



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

July 1, 2014

Honorable Aldona Vos, M.D.
Secretary
North Carolina Department of Health and Human Services
2001 Mail Service Center
Raleigh, North Carolina 27699-2001

Dear Secretary Vos:

We have approved North Carolina's application for Federal fiscal year (FFY) 2014 funds, under Part C of the Individuals with Disabilities Education Act (IDEA Part C). Our approval is based on our review of the IDEA Part C application, submitted by the North Carolina Department of Health and Human Services (NCDHHS) to the U.S. Department of Education, Office of Special Education Programs (OSEP), on April 18, 2014.

Our approval of the State's FFY 2014 IDEA Part C grant includes approval of policies, procedures, methods, descriptions, assurances, and certifications identified in Section II.A, II.B, and II.C, which is incorporated by reference to this grant award letter as Enclosure A. Our approval is also based on the State's certification in Section II.D of its FFY 2014 application that the State's provisions meet the requirements of IDEA Part C as found in 20 U.S.C. §§1431 through 1443 and the final regulations in 34 CFR Part 303 (as published on September 28, 2011), and that the State will operate its Part C program in accordance with all of the IDEA Part C requirements including required policies, procedures, methods, descriptions, assurances and certifications. See, 34 CFR §76.104.

OSEP's approval of the State's FFY 2014 IDEA Part C application is also based on our approval of the policies, procedures, agreement, methods and descriptions submitted by the State under Section II.A. 2, 3a, 3b, 4, 7, 8, 9, 10, 11, and 12 as detailed in OSEP's memoranda dated December 9, 2013 and February 6, 2014.

As part of the IDEA Part C application for FFY 2014, your State has made an assurance, under Section II.C.2 of its FFY 2014 application and pursuant to 34 CFR §80.11(c), that it will comply with all applicable Federal statutes and regulations in effect during the FFY 2014 grant period.

Enclosed is the State's FFY 2014 grant award for funds currently available under the Consolidated Appropriations Act, 2014 – P.L. 113-76 for the IDEA Part C program. These funds are available for obligation by IDEA grant recipients from July 1, 2014 through September 30, 2016 in accordance with 34 CFR §76.709.

Section IV.B of the IDEA Part C FFY 2014 application requested updated information about how your lead agency implements the restricted indirect cost rate requirements in 34 CFR §303.225(c). Your State indicated in Section IV.B that NCDHHS has a provisional restricted indirect cost rate that expired on June 30, 2013, and the agency is in the process of negotiating a new restricted indirect cost rate that will be in effect for the FFY 2014 grant period. In Section IV.B, your lead agency also indicated it will continue to bill IDEA Part C FFY 2014 grant funds

based on this provisional restricted indirect cost rate until a final restricted indirect cost rate agreement is approved for FFY 2014, which may result in an adjustment of the final audited expenditures allowed to the Part C FFY 2014 grant funds. When a final restricted indirect cost rate is approved by NCDHHS's cognizant Federal agency for FFY 2014, please forward a copy of it to our Indirect Cost Unit and to your OSEP State Contact.

Section 604 of the IDEA provides that “[a] State shall not be immune under the 11th amendment to the Constitution of the United States from suit in Federal court for a violation of this [Act].” Section 606 provides that each recipient of assistance under IDEA make positive efforts to employ and advance in employment qualified individuals with disabilities in programs assisted under the IDEA. Therefore, by accepting this grant, your State is expressly agreeing as a condition of IDEA funding to a waiver of Eleventh Amendment immunity and to ensuring that positive efforts are made to employ and advance employment of qualified individuals with disabilities in programs assisted under the IDEA.

The enclosed grant award of FFY 2014 funds is made with the continued understanding that this Office may, from time to time, require clarification of information within your application, if necessary. These inquiries may be necessary to allow us to appropriately carry out our administrative responsibilities related to IDEA Part C. If your State revises those IDEA Part C policies or procedures that are required under Part C of the IDEA or the final regulations in 34 CFR Part 303, the State must subject those policies and procedures to the public participation requirements in 34 CFR §303.208 and receive OSEP approval for those policies and procedures referenced in 34 CFR §303.101(c) prior to their implementation.

As a reminder, all prime recipients of IDEA (Part B or Part C) funds, must report subaward information as required by the Federal Funding Accountability and Transparency Act of 2006 (FFATA), as amended in 2008. First-tier subaward information must be reported by the end of the following month from when the award was made or obligated. FFATA guidance is found at <http://www2.ed.gov/policy/gen/leg/recovery/rms-web-conferences.html>. Please contact your State's Fiscal Accountability Facilitator if you have further questions.

We appreciate your ongoing commitment to the provision of quality early intervention services to infants and toddlers with disabilities and their families.

Sincerely,

A handwritten signature in black ink, appearing to read "Melody Musgrove". The signature is fluid and cursive, with a large loop at the end.

Melody Musgrove, Ed.D.
Director
Office of Special Education Programs

Enclosure

Enclosure A

cc: State Part C Coordinator