA, Part B means, in accordance with A.R.S. §15-761(16), a team of persons including individuals described as the IEP team and other qualified professionals who shall determine whether a child is eligible for special education.
- 5.21 Notification to the Public Education Agency (also called PEA Notification/Referral) is the AzEIP service coordinator's responsibility to notify the PEA where the child with a disability lives and ADE that the child will shortly reach the age of eligibility for Part B services and is potentially eligible for Part B services according to 34 C.F.R. §303.209(b). The PEA Notification must include: (a) the child's name; (b) date of birth; and (c) parent contact information, (including names, addresses and telephone numbers). The PEA notification also includes the Service Coordinator's name and contact information, and the language(s) spoken by the child and family.
- A. PEA Notification does not require parental consent; however, parents have the opportunity to opt out of PEA Notification. (see Opt-out section 5.22 for requirements) The PEA Notification form must be sent to the PEA following the Transition Planning Meeting unless the parent has opted out in writing. The parent must opt out at the Transition Planning Meeting for all children eligible before 2 years 6 of age. For all children eligible for AzEIP after 2 years 6 months, the parent must opt out by the end of the meeting in which eligibility is determined.
- B. The PEA Notification must be treated by the PEA as an initial referral to the public education agency for consideration of eligibility for preschool special education services. It initiates the PEA's requirement to provide Procedural Safeguards and Prior Written Notice under 34 C.F.R. §300.503 and §300.504(a)(1). The PEA notification must be provided to the PEA designated as district of residence.
- 5.22 Opt-Out, as authorized by 34 C.F.R. §303.209(b)(2), means that a parent, after being informed of AzEIP's intent to disclose Notification to the Public Education Agency (also known as PEA Notification) may object in writing to the disclosure no later than the end of the Transition Planning Meeting. For all children eligible for AzEIP after 2 years 6 months, the parent must opt out by the end of the meeting in which eligibility is determined
- A. If the parent opts out in writing, AzEIP will not notify the PEA and ADE. The parent must be informed of AzEIP's intent to disclose PEA Notification information during the IFSP meeting near the child's second birthday, or at eligibility determination, if eligible after the child is two years old. The parent must object in writing using the Opt-Out section of the IFSP
- 5.23 Parent - a parent is defined as:
- A. a biological or adoptive parent of a child;
- B. a foster parent, unless Arizona law, regulations, contractual obligations with an Arizona or local entity prohibit a foster parent from acting as a parent;
- C. a guardian generally authorized to act as the child's parent, or authorized to make early intervention, educational, health or developmental decisions for the child (but not the State if the child is a ward of the State);
- D. a person acting in the place of a biological or adoptive parent (including a grandparent, stepparent, or other relative) with whom the child lives, or a person who is legally responsible for the child's welfare; or
- E. a surrogate parent who has been appropriately appointed.
- 5.24 Parental Consent is informed consent provided by a parent as defined in Section 5.23 and as appropriate under law. A.A.C. R-7-401(F).
- 5.25 Potentially eligible child under IDEA, Part B means a child who is eligible for AzEIP and who has an IFSP when the child is two years of age or older.
- 5.26 Public Education Agency (PEA) means a school district, charter school, accommodation school, state supported institution or other political subdivision of the state that is responsible for providing education to children with disabilities.
- 5.27 Transition Conference is a meeting arranged and facilitated by the AzEIP Service Coordinator and includes those early childhood programs in which the family has an interest, such as the PEA, Head Start, and/or private preschool. In accordance with 34 C.F.R. §303.209(c), the Transition Conference will occur between the time the child is two (2) years, six (6) months and two (2) years, nine (9) months (or as early as two (2) years, three (3) months, if all parties agree). The purpose of the Transition Conference is to ensure the following steps are taken:
- A. review the potential program options/continuum of services available on the child's third birthday;
- B. establish tentative timelines and activities for the child's transition into the PEA, if eligible;

- C. establish a plan for parental visitation to the educational programs available (if not already completed);
- D. review existing data, including vision and hearing screening information; and
- E. plan for the collection of additional information, including evaluation and procedures to assist in determining eligibility for Part B and appropriate IEP services, including ESY.

