



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

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

OCT 24 2005

Dear Dr. Atkinson:

The purpose of this letter is to inform you of the results of the Office of Special Education Programs' (OSEP) recent verification visit to North Carolina. As I explained in my January 14, 2005 letter to former Superintendent of Public Instruction, Michael E. Ward, OSEP is conducting verification visits to a number of States as part of our Continuous Improvement and Focused Monitoring System (CIFMS) for ensuring compliance with, and improving performance under, Parts B and C of the Individuals with Disabilities Education Act (IDEA), as amended in 2004. OSEP conducted the Part B visit to North Carolina during the week of July 11, 2005.

The purpose of our verification reviews of States is to determine how they use their general supervision, State-reported data collection, and statewide assessment systems to assess and improve State performance and to protect child and family rights. The purposes of the verification visits are to: (1) understand how the systems work at the State level; (2) determine how the State collects and uses data to make monitoring decisions; and (3) determine the extent to which the State's systems are designed to identify and correct noncompliance.

As part of the verification visit to the North Carolina Department of Public Instruction (NCDPI), OSEP staff met with Mary N. Watson, NCDPI's Director of Special Education, and members of NCDPI's staff who are responsible for: (1) the oversight of general supervision activities (including monitoring, mediation, complaint resolution, and impartial due process hearings); (2) the collection and analysis of State-reported data; and (3) ensuring participation in, and the reporting of student performance on statewide assessments. Prior to and during the visit, OSEP staff reviewed a number of documents<sup>1</sup>, including the following: (1) the State's Federal fiscal year (FFY) 2002 and 2003 Annual Performance Reports (APRs); (2) NCDPI's Part B Monitoring System Position Paper dated October 2002, and its First Draft of a revised Monitoring System Position Paper; (3) tracking logs for complaints, mediations, and due process hearings; and (4) information on NCDPI's website regarding the Statewide assessment system. The State chose to provide responses to the desk audit forms that OSEP uses to prepare for verification visits. Those responses were extremely helpful to OSEP in its preparation for the visit.

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<sup>1</sup> Documents reviewed as part of the verification process were not reviewed for legal sufficiency but rather to inform OSEP's understanding of your State's systems.

OSEP conducted a conference call on June 15, 2005 with members of North Carolina's Special Education Advisory Board, to hear their perspectives on the strengths and weaknesses of the State's systems for general supervision, data collection and reporting, and Statewide assessment. Ms. Watson and NCDPI staff also participated in the call and assisted us by inviting the participants. In addition, OSEP conducted a conference call regarding the same topics on June 15, 2005, with representatives from a number of groups that represent children with disabilities and their families.

The information that Ms. Watson and other NCDPI staff provided during the OSEP visit, together with all of the information that OSEP staff reviewed in preparation for the visit, greatly enhanced our understanding of NCDPI's systems for general supervision, data collection and reporting, and Statewide assessment.

### **General Supervision**

In looking at the State's general supervision system, OSEP collected information regarding a number of elements, including whether the State: (1) has identified any barriers (e.g., limitations on authority, insufficient staff or other resources, etc.) that impede the State's ability to identify and correct noncompliance; (2) has systemic, data-based, and reasonable approaches to identifying and correcting noncompliance; (3) utilizes guidance, technical assistance, follow-up, and—if necessary—sanctions, to ensure timely correction of noncompliance; (4) has dispute resolution systems that ensure the timely resolution of complaints and due process hearings; and (5) has mechanisms in place to compile and integrate data across systems (e.g., 618 State-reported data, due process hearings, complaints, mediation, large-scale assessments, previous monitoring results, etc.) to identify systemic issues and problems.

#### ***Identification of Noncompliance***

***Program Compliance Audit.*** Prior to the 1999-2000 school year, NCDPI used the Program Compliance Audit (PCA) process to monitor the provision of special education and related services. The PCA process included a comprehensive Desk-Top Notebook, which NCDPI used to conduct extensive review of all policies, regulations, and procedures for implementing Part B and related State requirements.

***Continuous Improvement Monitoring Process (1999-2004).*** In 1999, NCDPI began developing the five-phase Continuous Improvement Monitoring Process (CIMP). The State developed this revised monitoring process to align its system with the 1997 reauthorization of the Individuals with Disabilities Education Act (IDEA) and OSEP's system for monitoring States, and to incorporate review of student performance and outcomes as part of the monitoring process. CIMP incorporated features from the former PCA, and was largely centered on local self-assessments.

