



UNITED STATES DEPARTMENT OF EDUCATION

THE SECRETARY

Appeal of the _____)
State of Connecticut)

Docket No. 20(256)87

Decision of the Secretary of Education

The Secretary has received and reviewed the September 20, 1989, Initial Decision of the Education Appeal Board Hearing Panel (the "Panel") in this case, the primary and responsive comments of the parties, the hearing transcript, and the briefs and other documents submitted for the Panel's consideration. The Panel determined that Connecticut must return to the U.S. Department of Education \$126,756 of improperly expended fiscal year 1984 and 1985 Part B of the Education of the Handicapped Act (EHA-B) funds. On September 28, 1989, the State of Connecticut, Department of Education received notice of the Panel's decision and on October 10, 1989 requested this review.

The Secretary hereby AFFIRMS the Initial Decision subject to the following modifications.

The first paragraph of page five (5) of the Panel's Initial Decision should be amended to read as follows:

At oral argument, the SEA conceded that it had failed to meet its burden of proof as to \$3236, leaving \$2855 in dispute. (Hearing Transcript at page 28)
Therefore, to the extent it has not not already done so, Connecticut must repay to the Department the \$3236 of disallowed expenditures for which it has admitted liability. [emphasis indicating modification]

Moreover, the Secretary finds Connecticut liable for the \$845 used to purchase plastic bags. See Initial Decision at page five (5). While the Secretary appreciates the efforts of the Special

Education Resource Center (SERC), he is of the opinion that this is an inappropriate use of EHA-B funds in the absence of some demonstration by Connecticut that such use was authorized in either the Act or its implementing regulations which would justify this expenditure. As noted by Panel Member Lawrence J. Straw, Jr., "(w)hile the amount in question is not large, scarce public funds should only be spent for the worthy public purposes authorized by Congress." Therefore, the Secretary orders that Connecticut must reimburse to the U.S. Department of Education the \$845 expended for the plastic bags.

This decision of the Secretary is dated the 24th day of November, 1989.



Lauro F. Cavazos

Washington, DC