The Transition Conference may occur, but is not required to, as part of the IFSP Transition Planning Meeting, during which the transition plan is developed. The Transition Conference must meet the requirements for an IFSP meeting and additionally includes a PEA or other early childhood representative as requested by the Parent.

6.0 PURPOSE OF AGREEMENT

- 6.1 The purpose of this agreement is to
 - 6.1.1 Delineate the procedures for the transition of children with disabilities from the AzEIP Early Intervention Programs to the Public Education Agency (PEA)/school district of residence as authorized in 20 U.S.C. §1437; 34 C.F.R. §303.209; and A.A.C. R7-2-401(K)(2).
 - 6.1.2 Ensure families' rights to services for which they are eligible.
 - 6.1.3 Delineate responsibilities of and coordination and communication among ADE and DES, in implementing transition requirements, including as appropriate, joint trainings with other early childhood programs, such as Early Head Start and Head Start, and sharing data in accordance with state and federal laws.
 - 6.1.4 Establish uniformity statewide that will provide a coordinated, unduplicated, and seamless system for serving children ages birth through five (5) with developmental delays or disabilities according to the IDEA, Parts B and C (20 U.S.C. §1412 *et seq.*, 34 C.F.R. §300 *et seq.* and 20 U.S.C. §1431 *et seq.*, 34 C.F.R. § 303 *et seq.*) and A.A.C. R7-2-401(K)(2).
 - 6.1.5 Encourage cooperation and communication between ADE, DES, AzEIP Early Intervention Programs, PEAs and families to ensure the provision of a Free Appropriate Public Education (FAPE) by a child's third birthday, as authorized in 20 U.S.C. §1412(a)(9) and 34 C.F.R. §300.124.

7.0 MANNER OF FINANCING

- 7.1 None

8.0 SERVICE DESCRIPTION

- 8.1 Transition from Early Intervention
 - 8.1.1 Discussions about transition are an ongoing process starting with a child's eligibility for early intervention services through AzEIP. The purpose of transition planning is to help the family transition when early intervention services are no longer needed or the child transitions to preschool or other early childhood programs on or before the child's third birthday.
 - 8.1.2 For children eligible for AzEIP, the provision of a Free and Appropriate Public Education (FAPE) is required no later than the child's third birthday unless the child is no longer enrolled in and eligible for early intervention services.
 - 8.1.3 Children are no longer enrolled in, or eligible for AzEIP as of the date the child reaches three years of age.
 - 8.1.4 It is the responsibility of both the AzEIP Early Intervention Programs and the PEAs to work collaboratively to ensure children who are potentially eligible for Part B receive timely transitions.
 - 8.1.5 Arizona does not use the Individualized Family Service Plan (IFSP) as the Individualized Educational Plan (IEP) for a child with a disability from three (3) years of age to five (5) years of age.
- 8.2 Individualized Family Service Plan Meeting near Child's Second Birthday
 - 8.2.1 While every IFSP meeting discusses transition in an ongoing manner, the AzEIP Service Coordinator facilitates an IFSP meeting closest to the child's 2nd birthday (before or after), such as at an annual or six (6) month review with the IFSP team members to update the IFSP, as appropriate, and discusses with the family.
 - 8.2.2 The requirement for a mandatory Transition Planning Meeting and schedules the Transition Planning Meeting to occur the month the child reaches two(2) years six (6) months of age,
 - 8.2.3 The AzEIP Service Coordinator's requirement to make an automatic notification using the PEA Notification form of all children potentially eligible for preschool special education services (IDEA, Part B), to the PEA and a copy to ADE, which includes the child's name, date of birth, and the parents' names, address, and phone number(s);
 - 8.2.4 The parent's right to opt-out, in writing, of the automatic notification to the PEA no later than end of the Transition Planning Meeting for children eligible before two years, six months of age, and the end of the meeting in which eligibility is determined for children eligible after two years, six months of age.