During the Self-Assessment phase (Phase I), public agencies (including charter schools, State-operated programs (SOPs), and other local educational agencies (LEAs), in conjunction with a locally-appointed steering committee of stakeholders, collected and analyzed data to determine the effectiveness of the special education program in complying with Part B requirements and in

meeting the needs of students with disabilities. When a public agency discovered noncompliance through its self-assessment, NCDPI expected it to remedy the problem immediately and to develop systemic strategies to prevent a reoccurrence. As reported by NCDPI and confirmed by OSEP through its review of the self-assessment document, the self-assessment process was comprehensive in its review of Part B compliance. If NCDPI determined through its review of an agency's self-assessment that the self-assessment was comprehensive, it would advance the agency directly to the Continuous Improvement Planning and Implementation phase (Phase III). For other public agencies, NCDPI would use the Validation Data Collection phase (Phase II) to verify and augment the data submitted by public agencies as part of their self-assessments. This process could include: (1) submission of additional data; (2) program observations, interviews with parents, students with disabilities, public agency staff, and/or steering committee members; and/or (3) on-site record reviews. NCDPI found that public agencies' self-assessments were comprehensive, candid, and accurate. During the Continuous Improvement Planning and Implementation phase (Phase III), the public agency would develop a continuous improvement plan (CIP) to address all areas of need and noncompliance identified that the agency had not already corrected during the Self-Assessment phase. With NCDPI approval, the public agency would implement the CIP. The Verification of Implementation phase (Phase IV) focused on a review of the CIP, along with continued and ongoing technical assistance if required or requested. This phase could include submission of data to NCDPI and/or on-site visitation. Phase V, Continuous Self-Directed Improvement and Focused Review, began once the CIP had been closed and focused on the joint effort of the public agency and NCDPI to develop and implement a growth plan, and continued program enhancements.

***Continuous Improvement Focused Monitoring Process (2005 to present).*** Beginning in 2005, NCDPI revised the CIMP to a four-phased system, the Continuous Improvement Focused Monitoring Process (CIFMP), to better align with revisions to OSEP's monitoring system and to ensure more timely improvement and compliance. NCDPI's CIFMP is very similar to the former CIMP, and is a data-driven system, which focuses on compliance and improved outcomes for students with disabilities. The current system consists of the following four phases: (1) Phase I—Self-Assessment (as described above); (2) Phase II—Continuous Improvement Planning; (3) Phase III—Implementation and Verification of the agency's approved CIP; each public agency must submit an annual performance profile as evidence to verify implementation of the CIP; and (4) Phase IV—Continuous Improvement and Focused Review, during which there is ongoing or annual review of each public agency's evidence of change. In Phase III, NCDPI requires further verification review for some public agencies that may include additional data submission, on-site interviews with stakeholders, program observations, and record reviews (either on-site or through the Comprehensive Exceptional Children's Accountability System (CECAS)). NCDPI may require revisions to an agency's plan based upon information learned through Phase IV. Follow-up monitoring by the State also has a focused monitoring component that requires State intervention, based upon a public agency's compliance and outcome data.

NCDPI's six-year monitoring cycle includes all public agencies, including traditional school districts, charter schools, State-operated programs, and programs operated by the Department of Corrections, the Department of Juvenile Justice and Delinquency, and the Department of Health

and Human Services' Office of Education Services. By February 2006, all of these agencies will have completed the self-assessment phase of the monitoring process.

During the verification visit, NCDPI informed OSEP that, in addition to the four phase Monitoring Process, the State also uses a focused monitoring component that targets key performance indicators, including diploma and drop-out rates, academic performance, descriptions of least restrictive environment, and quality of programs. The State analyzes public agency data related to the key performance indicators to identify systemic issues. In consultation with a stakeholder steering committee, the State maintains a pool of qualified team members for focused monitoring teams. The Team Leader selects and trains team members, in preparation for entrance and exit conferences, interviews, program observations, individual student record reviews, and data analysis.

As noted above, the State's self-assessment process is comprehensive. Through its verification process, the State has determined that public agencies' self-assessments are accurate and comprehensive. Although OSEP cannot, without collecting data at the local level, make an independent determination as to the effectiveness of the State's system for identifying noncompliance, the system appears to be a reasonable approach to the identification of noncompliance.

