



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

JUN 6 2008

Honorable Dempsey Benton  
Secretary  
North Carolina Department of Health and Human Services  
2001 Mail Service Center  
Raleigh, NC 27699-2001

Dear Secretary Benton:

Thank you for the timely submission of North Carolina's FFY 2006 Annual Performance Report (APR) and revised State Performance Plan (SPP) under Part C of the Individuals with Disabilities Education Act (IDEA), as amended in 2004. We also acknowledge the revisions to North Carolina's APR received on April 14, 2008. We appreciate the State's efforts in preparing these documents.

The Department has determined that, under IDEA sections 616(d) and 642, North Carolina needs assistance in meeting the requirements of Part C of the IDEA. The Department's determination is based on the totality of the State's data and information including the State's FFY 2006 APR and revised SPP, other State-reported data, and other publicly available information. See the enclosure entitled "How the Department Made Determinations under Sections 616(d) and 642 of the IDEA in 2008" for further details.

The timely transition conference requirements of Indicators 8C were the subject of Special Conditions on North Carolina's Part C FFY 2007 grant award. Specific factors affecting OSEP's determination of needs assistance for North Carolina include the following: (1) for Indicator 1, the State reported 92% compliance with the timely service provision requirements with progress from 73%, and did not report correction of prior findings of noncompliance; and (2) for Indicator 9, the State reported 90% compliance with the requirements for timely correcting noncompliance with progress from 43%. For these reasons, we were unable to determine that your State met requirements under IDEA sections 616(d) and 642. OSEP notes that the State reported high levels of compliance and correction for Indicators 7, 8A, 8B, and 8C. Furthermore, as noted in the attached table, North Carolina has satisfied the Special Conditions on its Part C FFY 2007 grant award and OSEP is removing these special conditions. We hope that your State will demonstrate in next year's APR that it meets requirements.

The enclosed table provides OSEP's analysis of the State's FFY 2006 APR and revised SPP and identifies, by indicator, OSEP's review of any revisions made by the State to its targets, improvement activities (timelines and resources) and baseline data in the State's SPP. It also identifies, by indicator, the State's status in meeting its targets, whether the State's data reflect progress or slippage, and whether the State corrected noncompliance and provided valid and reliable data.

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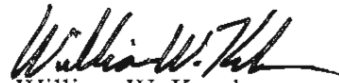
The State's determination for the FFY 2005 APR also was needs assistance. In accordance with section 616(e) of the IDEA, if a State is determined to need assistance for two consecutive years, the Secretary must take one or more of the following actions: (1) Advise the State of available sources of technical assistance that may help the State address the areas in which the State needs assistance; (2) Direct the use of State-level funds on the area or areas in which the State needs assistance; or (3) Identify the State as a high-risk grantee and impose special conditions on the State's Part B grant award. Pursuant to these requirements, the Secretary is advising the State of available sources of technical assistance related to Indicator 1, services in a timely manner; and Indicator 9, timely correction of noncompliance. A list of sources of technical assistance related to the SPP/APR indicators is available by clicking on the "Technical Assistance Related to Determinations" box on the opening page of the SPP/APR Planning Calendar website at <http://spp-apr-calendar.rrfcnetwork.org/>. You will be directed to a list of indicators. Click on specific indicators for a list of centers, documents, web seminars and other sources of relevant technical assistance for that indicator. For the indicators listed above, your State must report with its FFY 2007 APR submission (due February 1, 2009) on: (1) the technical assistance sources from which the State received assistance and (2) what actions the State took as a result of that technical assistance. The extent to which your State takes advantage of available technical assistance for these indicators may affect the actions we take under sections 616 and 642 should your State not be identified as meets requirements next year. We encourage States to take advantage of available sources of technical assistance in other areas as well, particularly if the State is reporting low compliance data for an indicator.

As required by sections 616(e)(7) and 642, the State must notify the public that the Secretary of Education has taken the above enforcement action. This notification must be sufficient to notify the public within the State and may include such mechanisms as posting on the agency's website, distribution through the media and distribution through public agencies.

As you know, your State must report annually to the public on the performance of each early intervention service (EIS) program located in the State on the targets in the SPP under IDEA sections 616(b)(2)(C)(ii)(I) and 642. In addition, your State must review EIS program performance against targets in the State's SPP, determine if each EIS program meets the requirements of the IDEA and inform each EIS program of its determination. For further information regarding these requirements, see the SPP/APR Calendar at <http://spp-apr-calendar.rrfcnetwork.org/>. Finally, if you included revisions to baseline, targets or improvement activities in your APR submission, and OSEP accepted those revisions, please ensure that you update your SPP accordingly and that the updated SPP is made available to the public.

OSEP is committed to supporting North Carolina's efforts to improve results for infants and toddlers with disabilities and their families and looks forward to working with your State over the next year. If you have any questions, would like to discuss this further, or want to request technical assistance, please do not hesitate to call Rhonda Spence, your OSEP State Contact, at 202-245-7382.

Sincerely,



William W. Knudsen

Acting Director

Office of Special Education Programs

Enclosures

cc: Part C Coordinator