- 8.2.5 The parent's interest in having the optional Transition Conference, which must be held no later than the day the child reaches two (2) years nine (9) months of age (or as early as two (2) years three (3) months, if all parties agree); The Transition Conference may be combined with the Transition Planning Meeting for children determined eligible for services through AzEIP after the child is two years, six months of age.
- 8.2.6 All early childhood options available to the family in their community, including preschool special education services through the district of residence, Head Start, private preschools, and child care settings and determine the family's interest in visiting potential programs. If the family is interested in preschool special education services, the team also discusses the program options for the child for the period from that child's third birthday through the remainder of the school year;
- 8.3 Transition Planning Meeting
- 8.3.1 **For Children who are eligible for AzEIP prior to two (2) years, six (6) months of age**, the AzEIP Service Coordinator ensures that the mandatory IFSP Transition Planning Meeting is held no later than the end of the month in which the child reaches two years six months of age. The purpose of the meeting is to develop and document the transition steps on the IFSP with the family. This meeting must meet the following requirements for an IFSP meeting:
- A. Conducting the meeting in a place and time that is convenient for the family;
 - B. Holding the meeting in the native language of the family or other mode of communication, unless it is clearly not feasible to do so;
 - C. Fully explaining the IFSP to the family and obtaining appropriate consent to initiate services, if needed; and
 - D. Including the required participants at the meeting: the parent(s); other family members as requested by the family; the service coordinator; a person(s) directly involved in conducting the evaluation or assessment (depending on whether an initial or other IFSP); and person(s) who provide IFSP services. If the person involved in the evaluation or assessment is not able to make the meeting in person, arrangements must be made for the person's involvement by telephone, sending an authorized representative or making pertinent records available at the meeting.
- 8.3.2 At the Transition Planning Meeting, the IFSP team reviews program options for the child for the period from the child's third birthday through the end of the school year.
- 8.3.3 The IFSP document must contain the Transition Plan, each infant and toddler with a disability exiting AzEIP must have a Transition Plan in place in the IFSP not fewer than ninety (90) days, but at the discretion of all parties up to nine (9) months, before the toddler's third birthday. A Transition Plan is the steps and services to be taken to support the smooth transition of the child from Part C services to:
- A. Preschool services under Part B of the ACT, to the extent that those services are appropriate, or;
 - B. Other appropriate services, including discussions with, and training of, parents, as appropriate, regarding future placements/options, and other matters related to the child's transition,
- 8.3.4 The parent is always a part of the development of the transition plan; the transition plan is documented in the IFSP and includes, but is not limited to:
- A. Any appropriate steps for the toddler to exit the Part C program, and
 - B. Any transition services need by that toddler and his or her family
 - C. Activities to prepare the child for changes in service delivery, including steps to help the child adjust to and function in a new setting;
- 8.3.5 D. Discussion with the family of the:
- (i). Automatic notification to the PEA and to ADE, if the family has not opted out of this notification process;
 - (ii) Parent's right to opt out of the PEA Notification no later than the end of the Transition Planning Meeting;
 - (iii) Transition Conference and whether the family would like one and who they want invited to attend;
 - (iv) Consent to share information at the Transition Planning Meeting if it is combined with the Transition Conference and there are individuals who are not involved in early intervention at the meeting (such as PEA representatives); and
 - (v) If they want their child's records shared with future programs;
 - (vi) Any other activities identified by the IFSP team to support the transition of the child.
- 8.3.6 **For Children who are eligible for AzEIP between two (2) years, six (6) months and two (2) years, ten (10) and one half months of age**, the AzEIP Service Coordinators ensure that the mandatory IFSP Transition Planning Meeting is held no later than the initial IFSP meeting.
- 8.3.7 **For Children referred to AzEIP between two (2) years, ten (10) and one half months and three (3) years of age**, AzEIP is not required to conduct an evaluation, assessment, or initial IFSP. The recipient of

the referral assists the family in contacting the PEA of parental residence, or, with parent signature, sends the completed Child Find Referral Form to the PEA and ADE.