#### ***Correction of Noncompliance***

Under 20 U.S.C. §1232d (b)(3) and 34 CFR §300.600, NCDPI must ensure that public agencies correct noncompliance.

After reviewing a public agency's self-assessment, it issues a letter to the agency documenting the areas of noncompliance that the agency must correct. NCDPI explained that public agencies must correct any noncompliance, even if only one student record is out of compliance, and must ensure such correction as soon as possible, but no later than one year from the date on which the agency identified the noncompliance. NCDPI further explained that: (1) a major portion of the responsibilities of its regional technical assistance consultants is following up with each public agency to ensure that it has successfully corrected all identified noncompliance; (2) once NCDPI determines that a public agency has completed correction of all noncompliance, it sends a letter to the public agency informing it that it has been moved from Phase II to Phase III of the Continuous Improvement Monitoring cycle; and (3) NCDPI will not send a letter moving an agency to Phase III unless and until NCDPI has determined that the agency has corrected all identified noncompliance. In reviewing NCDPI's monitoring files, OSEP could find no documentation, beyond the letters informing public agencies that they had progressed to Phase III, of correction of noncompliance, or of the manner in which or date on which NCDPI determined that the public agency had corrected the noncompliance. NCDPI acknowledged that it could not provide such documentation.

Thus, although NCDPI reported that it has ensured the correction of noncompliance identified through its Continuous Improvement Monitoring, it has not maintained documentation of such correction and of the State's compliance with the requirement of 20 U.S.C. §1232d (b)(3) and 34 CFR §300.600 to ensure that public agencies correct noncompliance.

Within 60 days from the date of this letter, the State must submit to OSEP either: (1) documentation that NCDPI is implementing effective procedures for ensuring the timely (i.e., no later than one year after NCDPI identifies the noncompliance) correction of noncompliance, including being able to demonstrate that each public agency has corrected identified noncompliance; or (2) the State's plan for correcting and demonstrating, within one year from the date on which OSEP accepts the plan, that NCDPI is effectively ensuring correction of noncompliance within the one-year timeline.

NCDPI informed OSEP that it reviewed the compliance and performance data that it received from all sources (including self-assessments, verification, focused monitoring, the CECAS data collection system, and dispute resolution), and used that information to target its technical assistance and guidance efforts.

### *Mediation*

NCDPI staff reported to OSEP that mediation is offered by the Office of Administrative Hearings (OAH). 20 well-trained mediators are assigned on a rotational basis by region. According to information provided on page 4 of NCDPI's FFY 2003 APR, the State developed a plan for a new statewide special education mediation program in September 2003. NCDPI's End of Year Report for the period from July 1, 2004 through June 30, 2005 provides that, during this period, the State received 129 requests for mediation. Of those requests, 26 were withdrawn before scheduled mediation (parties settled disputes themselves); 65 were held; 26 where the responding party declined to mediate; 12 had not been held as of July 30, 2005; and 54 were associated with a petition for due process hearing.

### *Due Process Hearings*

North Carolina has a two-tier special education due process hearing system, in which the State's Office of Administrative Hearings conducts due process hearings. If a party appeals from a due process hearing, NCDPI contracts with university professors to review the decision and issue a decision within 30 days.

The Part B regulations require that the final decision in a due process hearing be reached and mailed to the parties not later than 45 days after the receipt of a request for a hearing, and that a hearing officer may grant specific extensions of time beyond that period at the request of either party (34 CFR §300.511(a) and (c)). Pursuant to these requirements, a hearing officer may only extend that timeline for a hearing decision at the request of a party, and, in extending the timeline, must specify the new date by which the decision will be reached and mailed to the parties. As further explained below, the State identified noncompliance with these requirements in its 2001 Self-Assessment, and the State has not yet corrected that noncompliance.

In its 2001 Self-Assessment, the State reported that, "from 1997-2000, due process hearings were decided within the required 45-day timeline approximately 33% of the time; 27 of 161 due process hearings requested from 1997-2000...exceeded the required 45-day timeline." In its June 9, 2004 letter, OSEP accepted the State's plan to address this issue, and directed the State to

submit, no later than 30 days following one year from the date of the letter, documentation that it had corrected the noncompliance. In its FFY 2002 Part B APR, the State reported data showing continuing noncompliance. OSEP's October 15, 2004 response to the State's FFY 2002 APR directed the State to: (1) provide an update regarding its progress in correcting the noncompliance, including current supporting data and analysis, in its FFY 2003 APR; and (2) as required by OSEP's June 2004 letter, submit, by July 9, 2005, its final Progress Report with data and analysis demonstrating correction of the noncompliance.

