



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

FEB 29 2012

Honorable June St. Clair Atkinson  
Superintendent of Public Instruction  
North Carolina Department of Public Instruction  
6301 Mail Services Center  
Raleigh, North Carolina 27699-6301

Dear Superintendent Atkinson:

This letter is to inform you of the results of the Office of Special Education Programs' (OSEP's) Continuous Improvement Visit (CIV) to the North Carolina Department of Public Instruction (NCDPI) during the week of November 14, 2011. As indicated in our letter to you dated March 29, 2011, the visit consisted of two components: (1) the verification of State systems for implementing key requirements of the Individuals with Disabilities Education Act (IDEA); and (2) a collaborative focus on improving results.<sup>1</sup> The CIV is designed to ensure compliance and improve performance with Part B of the IDEA in accordance with 20 U.S.C. 1416.

The purpose of the verification component of the visit is to review the State's systems for general supervision and fiscal management. OSEP developed critical elements that were used to guide its evaluation of North Carolina's general supervision (including data) and fiscal systems. The Enclosure to this letter describes the scope of OSEP's review of the State's systems and briefly outlines relevant statutory and regulatory requirements for each critical element. OSEP found noncompliance, and has required corrective action that ensures the State provides for the collection and examination of data to determine significant disproportionality in accordance with 34 CFR §300.646.

OSEP is currently in the process of conducting a comprehensive review of States' systems for implementing the fiscal requirements of IDEA, and related statutes and regulations, through the CIVs and other mechanisms, including the desk audits that OSEP's Recovery Act Facilitators are conducting with all States. In order to provide each State with an integrated response based on its review of States' fiscal systems, OSEP will respond to the State separately to address fiscal issues and has not included a fiscal section in the Enclosure. The fiscal information gathered during the verification component of the CIV will also be addressed in that separate letter.

Generally, the Enclosure to this letter does not include descriptions of the State's systems because this information is available on the State's Web site in North Carolina's State Performance Plan. OSEP's analysis of each critical element and any required actions, if noncompliance was identified during the visit, are provided in the Enclosure to this letter.

During the CIV, NCDPI also focused on improving educational results and functional outcomes for children and youth with disabilities. Prior to the visit, the NCDPI participated in a process with OSEP to concentrate its efforts on improving graduation and dropout performance rates for students with disabilities in two local educational agencies (LEAs) in the State. With OSEP's

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<sup>1</sup> During the week of November 14, 2011, OSEP also conducted its Part C CIV to the North Carolina Department of Health and Human Services.

participation, NCDPI and stakeholders, including representatives from two LEAs, the State Advisory Panel and the Exceptional Children's Assistance Center, and OSEP-funded technical assistance centers (the National Secondary Technical Assistance Center, the National Dropout Prevention Center, the National Post-School Outcomes Center, and the Mid-South Regional Resource Center) engaged in a facilitated process to examine the data, review current and past efforts to improve results, and formulate strategies that the TEA will employ to improve results in the graduation and dropout performance rates for students with disabilities in two LEAs in the State, and to begin formulating strategies that North Carolina will employ to improve results for students with disabilities in the selected priority areas across the State. NCDPI is developing a plan that includes specific benchmarks for improvement, as well as timelines, resources, and measurements for NCDPI to improve results which will become publicly accessible at <http://www.dpi.state.nc.us/>.

OSEP appreciates the cooperation and assistance provided by your State staff and others, including staff from the Exceptional Children's Assistance Center and the North Carolina Protection and Advocacy office, parents of children and youth with disabilities, and the State Advisory Panel in providing feedback and input on the State's systems for providing educational services to children and youth with disabilities. We look forward to collaborating with all stakeholders and actively working with the State to improve results and compliance for children and youth with disabilities and their families. If you have any questions or wish to request technical assistance, please do not hesitate to call your OSEP State Contact, Lynne Fairfax, at (202) 245-7337.

Sincerely,

A handwritten signature in black ink, appearing to read 'Melody Musgrove', with a long horizontal flourish extending to the right.

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

Enclosure

cc: Mary Watson  
State Director of Special Education