- 8.4 Notification to the PEA and the ADE
- 8.4.1 Notification to the PEA and the ADE of a toddler who is receiving Part C services and who is potentially eligible for services under the Part B section 619 preschool program IDEA, Part B services occurs in the absence of parental objection and includes, the child's name and date of birth, parent contact information including phone number, address and language as well as the name and contact information for the AzEIP SC.
 - 8.4.1.1 **For children eligible for AzEIP prior to two (2) years, six (6) months of age**, PEA Notification will be sent to the PEA by the AzEIP SC no later than the business day following the Transition Planning Meeting unless the parent objects by signing the opt out portion of the IFSP by the end of the meeting.
 - 8.4.1.2 DES/AzEIP sends notification to the ADE on the 15th of each month, or the next business day following for all children who have had the Transition Planning Meeting and the parent did not object to the notification process.
 - 8.4.1.3 **For Children eligible for AzEIP between two (2) years, six (6) months and two (2) years, nine (9) months of age**, PEA Notification will be sent to the PEA and the ADE by the AzEIP SC no later than the business day following the meeting in which eligibility was determined, and in no circumstance fewer than 90 days prior to the child's third birthday, unless the parent objects in writing by the end of the meeting.
 - 8.4.1.4 **For Children eligible for AzEIP between two (2) years, nine (9) months and two (2) years, ten (10) and one (1) half months of age**, PEA Notification will be sent to the PEA and the ADE by the AzEIP SC no later than the business day following the meeting in which eligibility was determined, unless the parent objects in writing by the end of the meeting.
 - 8.4.1.5 **For Children referred to AzEIP between two (2) years, ten (10) and one (1) half months and three (3) years of age**, AzEIP is not required to conduct an evaluation, assessment, or initial IFSP. The recipient of the referral assists the family in contacting the PEA of parental residence, or, with parent signature, sends the completed Child Find Referral Form to the PEA and ADE.
- 8.5 If a toddler with a disability may be eligible for Part B preschool services; with the family's approval; the AzEIP SC convenes a transition conference with the appropriate parties to discuss any services the toddler may receive under Part B.
 - 8.5.1 When the parent agrees to have a Transition Conference, it must occur when the child is between two (2) years, six (6) months and two (2) years, nine (9) months (and at the discretion of all parties, not earlier than two (2) years, three (3) months).
 - 8.5.2 The AzEIP Service Coordinator is responsible for scheduling and facilitating the conference and documenting the steps and activities to comply with IDEA, Part C.
 - 8.5.3 The focus of the Transition Conference is to:
 - A Discuss any services the child may receive with the PEA and other early childhood programs in which the parent is interested; and
 - B Provide the parents with information about the various programs they are interested in, as well as the steps that Transition Conference attendees will take to support the parents in their decision-making, such as to make a visit to the programs.
 - 8.5.4 The Transition Conference must be held in the native language of the family or other mode of communication, unless it is clearly not feasible to do so.
 - 8.5.5 The Transition Conference must be held at a time and location convenient for the family, and includes: (1) the parent(s) of the child, (2) other family members, as requested by the parents, if feasible to do so, (3) an advocate or person outside of the family, if requested by the parents, (4) the Service Coordinator, (5) a person or persons directly involved in the evaluation or assessment, (6) the providers from the family's IFSP team, (7) a PEA representative(s), and (8) other early childhood program representatives, as requested by the parent.
 - 8.5.6 The AzEIP Service Coordinator must ensure that written consent to share early intervention information is obtained prior to the start of the Transition Conference so that early intervention information may be discussed during the meeting.
 - 8.5.7 At the Transition Conference, the PEA Representative will:
 - A Attend the transition conference;
 - B Provide information to the parent(s) about Free Appropriate Public Education (FAPE), evaluation procedures, and eligibility criteria for preschool special education services;
 - C Provide information to the parent(s) about all potential educational programs for eligible preschool children, including those programs for children with and without disabilities; and