On page 18 of its FFY 2003 APR, the State provided data showing that decisions were reached in four hearings during the July 1, 2003-June 30, 2004 reporting period, all of which exceeded the 45-day timeline and none of which had a properly extended timeline. The State further reported that 27 due process cases filed during the reporting period remained open for more than 100 days. During OSEP's July 2005 verification visit, the State acknowledged that none of the hearing officers documented specific extensions of the hearing timeline when they exceeded the 45-day timeline, and that, therefore, the State was not in compliance in each case in which a hearing request was not resolved within 45 days from the receipt of the hearing request. The State provided a log showing that, for the period of January 2, 2004 to April 29, 2005, the State received 88 hearing requests, of which only 21 were resolved within 45 days.<sup>2</sup> The actions that the State must take regarding this continuing noncompliance are specified in OSEP's October 2005 response to the State's FFY 2003 APR.

### *State Complaints*

The Part B regulations require that NCDPI issue its written decision on each Part B written complaint within 60 days of receipt of the complaint, unless the timeline is extended due to exceptional circumstances with regard to a particular complaint (34 CFR §300.661(a) and (b)(1)). In its 2001 Self-Assessment, the State reported that from 1998-2001, 50% of formal complaints were resolved within the 60-day timeline. In its FFY 2002 APR, the State provided data showing that, during the July 1, 2002-June 30, 2003 reporting period, it issued 38 of 39 complaint decisions within the required timeline. OSEP's October 2003 response directed the State to continue to report, in its FFY 2003 APR, on the State's progress in ensuring full compliance with those requirements.

As part of the verification visit, NCDPI provided OSEP with data for July 1, 2004-June 30, 2005, indicating that: (1) the State received 110 complaints; (2) the State did not investigate 34 of the complaints because they did not meet the IDEA criteria for formal written complaints; (3) the State set aside one complaint, because a due process petition was filed; and (4) the State investigated the other 75 complaints. The State resolved 69 of those 75 complaints within 60 days, four exceeded the timeline by a few days without an extension, and two exceeded the 60-day timeline by 21 days without an extension.

In the SPP, due December 2, 2005, the State must continue to report on its efforts to ensure full compliance with the complaint timelines.

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<sup>2</sup> The State also provided documentation that it was in compliance with the timeline requirements, at 34 CFR §300.511(b) and (c), for review decisions.

### **Collection of Data under Section 618 of the IDEA**

In looking at the State's system for data collection and reporting, OSEP collected information regarding a number of elements, including whether the State: (1) provides clear guidance and ongoing training to local programs/public agencies regarding requirements and procedures for reporting data under section 618 of the IDEA; (2) implements procedures to determine whether the individuals who enter and report data at the local and/or regional level do so accurately and in a manner that is consistent with the State's procedures, OSEP guidance, and section 618; (3) implements procedures for identifying anomalies in data that are reported, and correcting any inaccuracies; and (4) has identified any barriers (e.g., limitations on authority, sufficient staff or other resources, etc.) that impede the State's ability to accurately, reliably and validly collect and report data under section 618.

Prior to September 2004, NCDPI used its Exceptional Children End-of-Year Report (ECEYOY) data system to report its data under section 618 for child count, educational environments, and exiting. NCDPI collected discipline data from the statewide Safe Schools database, and personnel data from public agencies.

#### ***Child count, environment, and exiting data***

The State used funds from its General Supervision Enhancement Grant to develop the Comprehensive Exceptional Children Accountability System (CECAS). Through a contract with Enterprise Computing Services (ECS), the State provides day-to-day management and maintenance of the system. CECAS is available, at no cost, to all public agencies as a means of managing, analyzing and reporting exceptional children data.

The State began to use CECAS to collect its 618 data for child count, educational environments, and exiting in September 2004. For the 2005-2006 school year, CECAS will be utilized by all charter schools, all SOPs, and all but 12 of the State's local districts. Those 12 districts may continue using their individual data systems, but they must upload the required data into CECAS for submitting its data to the State.

