



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

Honorable June St. Clair Atkinson
Interim Superintendent of Public Instruction
North Carolina Department of Public Instruction
301 North Wilmington Street
Raleigh, North Carolina 27601-2825

FEB 27 2006

Dear Dr. Atkinson:

Thank you for your timely submission of North Carolina's State Performance Plan (SPP) for review under Part B of the Individuals with Disabilities Education Act (IDEA). Section 616(b) of the Act requires States to submit, within one year after the date of enactment of the reauthorized IDEA, an SPP that evaluates the State's efforts to implement the requirements and purposes of IDEA and describes how the State will improve implementation. We appreciate the State's efforts in preparing the SPP under a short timeline and in the face of many other competing priorities. In the SPPs, due by December 2, 2005, States were to include: (1) baseline data that reflect the State's efforts to implement Part B of the IDEA; (2) measurable and rigorous targets for the next six years for each of the indicators established by the Secretary in the priority areas under section 616(a) of the IDEA; and (3) activities the State will undertake to improve implementation of Part B.

The Office of Special Education Programs (OSEP) is pleased to inform you that your State's SPP under Part B meets the requirements of section 616(b) to include measurable and rigorous targets and improvement activities. The State must make its SPP available through public means, including posting on the State educational agency's website, distribution to the media, and distribution through public agencies. (Section 616(b)(2)(C)(ii)(I))

Under section 616(b)(2)(C)(ii)(II) of the Act, the State must annually report to OSEP on its performance under the SPP. The State's first Annual Performance Report (APR) on its progress in meeting its targets is due to OSEP by February 1, 2007. Attached to this letter you will find Table A addressing issues identified during our review of the SPP that – while not requiring disapproval of your plan – will affect our annual determination of State performance and compliance based on data presented in the State's APR. As a result, your State needs to provide additional information as part of its February 2007 APR submission. Table B includes OSEP's analysis of your submission related to previously-identified noncompliance or other issues included in our October 24, 2005 letter that responded to your State's Federal Fiscal Year (FFY) 2003 APR that also may require additional reporting.

The State's longstanding noncompliance, related to the requirements under 34 CFR §§300.600(a)(2), 300.344(b)(1), and 300.347(b) and 20 U.S.C. 1232d(b)(3), is reported under indicator 15 in Table B. OSEP's October 24, 2005 response to the State's FFY 2003 APR required the State to submit final documentation of correction of that noncompliance in the SPP. The State must provide data demonstrating compliance by June 1, 2006. Failure to provide data

by that time demonstrating compliance may result in the State's being designated a "high risk" grantee or otherwise affect its FFY 2006 grant award.

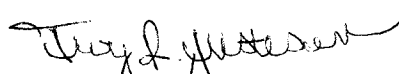
In addition, the State's longstanding noncompliance, related to the requirements under 34 CFR §300.511(a) and (c), is reported under indicator 17 in Table B. OSEP's October 24, 2005 letter required the State to submit final documentation of correction of that noncompliance by April 14, 2006. Failure to provide data by that time demonstrating compliance may result in the State's being designated a "high risk" grantee or otherwise affect its FFY 2006 grant award.

In addition to reporting to OSEP, the State must report annually to the public on the performance of each local educational agency (LEA) located in the State on the targets in the State's performance plan. (Section 616(b)(2)(C)(ii)(I)) The requirement for public reporting on LEA performance is a critical provision related to ensuring accountability and focusing on improved results for children with disabilities. OSEP will be providing technical assistance regarding the reporting on LEA performance at the National Accountability Conference, September 18 and 19, 2006 in Denver and through periodic technical assistance conference calls.

We hope that your State found the August 5, 2005 guidance on submission of the SPPs and the technical assistance that we provided through the August 11-12, 2005 Summer Institute, periodic conference calls, and the SPP Resources website helpful in this endeavor. If you have any feedback on our past technical assistance efforts or the needs of States for guidance, we would be happy to hear from you as we work to develop further mechanisms to support State improvement activities.

Thank you for your continued work to improve results for children and youth with disabilities and their families. We encourage you to work closely with your State Contact as you proceed in implementing improvement activities and developing your APR. If you have any questions regarding the SPP or the APR, please contact Ms. Delores Barber at 202-245-7263.

Sincerely,



Troy R. Justesen
Acting Director
Office of Special Education
Programs

Enclosures

Table A

Table B

cc: Mary N. Watson
State Director of Special Education