- D Upon confirmation of the parents interest in pursuing eligibility for services through the PEA, the PEA representative will undertake the following activities:
 - (i) provide the parent(s) a copy of the procedural safeguards as required in Part B of the IDEA and Prior Written Notice for referral;
 - (ii) If the appropriate PEA staff are at the meeting, a Review of Existing Data can be completed; otherwise the review occurs subsequently by PEA staff;
 - (iii) establish tentative timelines for completing the eligibility determination and transition into the PEA, if the child is eligible;
 - (iv) describe the purpose, scope, and participation in the evaluation, eligibility and Individualized Education Program (IEP) meetings including a discussion of Part C members that the parent may request to attend the initial IEP, if eligible;
 - (v) explain the purpose of Extended School Year (ESY) services and the information and data needed to support the IEP team in determining eligibility for ESY services; and
 - (vi) if parents are interested, work with the parent(s) and the AzEIP Service Coordinator to plan for visitations to potential preschool options, if visitations have not already occurred.
- 8.5.8. The AzEIP Service Coordinator will summarize the agreed upon revisions or additions to the transition steps on the Transition Conference Summary Form and provide a copy to the family, the PEA, and other Transition Conference attendees as appropriate. The AzEIP Service Coordinator and PEA representative will maintain a copy of the Transition Conference Summary Form in their respective records for the child.
- 8.5.9 **For children who become AzEIP eligible between two (2) years, six (6) months and two (2) years, nine (9) months of age**, the Transition Conference must occur prior to the date the child reaches two years, nine months of age. The Transition Conference may be combined with the initial IFSP/Transition Planning Meeting if the family wishes to do so.
- 8.5.10 A PEA representative from the affected district must participate in the Transition Conference.
- 8.6 Referrals to the PEA, Review of Existing Data and Evaluation
- 8.6.1 Upon confirming the parent's interest in pursuing eligibility for services with the PEA, the PEA representative completes a Prior Written Notice for referral and provides Procedural Safeguards to the parents.
- 8.6.2 The PEA coordinates the Review of Existing Data to include information from AzEIP, the parent(s), and other available sources to determine if additional information is needed to determine eligibility.
- 8.6.3 If necessary, the PEA provides Prior Written Notice (PWN) to collect additional information and obtains parental consent to conduct further evaluation. The PEA must determine eligibility within sixty days of written parental consent to evaluate, not to extend beyond the child's third birthday.
- 8.6.4 The PEA convenes the evaluation and eligibility meetings with the Multidisciplinary Evaluation Team (MET), parent(s) and, upon parental request, the AzEIP Service Coordinator, to undertake the following activities:
 - A. Explain results of the evaluation to the parent(s);
 - B. Determine eligibility for preschool special education and related services based on all information;
 - C. For children who turn three toward the end of the current school year and do not qualify for Extended School Year (ESY) services the AzEIP Early Intervention Program and the Public Education Agency (PEA) will identify other available resources in the community for the child and family; and
 - D. The PEA will provide PWN regarding eligibility, whether the child is found eligible for ineligible for special education services.
- 8.7 Individualized Education Program (IEP) Conference
- 8.7.1 For children eligible for AzEIP from birth to age two (2) years, nine (9) months: If a child is determined to be eligible for Preschool Special Education Services in accordance with Part B of IDEA and Arizona law, the PEA must hold an IEP conference within thirty (30) days of the eligibility determination not to extend beyond the child's third birthday. With parental agreement, the IEP Conference may be held at the same time as the Preschool Eligibility/Multidisciplinary Evaluation Team Conference described above.
- 8.7.2 The PEA will convene an IEP meeting with the required IEP team members, by the child's third birthday, in order to develop an IEP that ensures FAPE. The IEP team must consider the child and family's IFSP when developing the initial IEP, including the natural environment statement.
- 8.7.3 If requested by the parent, the PEA will invite the AzEIP Service Coordinator or other IFSP team member(s) to the IEP meeting. The IEP meeting shall be scheduled with the parents at a mutually agreeable time.

- 8.7.4 The AzEIP Service Coordinator will attend the IEP conference at the request of the parent and provide information and data to assist the IEP Team in developing the IEP, including consideration of the need for ESY services.
- 8.7.5 Late Notifications from AzEIP to the PEA. When a child is eligible for AzEIP before two (2) years, nine (9) months, but the AzEIP service coordinator does not provide notification to the PEA until after the child is two (2) years, nine (9) months, the PEA is responsible for conducting an initial evaluation and, if eligible, the IEP by the date the child is three (3) years of age.