NCDPI informed OSEP that it ensures the accuracy of the data it collects through CECAS through validations on the data entry process, which prevent users from entering data that are internally inconsistent. For example, CECAS ensures that users cannot enter an IEP date that occurs before the student appeared in the public agency. Reporting validations utilize advanced algorithms to ensure counts are unique and that when students move from one agency to another, it does not result in duplicated student counts. Also, each public agency's special education director must certify the agency's data. Through this process, each director must indicate that he or she has reviewed and approves the reported numbers. If an agency submits incorrect data, there are several processes in place to identify these discrepancies and the agency is then required to correct and resubmit the data.

CECAS is designed with numerous compliance checks and built-in error checks to avoid duplication and reduce data-entry errors. CECAS also has the ability to import student demographics and exports special education data to the State's legacy general education data

system (SIMS). CECAS also has an IEP format embedded in the system that allows IEPs to be developed, tracked and updated by teachers and related service providers. The user-friendly format will allow teachers to access the system from school or home computers, with the capability to load a child's IEP onto a laptop to use during IEP meetings, then upload it back into the system.

Each child with an IEP has a unique identifier number that allows for tracking children with IEPs as they move, making their records immediately available to the receiving school and district. School, district, and State-level reports can be generated from CECAS around numerous data elements, using either numbers or percentages.

The State has a high degree of confidence in the validity of the data collected through CECAS. In most cases, public agencies have trained their teachers to enter and maintain data directly into CECAS. Some agencies have chosen to keep this task at the agency level, and have data managers maintain CECAS data at that level. NCDPI personnel and regional personnel provide technical assistance via telephone, regional trainings, workshops/conferences, and on-site trainings to districts. Targeted and ongoing training is provided through a State-level CECAS trainer and five regional trainers. Each district employs either one full-time or half-time staff person for training and support. Public agency personnel responsible for data receive ongoing technical assistance and support via telephone, on-site visits, trainings and workshops.

#### ***Discipline and Personnel Data***

The State reported that although CECAS has the ability to track discipline and personnel data, the State continues to use other existing data collection systems to collect these data in an effort to minimize reporting burdens on public agencies. NCDPI collects discipline data from its Safe Schools Division, utilizing an aggregated form of collection via a spreadsheet, and collects personnel data directly from agencies via a spreadsheet. State staff reported that they have a high level of confidence in these data.

#### **Statewide Assessment**

In looking at the State's system for statewide assessment, OSEP collected information regarding a number of elements, including whether the State: (1) establishes procedures for statewide assessments that meet the participation, alternate assessment, and reporting requirements of Part B, including ensuring the participation of all students, including students with disabilities, and the provision of appropriate accommodations; (2) provides clear guidance and training to public agencies regarding those procedures and requirements; (3) monitors local implementation of those procedures and requirements; and (4) reports on the performance of children with disabilities on those assessments, in a manner consistent with those requirements.

The State has developed guidelines to ensure that all students with disabilities, regardless of the severity of their disability, participate in State assessments. The "Guidelines for Making Decisions for the Participation of Students with disabilities in the NC Testing Program" is used statewide for decision-making by IEP teams. Several accommodations in format, presentation,



environment and response are available, as determined by the IEP team, for students with disabilities.

### ***Participation***

In North Carolina, all children participate in the accountability program, the ABCs of Public Education. It was noted on page 53 of North Carolina's Federal fiscal year (FFY) 2003 APR that, even before the No Child Left Behind Act, North Carolina's accountability model included all students. The State is in the process of developing science assessments for grades 5 and 8, and is also exploring options for redesigning its alternate assessments.

The State provides a list of accommodations in test format, presentation, and environment. Guidance is provided to public agencies through the *Test Administrator's Guide*, and through the *Testing Students with Disabilities* document. Each student's IEP team determines whether a testing accommodation is appropriate for the student's disability, or whether the student should be assessed using a state-designated alternate assessment.

All students with disabilities in North Carolina participate in either the regular assessment, without or without accommodations, or one of the following alternate assessments:

#### ***North Carolina Alternate Assessment Academic Inventory (NCAAAI)***

The NCAAAI is one of the State's designated alternate assessments in which teachers utilize a checklist to evaluate student performance in the areas of reading and mathematics at grades 3-8 and 10, writing at grades 4, 7 and 10, and in high school courses in which an end-of-course test is administered. Students with disabilities may participate in the NCAAAI instead of taking the regular assessments (ABCs), or be assessed below their assigned grade level using the NCAAAI as a alternate assessment to the end-of-grade test in reading or math (grades 3 through 8), and the high school comprehensive tests in grade 10.

#### ***North Carolina Alternate Assessment Portfolio (NCAAP)***

The NCAAP is a yearlong assessment process that measures student performance and progress on goals specified in the current IEP from the extended standards of the North Carolina Standard Course of Study. The NCAAP may be used as an alternate assessment for testing students with the most significant cognitive disabilities in the areas of reading and mathematics at grades 3-8 and 10, and writing at grades 4, 7 and 10. Participation in the NCAAP must be documented in the student's current IEP.

### ***Reporting***

All public agencies are provided with a computer, scanner, printer, and auditing software for local scoring of end-of-grade tests, which are then submitted to NCDPI. There are several built-in quality control measures to ensure the validity of all test results, including six regional accountability coordinators to implement and monitor the quality control measures. In addition, the Exceptional Children Division regional consultants provide training for local school

personnel. Performance results are presented to the State Board of Education, given to each school district, and also posted on the State's website.

Staff from NCDPI's Accountability Services and Exceptional Child Divisions, along with section chiefs and directors from testing, exceptional children and curriculum divisions, meet monthly to discuss issues related to student participation and performance in statewide assessments. Through these collaborative efforts, the State has just completed the development of grade-level extensions to the achievement standards that are linked to content standards in English/Language Arts, Science, and Math for grades 3-8 and 10.

OSEP has determined, through its review of the State's written procedures for statewide assessments and the State's reports to the public and the Secretary on the participation and performance of children with disabilities on such assessments, that those procedures, as written, and those reports are consistent with Part B requirements. OSEP cannot, however, without also collecting data at the local level, determine whether all public agencies in the State implement the State's procedures in a manner that is consistent with Part B.

### ***District-wide Assessments***

OSEP finds that NCDPI has not ensured compliance with the requirements of 34 CFR §§300.138, 300.139 and 300.347(a)(5), as they apply to districtwide assessments. NCDPI special education and assessment administrators and staff informed OSEP that: (1) while NCDPI is aware that some school districts administer districtwide assessments (in addition to the required statewide assessments), NCDPI did not know which districts administer such districtwide assessments; and (2) NCDPI has not monitored to ensure compliance with the requirements of 34 CFR §§300.138, 300.139 and 300.347(a)(5) as they apply to districtwide assessments. Within 60 days from the date of this letter, the State must submit to OSEP either: (1) documentation that NCDPI has corrected this area of noncompliance; or (2) the State's plan for ensuring, within one year from the date on which OSEP approves the plan, that NCDPI is monitoring to ensure that school districts that administer districtwide assessments are complying with the requirements or 34 CFR §§300.138, 300.139 and 300.347(a)(5), as they apply to districtwide assessments.

### **Conclusion**

As noted above, the State must submit to OSEP, no later than 60 days from the date of this letter:

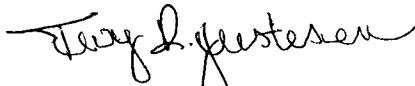
1. Either: (a) documentation that NCDPI is implementing effective procedures for ensuring the timely (i.e., no later than one year after NCDPI identifies the noncompliance) correction of noncompliance, including being able to demonstrate that each public agency has corrected identified noncompliance; or (b) the State's plan for correcting and demonstrating, within one year from the date on which OSEP accepts the plan, that NCDPI is effectively ensuring correction of noncompliance within the one-year timeline.
2. Updated data on its compliance with the requirements of 34 CFR §300.511(a) and (c), as specified in OSEP's October 2005 response to the State's FFY 2003 APR.

3. Either: (a) documentation that NCDPI is monitoring to ensure that public agencies that administer districtwide assessments are complying with the requirements of 34 CFR §§300.138, 300.139, and 300.347(a)(5), as they apply to districtwide assessments; or (b) the State's plan for ensuring, within one year from the date on which OSEP approves the plan, that NCDPI is monitoring to ensure that public agencies that administer districtwide assessments are complying with those requirements.

In addition, the State must submit an additional progress report related to due process hearings by April 14, 2006. If the State does not demonstrate correction of the noncompliance by June 30, 2006, OSEP will consider designating the State as a high-risk grantee and including special conditions on the State's FFY 2006 Part B grant awards.

We appreciate the cooperation and assistance provided by your staff during our visit, and look forward to our continued collaboration with North Carolina to support your work to improve results for children with disabilities and their families.

Sincerely,



Troy R. Justesen  
Acting Director  
Office of Special Education Programs

cc: Mary N. Watson