9.0 RESPONSIBILITIES

- 9.1 The ADES and the ADE agree as follows:
- 9.2 The ADE shall maintain oversight for all public education agencies' compliance with Part B of IDEA and the terms of this Agreement as to transition and FAPE. This includes, but is not limited to, conducting compliance monitoring regarding the IDEA and its implementing regulations to ensure PEA adherence to the provisions herein. ADE will use the monitoring alert system to notify AzEIP of noncompliance issues.
- 9.3 The ADES will maintain oversight of the AzEIP Early Intervention Programs to ensure adherence to the requirements of Part C of IDEA and AzEIP policies and procedures, including the provisions in this Agreement. This includes, but is not limited to, conducting compliance monitoring regarding transition requirements in IDEA as well as the provisions herein. AzEIP will use the monitoring alert system to notify ADE of noncompliance issues.
- 9.4 Dispute Resolution
- 9.4.1 If a parent, PEA, AzEIP Service Coordinator or other interested individual believes that a PEA or an AzEIP Early Intervention Program is not fulfilling its obligations under this Agreement or applicable law concerning transition services for children with disabilities, that individual may take one or both of the following steps:
- (1) Seek technical assistance from AzEIP or ADE by providing a Transition Alert (AzEIP Early Intervention Programs contact ADES/AzEIP and PEAs contact ADE with concerns). Technical assistance may be obtained by writing or calling the Technical Contacts identified in Section 20.0 of this Agreement.
 - (2) File a Complaint with ADES or ADE. DES and ADE have each established complaint and dispute resolution procedures in order to comply with, respectively, Part C and Part B of the IDEA. Information about the available complaint and dispute resolution procedures may be obtained as follows:

Arizona Department of Economic Security
 Arizona Early Intervention Program
 3839 North Third Street, Suite 304
 Phoenix, AZ 85012
 (602) 532-9960
 Website: www.azdes.gov/azeip

Arizona Department of Education
 Early Childhood Special Education Unit
 1535 West Jefferson Street, Bin 62
 Phoenix, AZ 85007
 (602)542-3034
 Website: www.azed.gov.special-education/dispute/

Email: allazeip2@azdes.gov

10.0 REPORTING REQUIREMENTS:

10.1 None

11.0 PAYMENT REQUIREMENTS:

11.1 None

12.0 NOTICES

12.1 All notices to the ADE regarding this agreement shall be sent to the following address:

Arizona Department of Education
 ATTN: 619 Coordinator
 Early Childhood Special Education Unit
 1535 W Jefferson St, Bin #54
 Phoenix, AZ 85007

12.2 All notices to the ADES regarding this agreement shall be sent to the following address:

AZ Department of Economic Security
 ATTN: Director
 Arizona Early Intervention Program

801A-6
3839 N 3rd St, #304
Phoenix, AZ 85007

13.0 DISPOSITION OF PROPERTY

13.1 None

14.0 OTHER MATTERS

14.1 None

15.0 APPLICABLE LAW

15.1 This Contract shall be governed and interpreted by the laws of the State of Arizona. The materials and services supplied under this Contract shall comply with all applicable Federal, State and local laws, and the Contractor shall maintain all applicable licenses and permit requirements.

16.0 ARBITRATION

16.1 The parties to this Contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. §12-1518 except as may be required by other applicable statutes.

17.0 AUDIT

17.1 In accordance with A.R.S. §35-214, each party shall retain and shall contractually require each subcontractor to retain all data, books and other records ("records") relating to this Agreement for a period of five (5) years after the completion of the Agreement. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, either party shall produce the original of any or all such records.

18.0 CONFLICT OF INTEREST

18.1 In accordance with A.R.S. §38-511, the State may within three years after execution cancel the Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of the State, at any time while the Agreement is in effect, becomes an employee or agent of any other party to the Agreement in any capacity or a consultant to any other party to the Agreement with respect to the matter of the Agreement.

19.0 DATA SHARING AGREEMENT

19.1 When determined by either party that sharing of confidential data will occur with the other party, the requesting party shall complete a Data Sharing Request Agreement and submit the completed Agreement to the Program Designated Staff prior to any work commencing or data shared. A separate Data Sharing Request Agreement shall be required between the ADE and each ADES Program sharing confidential data.

20.0 E-VERIFY

20.1 In accordance with ARS §41-4401, each party warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with A.R.S. § 23-214, Subsection A.

21.0 FEDERAL IMMIGRATION AND NATIONALITY ACT

21.1 By entering into the Agreement, each party warrants compliance with the Federal Immigration and Nationality Act. (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. Each party shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Agreement. Each party and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Agreement. I-9 forms are available for download at USCIS.GOV.

21.2 The State may request verification of compliance for any subcontractor performing work under the Agreement. Should the State suspect or find that either party or any of its subcontractors are not in compliance, the State may pursue any and all remedies allowed by law, including, but not limited to

suspension of work, termination of the Agreement for default, and suspension and/or debarment of the party. All costs necessary to verify compliance are the responsibility of the party.

22.0 INDEMNIFICATION

- 22.1 Each Party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.
- 22.2 If either party uses a non-governmental subcontractor, the subcontractor must comply with the applicable Arizona Department of Administration Risk Management module for indemnification

23.0 INSURANCE REQUIREMENTS

23.1 INSURANCE REQUIREMENTS FOR GOVERNMENTAL PARTIES TO AN IGA:

23.1.1 None.

23.2 INSURANCE REQUIREMENTS FOR ANY CONTRACTORS USED BY A PARTY TO THE INTERGOVERNMENTAL AGREEMENT:

(Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.) The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Agreement by the Contractor, his agents, representatives, employees or subcontractors, and Contractor and the governmental entity are free to purchase additional insurance.

1. **Minimum Scope and Limits of Insurance:** Contractor shall provide coverage with limits of liability not less than those stated below:

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Blanket Contractual Liability – Written and Oral \$1,000,000
- Fire Legal Liability \$ 50,000
- Each Occurrence \$1,000,000

a. The policy shall be endorsed to **include coverage for sexual abuse and molestation.**

b. The policy shall be endorsed to include the following additional insured language: **"The State of Arizona and the ADES shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor".**

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

c. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. **Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Agreement.

Combined Single Limit (CSL) \$1,000,000

a. The policy shall be endorsed to include the following additional insured language: **"The State of Arizona and the ADES shall be named as additional insureds with respect to liability arising out of the**

activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".

- b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

3. **Worker's Compensation and Employers' Liability**

- Worker's Compensation Statutory
- Employers' Liability
 - Each Accident \$ 500,000
 - Disease – Each Employee \$ 500,000
 - Disease – Policy Limit \$1,000,000

- a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

2. **Additional Insurance Requirements:** The policies shall contain, or be endorsed to contain, the following provisions:

1. The State of Arizona and the ADES, wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Agreement.
2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

3. **Notice of Cancellation:** Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to the **ADES, Office of Procurement, 1789 W. Jefferson St. Site Code 805Z, Phoenix, AZ 85007** and shall be sent by certified mail, return receipt requested.

4. **Acceptability of Insurers:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an "A.M. Best" rating of not less than A-VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

5. **Verification of Coverage:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Agreement, or to provide evidence of renewal, is a material breach of Agreement.

All certificates required by this Agreement shall be sent directly to **ADES, Office of Procurement, 1789 W. Jefferson St. Site Code 805Z, Phoenix, AZ 85007** unless the Reporting Requirements specifies otherwise. The State of Arizona **contract number and contract description shall be noted or referenced on the certificate of insurance.** The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this

Agreement at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.**

6. **Subcontractors:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
7. **Approval:** Any modification or variation from the insurance requirements in this Agreement shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal amendment to the Agreement, but may be made by administrative action.
8. **Exceptions:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

24.0 IT 508 COMPLIANCE

24.1 Unless specifically authorized in the Agreement, any electronic or information technology offered to the State of Arizona under this agreement shall comply with A.R.S. § 41-3531 and 3532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

25.0 NON-AVAILABILITY OF FUNDS

25.1 In accordance with ARS § 35-154, every payment obligation of the State under the Agreement is conditioned upon the availability of funds appropriated or allocated for payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

26.0 NON-DISCRIMINATION

26.1 Each party shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

27.0 OFFSHORE PERFORMANCE OF WORK PROHIBITED

27.1 Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

28.0 RIGHT OF OFFSET

28.1 Each party shall be entitled to offset against any sums due the other party, any expenses or costs incurred by the party, or damages assessed by the party concerning the other party's non-conforming performance or failure to perform the Agreement, including expenses, costs and damages.

29.0 THIRD- PARTY ANTITRUST VIOLATIONS

29.1 Each party assigns to the other any claim for overcharges resulting from antitrust violations concerning materials or services supplied by third parties to the party, toward fulfillment of this Agreement.

30.0 ATTACHMENTS :

30.1 None

31.0 EXHIBITS:

31.1 None